Empowering Women at Work

Policies and Practices for Gender Equality in Supply Chains
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This technical report was drafted under the technical guidance and overall coordination of Laura Addati, Annie van Klaveren and Emily Sims, ILO Specialists at the Multinational Enterprises and Enterprise Engagement Unit (MULTI) of the ILO Enterprises Department. The preliminary draft was prepared by Camilla Bober (ILO consultant). The report was reviewed by Vic van Vuuren, Githa Roelans, Wael Issa, Amanda Villatoro, Faustina Van Aperen and Victor Hugo Ricco (ILO); and Anna Fälth, Meral Guzel, Diana Rusu, Mariko Saito, Stephanie Dei, Stephanie Foster and Nancy Mitchell (UN Women). Their inputs and contributions, which have enriched the report, are highly appreciated.

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Executive summary

Supply chains have revolutionized labour and the global economy in many positive ways, in particular creating opportunities for lower-income countries to diversify their economies and create jobs. Globalization has also increased competition among producers, sometimes creating downward pressure on conditions of work.

Women are major contributors to supply chains, sometimes comprising up to 80 or 90 per cent of workers. In many cases their participation has allowed women to become more financially independent and contribute more to household income. They are also disproportionately affected by decent work deficits in global supply chains. It is therefore crucial to examine ways in which policies and practices can promote a future of decent work with gender equality.

The principles discussed in this report are applicable to the management of supply chains, both global and local. The policies and practices included in the report will provide useful ideas as to what any enterprise (whether private, or partially or fully state-owned) can do to help its business partners to respect human rights concerning non-discrimination and the promotion of gender equality, which is a goal all companies should share. The guidance is equally relevant to any government body or NGO wishing to promote gender equality in its supply chains.

This document is part of the EU, UN Women and ILO project “Empowering women at work through responsible business in G7 countries” (WE EMPOWER G7). WE EMPOWER G7 supports sustainable, inclusive and equitable economic growth by promoting women’s economic empowerment in the public and private sectors in G7 countries. This document is one of a series of four publications – (i) government policies, (ii) company human resources policies, (iii) company supply chain management policies, and (iv) workers’ organization initiatives – aiming to promote gender equality in line with the provisions of international labour standards and the ILO’s Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration).
This report is aimed primarily at a business audience, but also includes some suggestions for government action to encourage all companies to promote gender equality in their supply chains.

The report, based on secondary research, analyses international and regional trends in responsible supply chain management from a gender perspective. It also provides 23 illustrative practices of what companies can do to empower women workers in their supply chains. Because these examples are drawn from published reports, the majority come from publicly listed companies with global supply chains. Even so, the cases can inspire similar initiatives among local business partners.

Women’s economic empowerment initiatives may relate to all dimensions of supply chain management, with different goals in mind. This report focuses on six critical areas that, taken together, are essential for women’s economic empowerment: ensuring equal opportunity in employment and occupation; achieving equal pay; preventing and eliminating violence and harassment; establishing a healthy work–life balance and supporting workers’ care needs; promoting women in business and management roles; and investing in a decent future of work. Overall, these policies have a positive impact on promoting gender equality at work. Additionally, they result in proven economic and social improvements for business and for society at large.

Despite the commendable efforts of governments, employers’ and workers’ organizations, and companies to promote women’s economic empowerment in supply chains, such as those listed in this report, more efforts are needed. This report concludes with recommendations on workers’ representation; social dialogue, including collective bargaining; transparency beyond Tier 1 and Tier 2 suppliers; tying in gender equality policies with other decent work goals at the lower end of supply chains; and seeking investment and partnerships for funding supply chain reforms.
# List of acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AI</td>
<td>Artificial intelligence</td>
</tr>
<tr>
<td>BSR</td>
<td>Business as Social Responsibility</td>
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<tr>
<td>EC</td>
<td>European Commission</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>G7</td>
<td>Group of 7</td>
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<tr>
<td>G20</td>
<td>Group of 20</td>
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<tr>
<td>GBVH</td>
<td>Gender-based violence and harassment</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GFA</td>
<td>Global Framework Agreement</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
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<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
</tr>
<tr>
<td>IGA</td>
<td>Income generating activities</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>ILO MNE Declaration</td>
<td>ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy</td>
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<tr>
<td>ILO-WED</td>
<td>International Labour Organization Women's Entrepreneurship Development</td>
</tr>
<tr>
<td>IOE</td>
<td>International Organisation of Employers</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
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<tr>
<td>ITUC</td>
<td>International Trade Union Confederation</td>
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<tr>
<td>MIG SCORE</td>
<td>Gender Equality Model</td>
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<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>NGO</td>
<td>Non-governmental organization</td>
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<td>OSH</td>
<td>Occupational Safety and Health</td>
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<td>OECD</td>
<td>The Organisation for Economic Co-operation and Development</td>
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<tr>
<td>SCORE</td>
<td>Sustaining Competitive and Responsible Enterprises</td>
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<tr>
<td>SDGs</td>
<td>Sustainable Development Goals</td>
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<tr>
<td>SMEs</td>
<td>Small and Medium-sized Enterprises</td>
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<tr>
<td>STEM</td>
<td>Science, Technology, Engineering and Mathematics</td>
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<tr>
<td>UNGC</td>
<td>UN Global Compact</td>
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<tr>
<td>UDHR</td>
<td>Universal Declaration of Human Rights</td>
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<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>UN Guiding Principles</td>
<td>UN Guiding Principles on Business and Human Rights</td>
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<tr>
<td>UNHROHC</td>
<td>United Nations Human Rights Office of the High Commissioner</td>
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<tr>
<td>US SBA</td>
<td>United States Small Business Administration</td>
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<tr>
<td>VSLAs</td>
<td>Village Savings and Loans Associations</td>
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<td>VZF</td>
<td>Vision Zero Fund</td>
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<tr>
<td>WECs</td>
<td>Women's Empowerment Clubs</td>
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<td>WE EMPOWER – G7</td>
<td>EU, UN Women and ILO project “Empowering women at work through responsible business conduct in G7 countries”</td>
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<tr>
<td>WEPs</td>
<td>Women's Empowerment Principles</td>
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<td>WOW</td>
<td>Work and Opportunities for Women</td>
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Introduction

There have been some encouraging improvements in gender equality in the world of work, but progress in closing gender gaps has stalled. There are persistent disparities between women and men, whether in labour market participation, equal pay for work of equal value, representation of women in high-paying occupations and managerial positions, and unpaid care work distribution. Violence and harassment, including sexual harassment, are still a reality for many women, which extends beyond traditional workplaces and affects work-related communications, including those that depend on information and communications technologies. Safety in the workplace is another issue, as 2.3 million women and men die from work-related ailments every year, and even larger numbers are injured in their place of work. Supply chain workers, especially women, often face adverse working conditions with little labour and social protection, and a lack of support for unpaid care work.

Achieving women's economic empowerment and gender equality in the world of work will require proactive and transformative policies from a variety of global stakeholders – governments, companies, employers’ and workers’ organizations, and civil society. In emerging economies women make up a large proportion of supply chain workers (Figure 1) so targeting these supply chains is a strategic game changer for governments and businesses seeking to contribute to gender equality. These policies can also positively impact women supply chain workers in advanced economies, highlighting the global impact of gender equality policies within a single supply chain.

Note: The chart shows the share of female employment as a percentage of jobs related to supply chains (GSCs) and as a percentage of total employment.

Sources: ILO, Decent work in supply chains, 2016, 19.
Women who work in supply chains are often more disadvantaged than men, enjoying fewer occupational safety and health protections, and more limited access to financial and other skill-development services. The large proportion of women in supply chains, such as the garment industry (where women may comprise 80 to 90 per cent of all workers), indicates that initiatives to promote women’s economic empowerment in supply chains can bring about significant change. The examples in this report demonstrate how this can be achieved, without making businesses less competitive.

The ILO Centenary Declaration for the Future of Work (2019) calls for measures to “achieve gender equality at work through a transformative agenda”, which:

1. “ensures equal opportunities, equal participation and equal treatment, including equal remuneration for women and men for work of equal value;
2. enables a more balanced sharing of family responsibilities;
3. provides scope for achieving better work–life balance by enabling workers and employers to agree on solutions, including on working time, that consider their respective needs and benefits; and
4. promotes investment in the care economy”.

The private sector, including investors and employers’ and business organizations, has a key role in implementing this transformative agenda. Supply chain sustainability, as the UN Global Compact (UNGC) and Business for Social Responsibility (BSR) define it, entails the holistic “management of environmental, social and economic impacts, and the encouragement of good governance practices, throughout the lifecycles of goods and services”, potentially creating long-term value for companies of all sizes.

This report is divided into two parts. The introductory section presents the methodology used to identify practices to foster gender equality and provides a brief introduction to international and regional standards and frameworks designed to guide companies in this area. It also sets out the societal benefits and business case for women's economic empowerment as it pertains to G7 and EU countries.

The second part of the report reviews key gender equality policies and presents illustrative supply chain practices as they relate to women’s economic empowerment and gender equality at work, taking into account the following dimensions: ensuring equal opportunities in employment and occupation; achieving equal pay for work of equal value; preventing and ending violence and harassment in the workplace; promoting work–life balance and sharing of childcare responsibilities; promoting women in business and management; and building a future of work that works for women. The report concludes with some recommendations on what governments and businesses can do to further promote gender equality in supply chains.
Methodology

This compilation of illustrative practices on gender equality in supply chains has been created under the auspices of a European Union (EU) funded project to promote the economic empowerment of women at work through responsible business conduct in G7 countries. The project is guided by international labour standards on gender equality; the ILO’s Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration); the Women’s Empowerment Principles (WEPs), designed and launched by UN Women and the United Nations Global Compact (UNGC); and the Sustainable Development Goals (SDGs).

The document features 23 case studies (three government policies and 20 company practices) and relies primarily on secondary research and publicly available company disclosure documents. It takes into account research undertaken by the ILO, the EU, Eurostat, the OECD, the IFC, BSR and other organizations. The review focused primarily on larger companies headquartered in G7 countries and EU Member States, companies outside these areas which supply to G7 and EU states, and the governments of G7 and EU states. Table 1 classifies the illustrative practices concerned by gender equality topic, geographic location, and sector of activity of government or company policy.

The selection of illustrative practices is based on the transformative and replicable nature of the policies concerned, their positive impact on gender equality, and their alignment with the guiding frameworks of international labour standards, the MNE Declaration, the WEPs and the SDGs. External awards or certifications in recognition of a company’s efforts and progress on gender equality were also taken into consideration.
This report is not intended as an exhaustive study of supply chain practices or an endorsement of any particular company. The impact of the featured policies could not be determined in some cases, particularly when initiatives had been only recently implemented. Reliance on publicly available company information meant that claims could not be independently verified; and the examples were skewed towards large companies with the resources to make such disclosures. Secondary research on policy implementation, such as external reports of labour issues in a company supply chain, was undertaken to the best of the authors’ ability and taken into consideration in deciding which practices to include in this publication.
PART 1:
GUIDING FRAMEWORKS FOR SUPPLY CHAIN POLICIES TO PROMOTE GENDER EQUALITY IN THE WORKPLACE

1.1 Normative instruments

ILO conventions, protocols, recommendations and resources on gender equality

There are numerous ILO conventions and recommendations setting out the international labour standards related to gender equality at work, including in supply chains. These include the Equal Remuneration Convention, 1951 (No. 100), and Recommendation No. 90; the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), and Recommendation No. 111; the Workers with Family Responsibilities Convention, 1981, (No. 156), and Recommendation No. 165; the Home Workers Convention, 1996 (No. 177); the Maternity Protection Convention, 2000 (No. 183), and Recommendation No. 191; and, more recently, the Violence and Harassment Convention, 2019 (No. 190), and Recommendation No. 206. There is also a Protocol of 2014 to the Forced Labour Convention, 1930 (P029), to tackle modern forms of forced labour.

In 2016, the ILO adopted a “Resolution concerning decent work in global supply chains”. This deals with the role of governments in improving labour governance and enforcing national legislation, the role of the private sector in ensuring compliance, and the role of the social partners in promoting fundamental principles and rights at work and providing guidance and support to their members. Subsequently, the ILO introduced a programme of action for the period from 2017 to 2021. As part of the follow-up, in 2017 the ILO held a Tripartite Meeting of Experts to identify possible action to promote decent work and protection of fundamental principles and rights at work for workers in export processing zones (EPZs) and in 2019 a Tripartite Meeting of Experts on Cross-border Social Dialogue.

PART 1: GUIDING FRAMEWORKS FOR SUPPLY CHAIN POLICIES TO PROMOTE GENDER EQUALITY IN THE WORKPLACE

Box 1. Gender-specific lens of the Conclusions concerning decent work in supply chains

Point 4 of the Conclusions states that: “In many sectors, women represent a large share of the workforce in supply chains. They are disproportionately represented in low-wage jobs in the lower tiers of the supply chain and are too often subject to discrimination, sexual harassment and other forms of workplace violence. In addition, they lack access to social protection measures in general, and maternity protection in particular, and their career opportunities are limited.”


ILO Declaration on Fundamental Principles and Rights at Work

Adopted in 1998, the Declaration on Fundamental Principles and Rights at Work commits Member States to respect and promote principles and rights in four categories, whether or not they have ratified the relevant conventions. These categories are: freedom of association and effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour, and elimination of discrimination in respect of employment and occupation and the principle of equal remuneration of men and women for work of equal value.11

The ILO has worked hard to promote ratification of the relevant conventions, with great success. To date, 173 countries have ratified Convention No. 100 on equal pay for work of equal value12 and 175 countries have ratified Convention No. 111 on non-discrimination in employment and occupation.13

ILO MNE Declaration

The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) also advocates synergies between public and business policies to promote responsible business conduct, including gender equality in the world of work. This global instrument provides direct guidance to enterprises (multinational and national) on social policy and inclusive, responsible and sustainable workplace practices. It is the only global instrument in this area adopted by governments, employers and workers from around the world. It was adopted almost 40 years ago (amended in 2000 and 2006) and most recently revised in 2017.14 Its principles build on international labour standards (ILO conventions and recommendations) and are addressed to multinational and national enterprises, governments of home and host countries, and employers’ and workers’ organizations. It covers areas such as employment, training, working and living conditions, and industrial relations, as well as general policies (Figure 2).15

PART 1: GUIDING FRAMEWORKS FOR SUPPLY CHAIN POLICIES TO PROMOTE GENDER EQUALITY IN THE WORKPLACE

Figure 2. The Principles of the MNE Declaration specifically addressed to enterprises

1. General policies
   Respect international standards; contribute to the realization of the fundamental principles and rights at work, including gender equality; carry out due diligence, taking account of the central role of freedom of association and collective bargaining, industrial relations and social dialogue; and consult with government, employers’ and workers’ organizations to ensure that operations are consistent with national development priorities, including those related to achieving full gender equality.

2. Employment
   Be guided by the principle of non-discrimination and make qualifications, skill and experience the basis for recruitment, placement, training and advancement of staff; endeavour to increase employment opportunities and standards, including for women workers; build linkages with local enterprises, including those owned or led by women; contribute to the transition to the formal economy; complement and help to stimulate further development of public social security systems which benefit both men and women workers; take immediate and effective measures to secure the prohibition and elimination of forced labour in corporate operations; respect the minimum age of admission to employment and take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour; promote security of employment.

3. Training
   For both men and women, provide training for all levels of workers employed; participate in programmes aiming at encouraging skills formation, lifelong training and development, as well as providing vocational training and making skilled resource personnel available; and provide opportunities within the enterprise for local management to broaden their experience.

4. Working and living conditions
   For both female and male workers, provide wages, benefits and conditions of work not less favourable than those offered by comparable employers in the country concerned, taking into account the general level of wages, the cost of living, social security benefits, economic factors and levels of productivity; and maintain the highest standards of safety and health at work.

5. Industrial relations
   Respect the rights of women and men workers concerning freedom of association and the right to organize, collective bargaining, consultation, access to remedy and examination of grievances and settlement of industrial disputes.


Box 2. ILO Helpdesk for Business on International Labour Standards

The ILO Helpdesk for Business is a resource for company managers and workers to learn how to better align business operations with the principles contained in international labour standards and the MNE Declaration. The Helpdesk is operated by the ILO Multinational Enterprises and Enterprise Engagement Unit. A website provides information, Q&A and tools which are relevant to company operations, all organized by topic for easy navigation; and it announces new tools, webinars and training opportunities which may be of interest to companies. The Helpdesk also has a free and confidential service to answer particular questions, which can be reached by email or phone.

1.2 Other international instruments and initiatives

Other international instruments and initiatives recognize the importance of gender equality as a key contribution business can and should be making to economic and social development, and to respect for human rights, including in supply chains.

**The Sustainable Development Agenda 2030**

The Sustainable Development Goals (SDGs) are the roadmap to tackle the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. They serve to focus the attention of government policymakers and businesses on measures they can take to achieve a better and more sustainable future for all. Gender equality is the nexus of all the interconnected and interdependent SDGs, as decent work for women contributes not only to making poverty history, but also to improving education, peace and safety, as well as food security, nutrition and health outcomes, for children and all members of the household.

The business community – working together with government and other stakeholders – will need to make some important changes if the SDGs are to become a reality, but businesses also stand to gain a great deal if they are achieved. A flagship report by the Business Commission estimates that achieving the SDGs could create 380 million jobs and open up at least US$12 trillion in opportunities for business by 2030. In a survey of UNGC companies, 69 per cent believed that company policies can aid in achieving SDG8: Decent Work and Economic Growth.

**The United Nations Guiding Principles on Business and Human Rights**

In 2011, the UN Human Rights Council unanimously endorsed the United Nations Guiding Principles on Business and Human Rights (UNGPs), which implement the UN Protect, Respect and Remedy Framework. They provide global authoritative standards for preventing, mitigating and remediating business-related adverse human rights impacts. The Council also established the United Nations Forum on Business and Human Rights, a multilateral conference that meets once a year to discuss the social, economic and cultural issues faced by the business world. The tasks of the UN Business Forum include disseminating examples of good practices, aiding in capacity-building, conducting on-site visits, and maintaining a consistent multilateral dialogue that is then reported to the United Nations General Assembly.
UN Global Compact Principles

The United Nations Global Compact (UNGC) is an initiative that seeks to mobilize the private sector to move towards sustainability and achieve the SDGs. Companies can publicly commit to upholding the Ten Principles of the UNGC for strategic policy and cultural reform. According to these principles, businesses should:

- **Principle 1**: support and respect the protection of internationally proclaimed human rights, and
- **Principle 2**: make sure that they are not complicit in human rights abuses;
- **Principle 3**: uphold freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4**: eliminate all forms of forced and compulsory labour,
- **Principle 5**: effectively abolish child labour, and
- **Principle 6**: eliminate discrimination in respect of employment and occupation;
- **Principle 7**: support a precautionary approach to environmental challenges,
- **Principle 8**: undertake initiatives to promote greater environmental responsibility, and
- **Principle 9**: encourage the development and diffusion of environmentally friendly technologies;
- **Principle 10**: work against corruption in all its forms, including extortion and bribery.

The ILO is a partner in the UNGC’s Action Platform on Decent Work in Global Supply Chains and the UNGC’s Academy, together with other UN agencies, government agencies and the private sector (see Annex 3). The ILO also co-chairs the Global Compact Expert Network that provides inputs to all the UNGC’s programmatic work, including on gender. To encourage supply chains to improve sustainability management, the Global Compact recommends complementary steps as part of a model covering commitment, assessment, definition, implementation, measurement and communication.

The Women’s Empowerment Principles (WEPs)

The Women’s Empowerment Principles (WEPs), a joint initiative by the UNGC and UN Women, provide business with seven principles on how to promote gender equality and women’s empowerment in the workplace, marketplace and community (the full list of WEPs and suggested actions is available in Annex 2).
The principles are:

The Women’s Empowerment Principles (WEPs) are a primary vehicle for corporate delivery on the gender equality dimensions of the 2030 Agenda and the United Nations Sustainable Development Goals. The fifth principle focuses specially on enterprise development and responsible supply chains. Nearly 3,700 CEOs in over 140 countries have endorsed and committed to these principles. Within the G7, Japan is the country with the highest number of WEPs signatory companies with 260 signatories, followed by the United States with 170 signatories, and Canada with 79 signatories. Public commitment to women's economic empowerment that translates into concrete actions and transformative workplace policies can further progress in achieving gender equality in all areas of the WEPs.

Jointly developed by UN Women, the UNGC, the Multilateral Investment Fund of the IDB and the Inter-American Investment Corporation, the WEPs Gender Gaps Analysis Tool provides companies with self-diagnostic tool to enable them to assess where they are on the WEPs journey. The WEPs platform offers companies a series of briefs, tools, case studies and leaders’ interviews to help signatories in implementing the WEPs.
1.3 G7 and EU policy frameworks

G7 Recommendations on gender equality at work and in supply chains

Combining international standards and goals with social and economic dialogue, the Group of 7 (G7) highlights the connection between gender equality and increased prosperity. In 2015, the G7 called on multinational enterprises with headquarters in their countries to work with international social partners, such as employers’ and workers’ organizations, governments, other companies and UN agencies to create more transparent, resourceful and just supply chains. The G7 also called for small and medium-sized enterprises (SMEs) to draw up action plans appropriate to the unique challenges they face. It established a multi-stakeholder “Vision Zero Fund” (VZF) to fund activities in domestic and international markets around the world aimed at reducing occupational safety and health risks by promoting good company practices. The ILO is the implementing partner and VZF administrator in the garment, agricultural and construction supply chains.

European Union directives on responsible supply chain management

The European Union (EU) has enacted a wide range of legislation related to gender equality, particularly in the workplace, touching on issues such as equal pay, social protection, working conditions, harassment, self-employment, maternity and parental leave, work-life balance, and protection for victims of trafficking and crime, including from victimization and harassment.
The EU has established standards for supply chain management and fair procurement policies in specific industries, and conducts research on transparency in contracting and subcontracting. It has also called for the creation of national and transnational frameworks for the protection of labour standards and social protections in supply chains. A 2019 EU Directive specifically prohibits sixteen unfair trading practices in the agricultural and food supply chains. These include the prohibition of payments not related to a specific transaction, which could, inter alia, manifest in quid pro quo violence and harassment against women. The Directive calls on Member States to establish authorities to enforce its stipulations.

To further transparency, the EU also requires that companies publish reports on non-financial corporate responsibility activities concerning areas such as social and environmental impacts, diversity and anticorruption.

1.4 The social and business case for gender equality in supply chains

Women account for 70 per cent of the world’s population living in poverty and more should be done to integrate them into the labour market and address specific challenges and barriers. Women tend to have higher rates of unemployment or under-employment; they are more likely to hold jobs which do not match their skills levels and are not represented in skills development programmes. Furthermore, women find it more difficult to access credit, which hampers their ability to establish or expand their own businesses. Equalizing the labour force participation of women and men could increase global GDP by up to US$28 trillion.

Companies which promote gender equality in their own operations, and support business partners in their supply chains in achieving this goal, benefit from increased productivity and more reliable fulfilment of orders. A global gender equality policy and strategy can also help a company to comply with labour laws in their operations across many countries.

Business owners will benefit from greater equality in women’s access to employment and entrepreneurship. Gender equality is good for business. Gender equality in the supply chain can help supplier companies to expand their pool of potential recruits and increase production efficiency. Workers who feel that they are treated fairly and feel safe at work are more likely to be enthusiastic, productive and loyal. Loyal and satisfied workers are more likely to recommend their employer to family and friends, stay longer in the company labour force and speak highly of their employer to people in the community. Better recruitment and retention rates and an enhanced reputation enables companies to improve their productivity and competitiveness. Women’s economic empowerment practices also help women to move out of poverty, which increases the customer base and creates demand for new products.
Consumers, especially millennials and the younger generation, increasingly care whether companies operate responsibly. For instance, 62 per cent of US consumers would encourage companies to take action on issues relating to decent work. Moreover, 82 per cent of consumers consider companies at the top of the supply chain to be responsible for what happens lower down the chain and for the behaviour of subcontractors. Greater transparency in gender equality practices, such as equal pay and the prevention of violence, is known to attract investors, and yet some 93 per cent of companies do not publicly disclose information on what they do to promote gender equality in their supply chains.

A large proportion of companies in the lower tiers of the supply chain tend to be SMEs. Smaller suppliers with the capacity to undertake sustainable gender-balanced initiatives can significantly improve the status of women. Moreover, SMEs seeking to get into supply chains can gain a competitive advantage if their codes of conduct promote gender equality, but they often lack the necessary capacity or resources. Government investment in providing technical assistance to these SMEs results in more robust and profitable suppliers. MNEs which invest in capacity-building for gender equality in SMEs further down their supply chains can significantly increase their contribution to women's empowerment and further strengthen their market position.
When developing an effective gender equality policy for managing a supply chain, the first step is to consult managers and workers of business partners in the supply chain on the current state of gender equality and existing impediments. Social dialogue helps to ensure that a gender equality policy is shaped by the most relevant information.

Freedom of association and collective bargaining are powerful enablers of non-discrimination, an end to violence and harassment, equal opportunities, pay equity and, more generally, gender equality at work. They lead to better labour-management consultation and cooperation, thereby improving working conditions, reducing the number of costly labour conflicts and enhancing social stability.¹

Trade unions and membership-based organizations can lend a voice to workers in vulnerable situations and make demands for equal opportunities, equal pay for work of equal value, gender-neutral evaluations, other work-life benefits and transparency.² Employers, especially those in the higher tiers of the supply chain, should engage in dialogue and collaborate with workers’ organizations and other representatives to introduce effective policies and practices that tackle gender-based issues.³

Workplace Policies and Practices

This section reviews illustrative supply chain management practices and suggests steps that can be taken to foster commitment and action towards gender equality in the following areas:

- Ensuring equal opportunities in employment and occupation;
- Achieving equal pay for work of equal value;
- Preventing and ending violence and harassment in the workplace;
- Promoting work-life balance and an equal sharing of childcare responsibilities;
- Fostering women’s involvement in business and management; and
- Building a future of work that works for both women and men.
2.1 Ensuring equal opportunities in employment and occupation

Supply chains in a wide range of industries have different gender compositions and face different challenges when it comes to achieving a fair gender balance. For example, the jewellery supply chain is overwhelmingly run by men, but women in India hold less than 5 per cent of diamond-cutting and polishing jobs in the supply chain.¹ In some chains in the electronics manufacturing sector, clearly stated gender preferences in recruitment are common practice.² To remedy these imbalances, it is necessary to examine the cultural and social gender dynamics of a region/country, as well as existing capacities.³ Additionally, laws that restrict women’s ability to work, such as barring them from night work, may prevent women from entering the formal labour force and accessing higher-paid occupations.⁴ Non-discrimination measures can eliminate vertical segregation and help women to move into supervisory roles.

2.1.1 International Labour Standards and other instruments

The Discrimination (Employment and Occupation) Convention, 1958 (No. 111), establishes the principle of equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any form of discrimination. It calls on governments to establish appropriate policies on non-discrimination in consultation with employers’ and workers’ organizations; and to cooperate with them and other appropriate bodies in promoting the acceptance and observance of the policies.⁵

The ILO has further codified the rights to freedom of association and collective bargaining in the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98).⁶ These conventions are two of the ILO core conventions, as the rights enshrined in them are considered enabling rights for the achievement of decent work and gender equality (see Section 1.1).

Other Instruments

The WEPs include provisions on gender-sensitive recruitment; and the MNE Declaration includes provisions concerning gender equality in employment.

2.1.2 Guiding principles for supply chains

Effective policies that can promote equal opportunities in employment and occupation include:

1. Promoting social dialogue and collective bargaining;
2. Implementing effective policies to eliminate discrimination in employment.
Promoting social dialogue and collective bargaining

Promoting social dialogue, consultation and collaboration with workers’ organizations is key to formulating effective policies and practices that tackle gender-based issues. Consultation with workers should, where possible, be carried out through their elected representatives. Global union federations have a broad base of knowledge and experience gained through gender-equality campaigns and can provide companies with an overall picture and support in building the capacities of workers, particularly on sensitive topics such as equal pay and sexual harassment.

Collective bargaining enhances the protection of women across sectors in both formal and informal employment. This is a key for women’s economic empowerment, especially for women in the informal sector, many of whom work in the lower tiers of the supply chain. The fruits of collective bargaining include Global Framework Agreements (GFAs), concluded between a multinational enterprise and a global union and often covering the entire supply chain of an MNE.

Implement effective policies to eliminate discrimination in employment

Comprehensive laws and workplace policies establishing that women and men have equal rights are the basis for achieving substantive equality in practice. Setting up and pursuing a workplace policy that prohibits and prevents any form of discrimination, and promotes equality of opportunity and treatment in respect of employment and occupation, is an essential step.

2.1.3 Illustrative practices

United Kingdom

The UK Department for International Development (DFID) instituted a five-year programme entitled “Work and Opportunities for Women” (WOW), scheduled to conclude in September 2022, after the UNSG High Level Panel on Women’s Economic Empowerment. The goal is to connect women’s economic empowerment with supply chains, impacting about 300,000 women in countries such as Bangladesh, Ghana, Ethiopia, Kenya, Nigeria and Pakistan. The programme connects multilateral experts on women’s economic empowerment – from the University of Manchester, CARE International, Social Development Direct and Business for Social Responsibility, among others – with projects that focus on land tenure, the redistribution of unpaid care work, and improving working conditions and outcomes for women in the informal workforce within supply chains. The funding for these WOW-sponsored projects amounts to 1.8 million pounds.

UK businesses can interact with the WOW programme by accessing knowledge on creating better conditions and outcomes for women in their supply chains, and learning how to
dismantle the most persistent barriers to women’s economic empowerment. Private-sector partnerships will also help businesses to improve transparency and rectify data-collection practices to better understand the struggles faced by women in their supply chains. Key supply chains noted by WOW as being women-dominated include the garment, agrifood and personal care product industries.

The WOW programme has produced more than 20 publications since December 2019. These include guidance drafted as a result of queries received, discussion papers and research briefs. The published information includes examples of good practice, country reports, data and educational materials on sexual and reproductive rights, and reports on workplace interventions. The WOW Fund has helped set up a new project in India, working with workers’ organizations and institutes to raise women’s awareness of land-tenure issues and to protect women workers in the informal economy. It is also sponsoring projects in Rwanda and South Africa to challenge gender stereotypes, and in South Asia and East Africa to support homeworkers.

**Meghmani Organics Ltd.**

**Basic characteristics**

*Sector, Industry:* Chemical manufacturing  
*Headquarters:* India  
*Number of employees:* 2,000  
*Share of female employees:* 7 per cent in newest plant

Meghmani Organics is an India-based company that exports technical as well as bulk and branded products to the United States and European countries and imports cell technology from Japan. In India, there are a number of local labour laws preventing women’s full participation in the labour force, such as restrictions on working after 7 p.m. To create more opportunities for women, Meghmani Organics, a company which once had no female employees in its four plants, took advantage of the opening of its new Meghmani FineChem Ltd. plant in Dahej, Gujarat, to increase female participation in safe and equitable work. The IFC invested US$125 million in the plant, at the same time making recommendations on the hiring of women. The new plant opened in 2011 and created 630 new jobs. It provides physical facilities for women, flexible work policies that still comply with local law, and new recruitment and human resources policies that establish standards for a safe mixed-gender workplace. About 45 women have taken up work at the plant, and it has been noted that these women maintain high levels of productivity, and that retention rates are high. The company has also benefited from an enhanced reputation and improved community relationships.
2.2 Achieving equal pay for work of equal value

Achieving gender equality and women's economic empowerment at work will not be possible without ensuring that the work undertaken by women and men is remunerated equally. Despite widespread support for the principle of equal pay, a gender wage gap of about 20 per cent persists at the global level.¹ The magnitude of the gap may vary, depending on employment level and region, but is found at all levels of employment, including management.² The largest gender pay gaps are usually found at the top of the wage distribution scale (the “glass ceiling”, for highly skilled women workers) and at the bottom (the “sticky floor”, for women working in the lowest-paid jobs).³ For example, a male worker in a company that is part of a global supply chain earned 29 per cent more than his female counterparts in the US in 2017. The pay gap was as high as 48 percentage points for senior-level positions.⁴

One reason for the gender pay gap is the higher prevalence of women working in the informal economy, where wages are lower. In low- and lower-middle-income countries, a higher proportion of women (92.1 per cent) are in informal employment than men (87.5 per cent).⁵ Other factors are education and training, care responsibilities, work experience, enterprise size and union density.⁶ Even so, these factors do not fully explain the pay gap, which also reflects discrimination, implicit biases and social norms that are replicated at the company level.⁷ There are also increasing indications of a pay gap affecting lesbian, gay, bisexual, transgender and intersex (LGBTI) workers.⁸

Unequal pay has life-long and inter-generational impacts that continuously reinforce women's unequal position in the labour market and workforce. Lower wages mean women have more difficulty in accessing critical assets for economic empowerment, such as home or land ownership. Pensions and contributions to social security systems are generally linked to wages, further perpetuating the gender pay gap.⁹ The lower wages and assets of women, often the primary or sole source of financial support for a household, adversely impact the opportunities of children and other dependent family members.

2.2.1 International Labour Standards and other instruments

The principle of equal pay for work of equal value is enshrined in the ILO Equal Remuneration Convention, 1951 (No. 100), and Recommendation No. 111.¹⁰ The right to equal remuneration applies not only in cases where men and women do the same or similar jobs, but also when they perform work that is different but which is of equal value based on objective criteria, such as skills, working conditions, responsibilities and effort.¹¹ Remuneration is not limited to the basic pay or wage that the worker receives, but also includes other forms of compensation, such as bonuses, stock options and overtime pay.¹²
The principle of equal remuneration applies to all workers. The Equal Remuneration Recommendation, 1951 (No. 90), calls on governments “in agreement with employers’ and workers’ organizations concerned, [to] establish or encourage the establishment of methods for objective appraisal of the work to be performed, whether by job analysis or by other procedures, with a view to providing a classification of jobs without regard to sex”.\(^{13}\)

Such methods should include promoting pay transparency and reporting.\(^{14}\) Enterprises, through their representative organizations, should work together with governments and workers’ organizations to establish objective job evaluation criteria. Enterprises should apply appropriate techniques to evaluate jobs and determine their value, comparing factors such as skills, effort, responsibilities and working conditions.\(^{15}\)

**Other instruments**

The WEPs include indicators on equal remuneration, including benefits for work of equal value; and EU Directive 2005/54/EC prohibits both direct and indirect pay discrimination.\(^{16}\)

### 2.2.2 Guiding principles for supply chains

Through the adoption, effective implementation, monitoring, evaluation and public reporting of comprehensive equal pay policies to address gender pay gaps, companies can ensure that workers’ contributions are valued equally, regardless of their gender.

Companies using their leverage and supporting their business partners in adopting an effective policy on equal pay for work of equal value need to understand the following guiding principles. Comprehensive equal pay policies are more effective when they involve:

1. developing a solid methodology to determine work of equal value and reviewing it regularly;
2. establishing and implementing a comprehensive equal pay policy;
3. promoting pay transparency and reporting;
4. discontinuing pay history requests;
5. conducting regular pay equity reviews.

**Developing a solid methodology to determine work of equal value and reviewing it regularly**

Gathering comprehensive pay data and performing pay equity analyses of remuneration practices are necessary measures to identify gender pay gaps and establish work of equal value. UN Women developed the Diagnosis for Equal Remuneration tool to help companies and other organizations assess whether their pay scales reward work of equal value and detect the existence of gender pay gaps.
Companies can take the following actions to perform thorough pay equity analyses:\(^\text{17}\)

- Identify female-dominated and male-dominated jobs for comparison;
- Collect pay data on these jobs;
- Determine the value of jobs using the established common and objective criteria;
- Estimate pay gaps between jobs that have been determined to be of equal value.

Subsequently, the necessary pay adjustments should be made to close gender pay gaps.

**Establishing and implementing a comprehensive equal pay policy**

ILO research shows that, after allowing for education, age, workplace and job type, the gender pay gap stems from occupational segregation, undervaluation of feminized industries, unequal distribution of family responsibilities and differences in wage employment participation.\(^\text{18}\) Conscious and unconscious biases concerning the role of women in employment and in society can begin to be rectified through education, communication and fair and enforceable workplace policies.

With more women working in specific sectors and supply chains, wage penalties may tend to increase, as the wage gap can be as high as 14.7 per cent in industries with predominantly female workers.\(^\text{19}\) According to a PwC research study, however, closing the gender pay gap could increase GDP by US$6 trillion in OECD countries alone.\(^\text{20}\) Taking action on pay equity can therefore be beneficial for both emerging and advanced economies. Transparency as regards equal pay for work of equal value within a company and its supply chains can also increase the company’s reputation, labour retention rate and productivity.\(^\text{21}\)

Companies can also support the implementation of an equal pay policy by allocating a special (temporary) budget to eliminate historic differences in wages between women and men. To adjust pay in cases where pay gaps explained by gender discrimination are found, a portion of the budget could go to one-off individual adjustments. Keeping a portion of the budget to be applied at the end of the annual salary review will further help to reduce any remaining gender pay gaps.\(^\text{22}\)

**Promoting pay transparency and reporting**

Pay transparency at the company level is a key tool in ensuring full application of the principle of equal pay for work of equal value in law and practice.\(^\text{23}\) Depending on the national context and existing governance structure, different wage transparency measures have emerged in recent years, in addition to anti-discrimination policies. They require companies to publicly report on equal pay initiatives or obtain certifications.\(^\text{24}\) A study from Denmark shows that when companies disclose gender pay gaps (in this study, companies with more than 35 employees, as mandated by legislation introduced in 2006) the gaps begin to shrink. The companies in the Danish study experienced decreases in pay gaps between 2003 and 2008.\(^\text{25}\)
This also shows that pay transparency helps increase the recruitment of women, and the number of women promoted to more senior positions, without having a heavily negative impact on a company’s net income.²⁶

**Discontinuing pay history requests**

Existing gender pay gaps are perpetuated by establishing wages based on previous earnings. However, a woman’s (or man’s) pay history or past salary levels should not determine the level of the present or prospective salary, which should rather be determined by the value of the job itself. Salary history bans are being increasingly adopted by governments, prohibiting employers from requesting salary history information from job applicants.²⁷

**Conducting regular pay equity reviews**

Once an initial analysis has been conducted, appropriate policies put in place and adjustments made to amend existing gender-based wage inequalities, the process of continuous improvement should not be discontinued. Regular reviews are required to ensure that no new forms of gender-based pay inequality are inadvertently introduced or re-emerge.

### 2.2.3 Illustrative practices

**The Body Shop**

**Basic characteristics**

*Sector, Industry:* Retail, cosmetics and skincare  
*Headquarters:* United Kingdom  
*Number of employees:* 20,000²⁸  
*Share of female employees:* 84 per cent in United Kingdom²⁹

The Body Shop launched its Community Fairtrade Programme in 1987.³⁰ It aims to achieve decent work within The Body Shop’s supply chain and to reduce any risk of modern slavery, which disproportionately impacts women.³¹ Fair prices and premiums in procurement are determined through consultation with producers and other stakeholders, along with periodic reviews.³² The company has a Global Supplier Code of Conduct and asks its suppliers to implement this code with their own suppliers, so as to reach the lower tiers of supply chain workers.³³

The Body Shop ensures that women in its sesame oil supply chain, sourced from Nicaragua,³⁴ are fairly compensated and receive equal pay for work of equal value, taking into account their unpaid care work. This means that the company pays for “labour costs” that include both crop production and household work.³⁵ The company also works in the informal waste-picking economy, with for example Plastics For Change in Bengaluru (India), to ensure that
waste-pickers are fairly paid, that women receive the same rates of pay for picked plastic, and that the work is done in the best possible sanitary conditions. In its shea supply chain, The Body Shop works in northern Ghana with the local Tungteiya Women’s Association to make sure that the premium helps women achieve financial independence. Shea is sourced from 11 villages, involving 640 women workers. Community projects, also funded by the premium, have benefitted 49,000 community members. Through the Global Shea Alliance, The Body Shop helped women participants to achieve a 45 per cent increase in income in 2019.

The company also works to achieve fair wages for its United Kingdom-based store employees through the Real Living Wage programme. Women account for 94 per cent of employees in The Body Shop's 243 stores. This programme establishes wage rates with the UK Living Wage Foundation and the Global Living Wage Coalition to ensure that a standard work week provides a living wage. The Body Shop is also working with its suppliers to implement the same standard for their workers.

The Body Shop works with some 186 suppliers in 27 countries, which employ 53,000 people, about 45 per cent of whom are women. In 2019 alone, the Community Fair Trade Programme worked with 32 suppliers in 24 countries to reach 15,000 people, of whom 72 per cent were women. The Body Shop ensures compliance with its policy standards through independent audits, self-assessments, participatory audits and other measures.

### Valeo

**Basic characteristics**

- **Sector, Industry:** Automotive manufacturing
- **Headquarters:** France
- **Number of employees:** 113,600
- **Share of female employees:** 32 per cent

Valeo, an automotive supplier that works in 33 countries, has a gender equality score of 83 out of 100, according to a method of calculation established by the French Government. As of March 2019, the company is taking measures to compare the gender pay gap in all subsidiaries employing more than 500 people on a worldwide basis. The areas to be analysed include remuneration, raises, promotions, raises women receive after maternity leave, and the proportion of women among the highest-paid employees in each facility. Each of these facilities will receive a score out of 100 and will be ranked accordingly. Valeo announced that these rankings would be reported in June 2019. Some of the country results were made available in January 2020: France (84), China (70), Germany (88), Egypt (62), Italy (91), India (89), Romania (69), Thailand (88) and the United States (88). The company hopes to achieve full pay equality in three years' time.

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2.3 Preventing and ending gender-based violence and harassment in the world of work

Violence and harassment in the world of work is a violation of human rights and a threat to equal opportunities, as well as being unacceptable and incompatible with decent work. Gender-based violence and harassment (GBVH), including sexual harassment, have profoundly negative effects on the health, wellbeing and productivity of workers, and have no place in today's society. A survey by the Australian Human Rights Commission showed that 68 per cent of sexual harassment takes place in the workplace and sexual harassment impacts women (33 per cent) more than men (9 per cent). Women around the world are at risk. Unfortunately, the experiences of many victims go unheard, as four out of five women do not report instances of harassment to their employers.

The prevalence of sexual violence and harassment comes at a high cost to victims, companies and society as a whole. Workers who have experienced violence and harassment can suffer from physical and emotional scars, anxiety, depression, stress and other lasting effects of trauma. Violence and harassment impacts “workplace relations, worker engagement, health, productivity, quality of public and private services, and enterprise reputation.” It also affects labour market participation and prevents women from entering, and remaining in, the labour market, especially in male-dominated sectors and jobs. Women may also be reluctant to move – or have greater difficulty in moving – into leadership roles due to high levels of sexual harassment. EU research shows that 75 per cent of women in top managerial roles have experienced sexual harassment.

The different forms of GBVH that workers in supply chains experience range from acts that inflict physical, mental or sexual harm and suffering, to coercion, threats, retaliation and deprivation of liberty (see Figure 4).
Figure 4. Types of violence and harassment in the workplace

<table>
<thead>
<tr>
<th>Type of Violence</th>
<th>Forms of Violence</th>
</tr>
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</table>
| **Gendered aspects of violence, including:** | • Violence against a woman because she is a woman  
• Violence directed against a woman that affects women disproportionately due to (a) high concentration of women workers in risky production departments; and (b) gendered barriers to seeking relief |
| **Act that inflict physical harm** | • Assault, including pushing to the floor, beating and kicking, gendered aspects 1, 2(b)  
• Slapping, gendered aspects 2(a) and 2(b)  
• Pushing, gendered aspects 2(a) and 2(b)  
• Throwing heavy bundles of papers, clothes, scissors and other projectiles, gendered aspects 2(a) and 2(b)  
• Overwork with low wages, resulting in fainting due to calorie deficit, high temperatures and poor air circulation, gendered aspect 2(a)  
• Long hours performing repetitive manual tasks leading to chronic leg pain, ulcers and other adverse health consequences, gendered aspect 2(a)  
• Traffic accidents during commutes in large trucks without seats, seatbelts and other safety systems, gendered aspect 2(a) |
| **Act that inflict mental harm** | • General verbal abuse, including bullying and verbal public humiliation, gendered aspect 2(a)  
• Verbal abuse linked to gender and sexuality, gendered aspect 1  
• Verbal abuse linked to caste or social group, gendered aspect 2(a) and 2(b)  
• Verbal abuse targeting senior women workers so that they voluntary resign prior to receiving benefits associated with seniority, gendered aspect 2(a) |
| **Act that inflict sexual harm or suffering (including sexual harassment, abuse, assault and rape)** | • Sexual advances from management and mechanics, and retaliation for reporting, gendered aspect 1, 2(a)  
• Sexual harassment from management and co-workers, gendered aspect 1  
• Unwanted physical touching, including inappropriate touching, pulling hair and bodily contact by managers and male co-workers, gendered aspect 1  
• Rape outside the factory at accommodation, gendered aspect 1 |
| **Coercion, threats and retaliation** | • Threats of retaliation for refusing sexual advances, gendered aspects 1, 2(a) and 2(b)  
• Retaliation for reporting gendered violence and harassment, gendered aspects 1, 2(a) and 2(b)  
• Blacklisting workers who report workplace violence, harassment and other rights violations, gendered aspect 2(a) |
| **Deprivations of liberty** | • Being forced to work during legally mandated lunch hours, gendered aspect 2(a)  
• Being prevented from taking bathroom breaks, gendered aspect 2(a)  
• Being forced to work overtime, gendered aspect 2(a)  
• Being prevented from using legally mandated leave entitlements, gendered aspect 2(a)  
• Forced labour, including payment of advances to women workers and restricting mobility from the workplace, gendered aspect (1), 2(a) and 2(b) |

Source: Global Labor Justice and The Asia Floor Wage Alliance, End Gender Based Violence And Harassment, 2019, 6.
Adverse working conditions, such as night work and isolation, may increase workers’ exposure to specific forms of violence and harassment. The threat of sexual harassment may also increase when workers are paid a piece rate based on production targets. Women working in the informal economy are especially vulnerable to violence, harassment and discrimination. Sectors with higher concentrations of women workers are also more likely to have reported cases of sexual harassment. In the garment and footwear industry, for instance, 22 per cent of workers surveyed in factories in Cambodia reported quid pro quo sexual harassment.

Unbalanced power relations are a particularly important underlying cause and risk factor leading to violence and harassment in the world of work. A 2010 survey of the IT supply chain in India found that 88 per cent of women workers were victims of sexual harassment and that in most instances the perpetrator was a superior. Imbalances in power may be aggravated when a person must deal with multiple bases of discrimination at the same time, such as gender and race discrimination, which is known as intersectionality. Other bases of discrimination include religion, political views, ethnicity, social origin, migrant status, sexual orientation, transgender status, age, disability, income, union membership, education and poverty. Understanding the role of intersectionality is crucial to overcoming violence and harassment. For example, migrant workers in factories, many of whom are women and may experience constraints on freedom of movement, are 11 per cent more likely to report sexual harassment concerns; they are often distanced from their social networks or may not have a full grasp of the host country’s language or culture. An inadequate reporting and grievance process, or mishandling of cases, can prevent victims of violence from feeling safe in the workplace.

Domestic violence also puts women at risk of physical and psychological harm, impedes economic and social development and adversely impacts company operations. In Bangladesh, for instance, the prevalence of domestic violence perpetrated by a partner is over 30 per cent, with an impact on physical and mental health resulting in an estimated productivity cost of roughly US$262 million. The COVID-19 “shadow pandemic” may have devastating physical, economic and psychological consequences for survivors, while control and abuse can make it difficult to sustain meaningful employment. Domestic violence is a major barrier to women’s participation in work, education and training, and to progress in their careers. Domestic violence survivors report that their abusive partners often disrupted their work, prevented them from seeking work, or caused them to leave their job, with the result that women lost out on career and/or promotional opportunities.

Therefore, effective policies to combat violence and harassment at work should also include measures to support victims of domestic violence. These include:

- leave for victims of domestic violence;
- flexible work arrangements and protection for victims of domestic violence;

PART 2: TRANSFORMING THE WORKPLACE TO ACHIEVE GENDER EQUALITY: ILLUSTRATIVE PRACTICES ON GENDER-RESPONSIVE SUPPLY CHAIN MANAGEMENT

- temporary protection against dismissal for victims of domestic violence, except on grounds unrelated to domestic violence and its consequences;
- the inclusion of domestic violence in workplace risk assessments;
- a referral system to public mitigation measures for domestic violence, where they exist; and
- awareness-raising about the effects of domestic violence.\(^{18}\)

The private sector plays a key role in tackling GBVH in the world of work. Companies can develop and enforce comprehensive policies, procedures and training to address all forms of gender-based violence and harassment.\(^{19}\) Such measures can promote respect and equality, and be built on corporate cultures that also respect diversity, inclusivity and gender equality. Workplace health and safety management processes should take into account all the risks associated with violence and harassment. This should include identifying hazards and risk-factors, in collaboration with unions and workers’ representatives, and ensuring that adequate information and training is in place. Companies can also influence societal norms and behaviours associated with gender-based violence through the media and by running advertisements and campaigns; this is especially impactful when re-imagining societal norms aligns with core business aims, and when the media incorporate culturally relevant reference points or actors.\(^{20}\)

2.3.1 International Labour Standards and other instruments

The Violence and Harassment Convention, 2019 (No. 190), and Recommendation (No. 206), set out a framework for understanding, preventing and providing redress for violence and harassment at work. They identify a number of risk factors: working conditions and arrangements; organization and human resource management; involvement of third parties (clients, service providers, users, members of the public, etc.); discrimination; abuse of power relations and societal norms that support violence and harassment;\(^{21}\) little or no freedom of association and imbalanced power relations.\(^{22}\) Moreover, the high representation of women in low-wage work, prevalent in supply chains, renders women more vulnerable to violence and harassment. Other risks common to the lower tiers of supply chains that can increase the incidence of violence include unrealistic production targets, informality, poor human resources management, poor organization of work, and weak enforcement mechanisms, especially where labour inspections are concerned.\(^{23}\)

Convention No. 190 lists a number of appropriate “steps commensurate with their degree of control” that all employers can take to prevent violence and harassment in the world of work, including gender-based violence and harassment (Art. 4). Companies need to be aware of the existence of, and aggravating factors in, gender-based violence and harassment and implement effective strategies. Employers should adopt and implement such policies in consultation with workers and their representatives (Art. 9).
A workplace policy on violence and harassment should (Para.7):

a) state that violence and harassment will not be tolerated;
b) establish violence and harassment prevention programmes with, if appropriate, measurable objectives;
c) specify the rights and responsibilities of workers and their employer;
d) contain information on complaint and investigation procedures;
e) stipulate that all internal and external communications related to incidents of violence and harassment will be duly considered, and acted upon as appropriate;
f) specify the right of individuals to privacy and confidentiality, while balancing the right of workers to be made aware of all hazards; and
g) include measures to protect complainants, victims, witnesses and whistle-blowers against victimization or retaliation.\(^{24}\)

**Other instruments**

The WEPs include indicators concerning safety and security issues. These cover both the workplace and travel to/from work and business trips. They also require that company products, services and facilities should not be used for human trafficking and/or labour or sexual exploitation, and advocate for training security staff and managers to recognize signs of violence against women, human trafficking and sexual exploitation.\(^{25}\)

### 2.3.2 Guiding principles for supply chains

In line with the provisions ILO Convention No. 190, company policies that have proved to be successful in reducing instances of gender-based violence and harassment include the following steps:

1. Establish, implement and monitor zero-tolerance and prevention policies, in consultation and cooperation with workers and their representatives;
2. Carry out workplace risk assessments and audits;
3. Instil prevention and protection measures through guidance, training and awareness-raising.

**Establish, implement and monitor zero-tolerance and prevention policies**

Strongly-worded and effective policies addressing violence and harassment are a crucial part of global women's economic empowerment. They should cover a company's own operations and be reflected in the company's supplier code of conduct. Studies indicate that a policy is more likely to be effective when drafted in consultation with workers' representatives,\(^{26}\) using culturally appropriate and emotive language.\(^{27}\) A stand-alone policy – rather than one embedded in the broader company code of conduct – is more effective for industries or regions that are at higher risk of sexual harassment.\(^{28}\)
Examples of such policies include the ILO Sample Sexual Harassment Policy and the UN Code of Conduct on Sexual Harassment (see Annex 3). Components include:

- a definition of sexual harassment, with examples;
- a confidential and effective complaint procedure;
- reassurance of non-retaliation when employees submit complaints;
- access to remedies and assistance, including victim support, counselling and information, 24-hour hotlines, emergency services, medical care and psychological support.

Establishing multiple reporting options, ensuring protection against retaliation and providing transparency in the complaints process fosters trust in complaint procedures. Ensuring anonymity by establishing a number of different reporting platforms allows victims to feel safe when reporting instances of violence and harassment.

**Carry out workplace risk assessments and audits**

Tackling the problem of harassment and violence throughout a company’s operations, including those of its business partners in supply chains, requires a thorough qualitative and quantitative assessment of the prevalence and nature of harassment complaints, hazards and risks, and of existing enforcement mechanisms.

Supplier audits must consider every facet of the workplace and take into account the socio-cultural context the company is working in. Managers and workers should be interviewed for the purposes of the assessment, which should also include a review of corporate documentation (for example, employee files, timecards, health and safety records) and facility maintenance tours. During this process, the individuals who are interviewed should be protected from potential retaliation to ensure that they provide honest responses and are duly protected.

**Instil prevention and protection measures through guidance, training and awareness-raising**

Combating violence and harassment in companies that are part of supply chains requires a multi-faceted approach. Measures need to be taken in conjunction with the establishment of trust, a sense of fair treatment and awareness of existing workplace dynamics and skills gaps. Training is an important tool for ensuring that policies are enforced, and for developing an overall company culture of respect, diversity and equality. This broader approach, focused on company culture rather than individual behaviour, has been shown to be helpful in improving understanding of what constitutes sexual harassment. Elements of building such a culture include frequent in-person and interactive training sessions, particularly featuring content that is tailored to a specific department, company or cohort of employees.
Implicit bias training and training to change stereotypes and social norms may help to raise awareness, while peer-to-peer training empowers employees to help each other disseminate information and change toxic workplace practices.\textsuperscript{38} Bystander training, which teaches bystanders how to recognize and identify a problematic situation, and learn how and when best to help and possibly intervene, can also reinforce a zero-tolerance culture.\textsuperscript{39}

It is vital to evaluate the short- and long-term effects of such training to ensure that the best methods are implemented, based on staff composition and feedback.

Employers and managers should define workplace standards by conveying a strong, supportive message regarding the importance of complying with anti-harassment and anti-violence policies.\textsuperscript{40} This message should be reinforced by establishing a system to fully investigate and take action on reported incidents, hosting regular training activities, and ensuring employees that there will be no adverse consequences if they choose to report violence and harassment.\textsuperscript{41}

Workers’ representatives, working through their own communication channels and activities, can be particularly useful partners in implementing and reinforcing training to develop a zero-tolerance culture. Involving workers’ representatives at the international and national level helps to disseminate good practices;\textsuperscript{42} and working with local workers’ representatives ensures that specific local workplace and community risks are taken into account.\textsuperscript{43}

\subsection*{2.3.3 Illustrative practices}

\textbf{C&A}

\textbf{Basic characteristics}

\textit{Sector, Industry}: Retail, apparel
\textit{Headquarters}: Belgium and Germany\textsuperscript{44}
\textit{Number of employees}: 51,000\textsuperscript{45}
\textit{Share of female employees}: 80 per cent\textsuperscript{46}

C&A aims to ensure decent work for its own workers and those of its 722 suppliers in the 21 countries in which it operates.\textsuperscript{47} C&A recognizes that tackling harassment and violence in the workplace needs a multi-pronged approach. The corporate division of C&A works with suppliers and business partners, while the C&A Corporate Foundation, currently known as the Laudes Foundation,\textsuperscript{48} works with multiple stakeholders across the apparel industry value chain and in the financial sector, as well as with policymakers, to support programmes and policies that promote carbon neutrality, improved working conditions and other economic and social sustainability practices.\textsuperscript{49}
C&A requires all suppliers to train their workers and all levels of management to implement codes of conduct and/or the C&A Guidance Tool. C&A companies around the world have also set up both globally and locally relevant programmes. For example, C&A Mexico partnered with law students from a major university and the American Bar Association to operate a free legal clinic for C&A workers, to enable them to get information and help in the event of human rights violations. C&A China conducted online training sessions on the Employee Code of Ethics for new and existing employees; 100 per cent of store employees and 98 per cent of the headquarters office staff completed this training. In Bangladesh, C&A provides supplier training and performs regular audits to raise awareness among business partners of the C&A requirement that all its suppliers must comply with national laws, the ILO fundamental Conventions, collective bargaining agreements, and the Ethical Trade Initiative Base Code.

C&A has set up Fairness Channels around the world – hotlines for both C&A internal use and for its business partners – to address incidents of harassment and other violations of workers’ rights. The hotlines have been in operation for over ten years and their mandate was expanded in 2015 to cover more of the policies from the Supplier Code of Conduct. C&A requires that all suppliers post the codes of conduct and information on the Fairness Channels in the local language in a very visible location so that all workers are aware of these resources. The hotlines take anonymous reports, either by phone or online, and are hosted by an independent third party. Workers who file a report are given unique “report keys” to access feedback or respond to questions from the ethics committee, which reviews their claims. In 2018, C&A investigated 83 reported cases.

C&A also audits all its suppliers, amounting to roughly 2,000 production units, at least once every year. It has also improved supply chain transparency with the Open Apparel Registry, a publicly available database giving the location and names of all its suppliers.

**Epson**

**Basic characteristics**
- **Sector, Industry:** Technology, hardware, equipment
- **Headquarters:** Japan
- **Number of employees:** (consolidated): 75,608; parent company: 12,813
- **Share of female employees:** 16 per cent

Epson is a UNGC Signatory and incorporates the Sustainable Development Goals into its operations. It has introduced SDG 5.2 – eliminate violence against women – into its procurement policies through its Code of Conduct. The Code includes provisions concerning the prevention of inhumane treatment and discrimination. Epson evaluates supplier compliance with this Code of Conduct and categorizes suppliers according to three levels of risk (low, medium and high). High-risk companies must have a corrective action
PART 2: TRANSFORMING THE WORKPLACE TO ACHIEVE GENDER EQUALITY: ILLUSTRATIVE PRACTICES ON GENDER-RESPONSIVE SUPPLY CHAIN MANAGEMENT

plan in place. In 2016, eight per cent of direct, tier-1 suppliers were considered to be of high risk; this number fell to 5 per cent in 2018.68 There were six indirect suppliers deemed to be of high risk in 2017; 50 percent of these companies improved on the issues raised in 2018.69

Epson also provides anti-harassment/power harassment training for its domestic and overseas management. In addition, all Epson employees receive basic harassment training. All managers who were instructed to attend power harassment training attended the relevant training sessions in Japan in 2015, while overseas managers participated in online training sessions in 2018.70 Over 4,500 Epson employees have also taken anger management training courses since they were first instituted in 2016.71

IKEA

Basic characteristics
Sector, Industry: Retail, furniture production
Headquarters: The Netherlands
Number of employees: 211,00072
Share of female employees: N/A
WEPs signatory since 2014

IKEA has committed to safer supply chain management under its IWAY policy, introduced in 2000,73 and has continuously updated this policy. IWAY (short for the IKEA way of responsibly procuring products, materials, services and components) applies to any and all sellers, vendors and service providers. It also covers a wide range of working arrangements, from hired workers to temporary and contracted workers (migrants, trainees and those serving a trial period).74

Section 14 of the IWAY Standard for Suppliers outlaws violence and harassment in the workplace and prohibits suppliers from using corporal punishment, threats of violence or other forms of mental or physical coercion, public warnings and punishment systems against workers.75 It also gives workers the right to a recorded appeal process against any disciplinary action or dismissal. The zero-tolerance policy declares that any form of harassment or abuse of workers, including contracted and subcontracted workers, will not be tolerated, either in the workplace or at home.76 The IWAY Standard also contains other ethical and safety provisions, covering such areas as accommodation, health and safety, sustainability and compensation.77

To ensure compliance with the IWAY standard, IKEA requires that suppliers establish preventive and corrective policies and procedures. All workers covered under the IWAY zero-tolerance policy must be made aware of their rights.78 Internal and external audits are regularly conducted to verify that these policies are effectively implemented.79 IKEA also recognizes and awards supplier compliance with the IWAY Standard. For instance, APL Logistics India was accorded recognition by IKEA South Asia Transport / Logistics Services in 2018 for exemplary sustainability and workplace management.80
Tchibo

Basic characteristics
Sector, Industry: Retail, coffee and consumer goods
Headquarters: Germany
Number of employees: 12,100 worldwide, 7,900 in Germany
Share of female employees: approximately 80 per cent

After a Clean Clothes Campaign highlighting labour rights violations in the facilities of a Bangladeshi supplier in 2005, German retailer Tchibo took action to transform relationships with suppliers that has since had an impact on issues such as harassment. Partnering with the German Development Organization (GIZ), in 2008 the company initiated a Worldwide Enhancement of Social Quality Programme (WE-Programme) for its non-food supply chains, in fields such as textiles, electronics, leather, wood and metal.

The WE-Programme consists of a six-step process enabling facility managers and freely elected workers’ representatives to collaborate in identifying the root causes of prevalent issues in the facility, brainstorm on possible solutions and draw up an action plan. To facilitate the six-step process, the company engages in WE Factory Visits and workshops to learn how to improve human rights in its supply chains and how to maintain a productive dialogue between managers and workers.

The WE-Programme, including WE Factory Visits, provides training in each factory for a minimum of two years.

Tchibo and the IndustriALL global union federation signed a GFA in 2016 on trade union rights, which includes provisions concerning physical and psychological punishment, sexual harassment and other forms of violence or intimidation. The agreement sets out a detailed plan of action for collaboration between Tchibo and IndustriALL. In April 2019, the Tchibo met with trade union leaders in supplier companies to review the terms of the GFA and to adapt it to incorporate new plans for 2019 and 2020.

Tchibo has implemented programmes in Bangladesh, China, India, Cambodia, Ethiopia, Pakistan, Myanmar, Turkey and Vietnam. Programmes for Laos and Thailand are in their pilot phase. There were 219 WE Factory visits in 2016 alone. Some 50,000 factory workers and managers have participated in the training, in turn impacting approximately 363,000 workers over the 10 years in which the programme has been active. Roughly 75 per cent of all Tchibo non-food products are sourced from factories that have implemented the WE-Programme. This has brought improvements to the lives of the workers concerned, who are disproportionately women; for instance in one supplier factory in Bangladesh, women account for 80 per cent of the workforce. These improvements benefit both workers and the company itself. In a kitchenware factory in China, for instance, 1,400 workers elected representatives to engage with management, leading not only to a 50 per cent increase of wages within two years, a 30 per cent reduction in working hours, the security of annual paid leave, but also to 10 per cent increases in productivity and factory profits.
Unilever

Basic characteristics
Sector, Industry: Retail, food and care products
Headquarters: United Kingdom, The Netherlands
Number of employees: 150,00099
Share of female employees: 36 per cent100
WEPs signatory since 2013

Unilever is the largest tea company in the world, with 70 per cent of its consumers being women.101 As a WEPs signatory, it has partnered with UN Women and other groups to promote women’s economic empowerment in the tea supply chain. Following reports of harassment, in 2013 Unilever undertook an independent review of Unilever Tea Kenya, enquiring into gender-based violence. This wake-up call motivated the company to put measures in place to reduce gender-based violence in its tea supply chain.102 The company has a zero-tolerance policy on discrimination and harassment, now embedded in its Code of Business Principles, Responsible Sourcing Policy and Responsible Business Partner Policy.103 The Responsible Sourcing Policy aims to ensure that suppliers have adopted policies that promote gender equality and take corrective action if a policy is not followed or targets are not met.104

In cooperation with workers’ organizations, Unilever has also issued guidance entitled “No Place for Sexual Harassment at Unilever”, detailing the roles of union leaders and managers in implementing the zero-tolerance policy.105 With UN Women, Unilever has created a guide for the entire tea industry, encouraging suppliers to draw up their own zero-tolerance policies.106

Additionally, the company runs two specific projects to help eliminate gender-based violence. In Kenya, the Kericho tea estate employs around 5,500 permanent workers and several thousand temporary workers during peak season, when up to 50,000 people live in company villages.107 Unilever has established a Safety for Women & Girls programme, which builds on the company’s zero-tolerance policy. The programme covers several areas: bringing more women into leadership; providing specialized training for managers, village elders, specialized groups within the estate and employees; setting up a confidential, free grievance hotline in the local language; drafting more policies on violence and harassment prevention and the protection of children; and organizing “Friday Safety Talks”.108 Unilever, the Ethical Tea Partnership and the Kenya Tea Development Agency have trained 1,000 managers in protection against discrimination and harassment, and over 10,750 women have participated in the programme.109

In Assam, India, where half of the six million people working in that region’s tea industry are women, Unilever has worked with supplier companies in the Udalguri District to set up Women’s Empowerment Clubs (WECs), as well as mothers’ and adolescent girls’ clubs.110 In 2018, these WECs trained 76 women, who in turn trained a further 1,600 workers, in topics relating to domestic and workplace violence, combined with legal knowledge on how to combat these abuses.111
2.4 Promoting work–life balance and an equal sharing of care responsibilities

Balancing work and care responsibilities for all workers is crucial for women's economic empowerment. Yet, according to the ILO's *Care Work and Care Jobs* report, “in no country in the world do men and women provide an equal share of unpaid care work”¹. On average, women dedicate 3.2 times more time than men to unpaid care work.² This imbalance reduces the hours that women can devote to paid work and consequently negatively impacts their earnings and old-age pensions.³ It also impedes their access to promotion at work and leadership roles within the community. The heavier care burden may even make it difficult or impossible for women to enter the labour force.⁴ There are examples of successful work–life balance initiatives for both women and men, to help women balance work and care, and encourage men to take up more responsibilities at home.

SMEs are sometimes exempted from legal requirements concerning work–life balance policies and are less likely to have such measures in place.⁵ This is due to perceived cost concerns and limited access to knowledge and resources, which could help SMEs to implement low-cost but nonetheless effective measures.⁶ In a supply chain context, buyers can provide technical assistance to their suppliers to assist with the implementation of work–life balance policies. Care policies that comply with national laws and international labour standards can play a key role in transforming the gendered division of unpaid care work, and thus support workers, families and communities. Business-to-business guidance and advice can help ensure that benefits also accrue to the supplier.

Implementing work–life balance policies can make all employees feel more valued at work and motivated to make an active contribution to the workplace. According to an ILO survey of nearly 13,000 enterprises across the world conducted in 2018, of over 61 per cent of companies that offered the possibility of flexible working and/or working from home, nearly 70 per cent reported increased productivity.⁷ At the regional level, the highest rates of respondent companies that experienced increased productivity as a result of flexible working arrangements were found in Asia and the Pacific (81.3 per cent of the respondents), followed by Africa (78.8 per cent), and Latin America and the Caribbean (67.2 per cent) (Figure 5).
Enterprises can create business value by introducing work–life balance policies. One of the benefits is better talent acquisition and retention, as 77 per cent of workers take into account paid family leave in the decision-making process of selecting an employer. Work–life balance measures can also enhance the reputation of a company and reduce its operational costs. As companies move towards environmental and social corporate responsibility, a reduced workweek can increase productivity and enhance the reputation of the company; it also saves on energy use, reducing operational costs and contributing to environmental responsibility.

### 2.4.1 International Labour Standards and other instruments

The Maternity Protection Convention, 2000 (No. 183), and Recommendation (No. 191), set a minimum of 14 weeks of maternity leave and advocate for extending the period to at least 18 weeks, where possible. Maternity leave cash benefits should be equivalent to at least two-thirds of a woman’s previous earnings, and raised to the full amount of her previous earnings where possible. Workers who are breastfeeding should be entitled to one or more daily breaks, or a daily reduction in working hours, to allow them to breastfeed. Enterprises are encouraged to provide a dedicated lactation room, whenever possible.

The Workers with Family Responsibilities Convention, 1981 (No. 156), and Recommendation (No. 165), include measures to support workers with care obligations, including the gradual reduction of daily hours of work and of overtime, and more flexible arrangements as regards working schedules, rest periods and holidays. These instruments also recognize that workers with family responsibilities need childcare and family services that meet their
needs and preferences, are affordable and support children of different ages; and that they may need care services for other dependents.11 Care facilities should be hygienic and safe, and staffed with qualified personnel.12 Where government services are unavailable, employers are encouraged to fill the gap. There are multiple workplace solutions – adapted to the characteristics and size of each company in order to reduce costs – for supporting working parents.13

The Home Work Convention, 1996 (No. 177), and Recommendation (No. 184), call for equal protection of homeworkers in terms of employment, remuneration, social security benefits, access to training, ability to exercise freedom of association, minimum age and maternity protections and occupational safety and health. Where practicable, these guidelines should be translated into languages understood by homeworkers.14 All of these standards take into account differences in levels of economic development between countries and sectors, while encouraging governments to progress as quickly as possible.

Other instruments

The WEPs include indicators concerning safe working conditions and protection from exposure to hazardous materials, and disclose potential risks, including to reproductive health.15 They also call for services, resources and information to enable women and men to access child and dependent care.16

2.4.2 Guiding principles for supply chains

Effective policies that promote a better work–life balance for all include, but are not limited to:

1. providing access to maternity health care, where possible;
2. providing maternity protection and family leave in line with national laws and international labour standards, whichever is more generous;
3. supporting breastfeeding in the workplace;
4. assisting with on- or near-site subsidized childcare;
5. providing fair flexible working arrangements and homeworking conditions.

Providing access to maternity health care, where possible

Women workers in supply chains are generally young; many of those working in factories are in the 18 to 25 age group.17 They need access to adequate health education and care, including reproductive and maternal health services. Knowledge of nutritional needs and hygienic practices improves women's mental, physical and financial security.
Providing maternity protection and family leave in line with national legislation and international labour standards, whichever is more generous

Providing paid maternity leave for all women with no exclusions is vital to protecting the rights of women workers to participate in the labour force and preventing discrimination in remuneration, advancement and security of employment. The duration of maternity should be at least in line with ILO standards. This is important for the wellbeing of both mother and child. Research shows that periods of maternity leave shorter than 12 weeks are associated with negative health and wellbeing outcomes for mothers and infants.\textsuperscript{18} Carrying out workplace health and safety assessments and making adaptations for pregnant and breastfeeding women are also key aspects of providing adequate maternity protection for all women.

Although many countries have introduced a legal right to maternity, paternity and/or parental leave, many workers in the lowest tiers of the supply chain do not in practice benefit from these provisions due to non-compliance. In the garment industry in India, for instance, only 9 per cent of workers who responded to an ILO study in 2015 declared that they had access to employer-provided maternity benefits and paid sick leave.\textsuperscript{19}

Companies have an important role to play in promoting maternity and paternity leave in their supply chains, and ensuring that their suppliers’ workers are covered by existing regulations. Where feasible, they should encourage their suppliers to compensate for gaps in public schemes.

Supporting breastfeeding in the workplace

Breastfeeding is correlated with healthier mothers and babies, and lower infant mortality.\textsuperscript{20} Healthier populations make for lower healthcare costs and benefit local and global economies. Allowing for paid nursing breaks and providing a lactation room at or near the workplace facilitates women’s return-to-work after maternity leave, promotes the health of mothers and babies, and has significant positive developmental impacts for communities.

Assisting with on- or near-site subsidized childcare

Childcare policies, whether public or company-inspired, are of crucial importance in many of the producing countries involved in supply chains. Women and men with family responsibilities have to cope with excessive working hours, short-notice overtime demands, and shift and night work.\textsuperscript{21} On- or near-site, employer-provided childcare, or alternatively flexible working hours and income support (e.g. vouchers) for outside childcare, can greatly ease the care burden for these mostly women workers. In the lower tiers of supply chains, on- or near-site childcare facilities can reassure workers that their children are safe and properly taken care of, especially if they have to work longer hours at peak times.\textsuperscript{22}
Facilities of this kind, or income support measures that support work–life balance, can also benefit informal workers and homeworkers, who may be unable to access social protection schemes. The reduced financial burden and increased parent–child interaction is good for business, as workers suffer less from stress and are less likely to leave the company. Moreover, company childcare policies that include men can help “remove the stigma against men who embrace their roles as fathers”.

Providing fair flexible working arrangements and homeworking conditions

Flexible working time arrangements that take both workers' and employers' needs into account, such as the option to work from home or adjust working hours, are valuable in enabling workers to balance their work and personal life, and particularly their care responsibilities. Flexible working arrangements are uncommon in the lower tiers of supply chains. However, there are simple ways in which suppliers can help workers with family responsibilities to have more control over their work lives. These include giving advance notice of work schedules and any overtime working, and allowing workers to decline overtime without penalty.

In supply chains, the most sought-after arrangement for women workers with care responsibilities is homework, due to the lack of other care solutions. However, homework is under-reported and typically informal, and the working conditions are often inadequate. Homeworkers perform tasks usually done in a manufacturing facility in their own homes, without a contract, wage security, social protection, maternity protection or oversight of their workplace by labour inspectors. Poor occupational safety and health often has negative effects for homeworkers, such as eye sight weaknesses; and some of these effects, such as dust inhalation from cloth, may also impact other residents of the home.

2.4.3 Illustrative practices

Levi Strauss

Basic characteristics
Sector, Industry: Retail, apparel
Headquarters: United States
Number of employees: 15,800
Share of female employees: N/A
WEPs signatory since 2010

For several decades, Levi Strauss & Co. has used its Terms of Engagement protocol to guarantee basic social and environmental rights along its supply chain. In 2011, the company took these guidelines a stage further by introducing a “Worker Well-being” Programme. Its suppliers engage with the programme by conducting surveys to assess the needs of their
factory workers, and entering into partnerships to implement the necessary measures. Many local programmes focus on healthcare and maternity protection. In China, for instance, an on-site health clinic providing reproductive health services has decreasing staff turnover from 15 to 3 per cent in the facility concerned. Breastfeeding breaks in hygienic lactation rooms are provided for in the company’s Bangladeshi facilities, together with nutrition counselling for new mothers. These measures have decreased absenteeism and staff turnover by 50 per cent.

The programme also provides education about, and access to, menstrual products to help overcome stigma, improve health and enable women to return to work. In Bangladesh, absenteeism involving menstruation fell by 72 per cent and the company was able to make savings in plumbing costs as a result of menstrual education and increased use of sanitary pads.

Other “Worker Well-being” initiatives have focused on skills development, gender-based violence, wages and working hours. Many of the programme tools and resources are published, or will be published, to increase transparency and provide guidance to supply chain managers (see Annex 3). Currently, “Worker Well-being” programmes cover 65 per cent of the company’s supply chain across 17 countries, impacting some 190,000 workers. Levi Strauss & Co. hopes to reach all strategic suppliers with this programme by 2025, thus improving the lives of 300,000 workers in its supply chain. The programme has already shown a 4:1 return on investment for the company.

**MAS Holdings**

**Basic characteristics**

*Sector, Industry:* Retail, apparel  
*Headquarters:* Sri Lanka  
*Number of employees:* 76,000 in Sri Lanka, 90,000 globally  
*Share of female employees:* 66 per cent in Sri Lanka, 77 per cent globally  
*WEPs signatory since:* 2011

MAS Holdings is a company based in Sri Lanka that supplies to companies in the US, Canada and some EU countries. The participation of women in the labour force has been decreasing in Sri Lanka, falling from 39.5 per cent in 2006 to 36.3 per cent in 2014. The company had already introduced a Women Go Beyond (WGB) Programme in 2003, which focuses on four pillars of women’s economic empowerment: work–life balance, skills development, career advancement and recognizing excellence. Over the years, WGB has benefitted over 2 million people through more than 9,000 local programmes. To continue supporting women’s economic advancement and addressing low labour force participation on the part of women, MAS Holdings has since introduced several work–life balance initiatives. One such initiative is the possibility of working flexibly in some Sri Lankan facilities. This includes...
flexible hours, part-time work, remote work and switching MAS locations, especially to one of the 10 MAS Holdings facilities in Sri Lanka, Jordan and India that have childcare centres. The MAS Kreeda Vaanvil facility provides specific flexible work options for nursing mothers as well, allowing mothers to come late or leave early.

A survey shows that 31 per cent of men and 25 per cent of women working in the facilities have used the flexible work option. The WGB Programme and MAS Holdings' work–life balance initiatives helped to increase internal promotions of women from 26 per cent to 36 per cent in one year. MAS Holdings is moving towards implementing the flexible work policy in all its locations, with phase two of the policy beginning in 2019.

Pentland Brands

Basic characteristics
Sector, Industry: Retail, apparel
Headquarters: United Kingdom
Number of employees: >50,000
Share of female employees: Not available (N/A)

Pentland Brands relies on multiple supply chains for its apparel products and sources from all over the world. One production location, Tamil Nadu, India, is known for the large number of women homeworkers in the leather footwear supply chain. In 2016, Pentland Brands began a pilot programme in conjunction with two NGOs – Homeworkers Worldwide and Cividep, based in India – to track and fairly compensate homeworkers in the company’s leather shoe supply chain. The aim of the first part of the project was to understand the role of homeworkers in its supply chain; the second stage has been to devise a strategy that works with homeworkers, so they know their rights and are properly compensated.

The beneficiaries, mainly women, are paid at a higher “piece rate” for each piece they stitch, with the result that minimum wage standards have been achieved since September 2018. The companies within the supply chain are supported by Pentland in registering these homeworkers and implementing a paper-based order and payment tracking system. In addition, in 2017 Pentland brought out a comprehensive Homeworker Policy for all company suppliers, in line with the ILO Homework Convention. This policy requires that suppliers track instances of homeworking and create action plans to improve the conditions of the workers concerned. The measures include educating employers on labour issues in relation to homeworking; educating homeworkers on their labour rights; and improving homeworkers’ access to occupational safety and health equipment. Homeworkers Worldwide is working to expand this programme to other supply chains.
Red Land Roses Ltd.

Basic characteristics
Sector, Industry: Agriculture, horticulture
Headquarters: Kenya
Number of employees: 360 permanent employees, an additional 80 seasonal workers during the peak season
Share of female employees: 60 per cent

Red Land Roses Ltd. is a Kenyan company that exports to multiple countries across the world, including Japan and other G7 countries. Through annual appraisals and employee surveys, the company became aware that childcare was an important issue for their female employees, 60 per cent of whom are single mothers. With funding from a Red Land Roses workers’ organisation, FLO-Max Havelaar Joint Body and a German Development Bank (DEG) Public-Private Partnership grant, in 2003 the company opened the Gitothua Day Care Centre (DCC). This facility offers round-the-clock care in two baby rooms, servicing 70 children from three months to three years old. It also houses a space for mothers to breastfeed their child during the working day. Sales from the Muthaiga Red Land Roses shop helps to maintain the facility. Workers who use the service pay 10 per cent of the cost. Some community members also qualify for the services, as children from low-income families can attend for free. The Gitothua DCC has led to increased productivity in the company, and a 25 per cent reduction in unplanned leave.

In addition, Red Land Roses has an on-site health clinic funded by the Kenyan Ministry of Health, with medicines provided by a local non-governmental organization. It is open every day to provide first aid, treatment for sick employees and annual HIV testing.

Solvay

Basic characteristics
Sector, Industry: Chemical manufacturing
Headquarters: Belgium
Number of employees: 29,000
Share of female employees: 23 per cent
WEPs signatory since 2017

Solvay is a multi-purpose chemical manufacturing company that sells and purchases products along its supply chain. In 2013, the company signed a Global Framework Agreement with global trade union IndustriALL, which was subsequently renewed in 2017. The GFA includes groups outside of Solvay’s directly owned subsidiaries but which are involved in its operations, such as suppliers and subcontractors. It references the UNGC Principles, together with the eight fundamental ILO conventions, the Workers’ Representatives
Convention, 1971 (No. 135), and the Workers with Family Responsibilities Convention, 1981 (No. 156).

When it was renewed in 2017, the GFA incorporated the “Solvay Cares” programme, which provides for certain minimum benefits for all 29,000 employees at Solvay’s 111 production sites in 55 countries.65 One of these provisions concerns parental leave: 14 weeks of maternity leave with full income protection, one week of paternity leave, and one week of paid parental leave in the case of an adoption. Other family-friendly aspects of “Solvay Cares” include minimum coverage of 75 per cent of the costs of hospitalization or severe illness, life insurance and disability insurance.66 Solvay monitors compliance with the GFA through a panel consisting of Solvay corporate representatives, a regional Solvay Global Forum representative chosen by IndustriALL, and representatives of IndustriALL itself.67

Swarovski

**Basic characteristics**

*Sector:* Retail, jewellery  
*Headquarters:* Austria  
*Number of employees:* 34,50068  
*Share of female employees:* 77 per cent69  
WEPs signatory since 2014

Swarovski is a jewellery-maker with its own production facilities and operations in countries such as Thailand, India and Vietnam. A 2006 UNICEF survey conducted in Thailand highlighted that 15 per cent of children were not breastfed, with negative health impacts for both mothers and babies.70 Swarovski noticed that mothers working in its factories in Thailand were not returning to work after maternity leave.71 To help women return to work and to improve health outcomes, in 2006 the company started a breastfeeding programme. For instance, it set up a lactation room at its Marigot Thailand production facility (which employs about 7,000 people).72 The lactation room cost roughly 15,000 baht (approximately US$498) and has couches, a refrigerator and equipment mothers can use to express their milk.73 Nurses are also available to give breastfeeding-related advice.74 The lactation programme has improved return-to-work rates across all the company’s manufacturing and production sites: now 90 per cent of women employees return to work after maternity leave.75 The programme has also increased worker productivity and quality of work, and reduced absenteeism among working mothers as a result of the better health outcomes of breastfeeding.76

In 2017, Swarovski introduced a “Positive Production” programme to further women’s economic empowerment in all its production facilities in such countries as Thailand, India and Vietnam. The “Listening Project”, which is part of the programme, seeks to understand the specific needs of the workers in each facility and introduce a relevant programme, covering such areas as reproductive health, climate resiliency, breastfeeding or education in male-dominated STEM fields like engineering.77
2.5 Women in business and management

Women workers are concentrated in the lower tiers of the supply chain, where wages are lower, and therefore suffer multiple socio-economic disadvantages. Women supply chain workers tend to work longer hours than men, but are less likely to benefit from training opportunities and promotions. If greater gender diversity can be achieved at the top of enterprises, women workers will be encouraged to take on leadership roles, reap the economic benefits and foster inclusive and improved working conditions throughout supply chains.

Government policies can help to promote the economic advancement of women into higher paid jobs, in particular in middle and upper management. The key factors are making education more accessible to women; making adequate provisions for women with family responsibilities to ensure that their working life is not interrupted; and raising awareness among companies of the importance of providing managerial-level opportunities for women employees. Enterprises committed to promoting gender equality should set clear targets for the promotion of women to management positions, in their own operations and in their supply chains.

Promoting women’s economic empowerment also means creating the conditions for women to thrive as entrepreneurs. Entrepreneurship helps women to develop their talents and creatively address individual or social needs. Women entrepreneurs play an important role in sustainable economic development. In developing countries – which often export to G7 and EU countries, as seen in this report – women entrepreneurs can contribute to national innovation, job creation and economic growth. Women-owned businesses often employ a greater share of women, therefore gender gaps in entrepreneurship impact not only business owners, but women in other forms of employment. Support for women’s entrepreneurship can help increase the social inclusion of marginalized women, such as refugees, trafficked women and women with disabilities. Moreover, women-owned enterprises can help reduce violence against women in and out of the workplace, due at least in part to their greater financial independence.

Despite the important contribution women’s entrepreneurship can make to development, women still face tremendous challenges in starting or expanding a business. Accessing capital is the first big hurdle. Currently, women-owned SMEs face a US$287 billion credit gap in the formal sector, and a large part of this gap can be attributed to a lack of networks and financial literacy, from which women suffer disproportionately. Examples of this are the low percentage of women-owned bank accounts and the difficulties faced by women in accessing credit. In at least three G7 countries (Japan, the UK and the United States), women entrepreneurs have borrowed less for their businesses in the last 12 months than their male counterparts.
Women’s access to entrepreneurship training is also a challenge. The gender gap in this area ranges from 4.5 per cent in the UK to 15.6 per cent in Germany. Without training or support networks, it is more difficult to access global markets, particularly for women-owned SMEs. Figure 6 shows the gender gap in access to business start-up training in G7 countries.

Governments can support women-owned businesses by removing obstacles to women’s participation as suppliers in the global economy, and by providing women entrepreneurs with training adapted to their particular needs, including financial education and access to business networks. Governments can develop a national women’s entrepreneurship strategy, outlining their goals and targets for supporting women entrepreneurs. They can also involve local communities in efforts to change gender norms and develop a supportive environment that understands the multiple roles women take on in daily life, including the role of business leader. Currently, 24 per cent of OECD countries have policies on women-owned businesses.

In supply chains that source from emerging economies, the role of women-owned businesses is crucial for local economic development and positive business outcomes. There are higher proportions of women entrepreneurs in these economies, offering plenty of opportunities for buyers to connect with these women-owned enterprises and contribute to inclusive economic development. Around the world, women-owned SMEs (which account for 35 per cent of the total) tend to be smaller, less profitable and slower growing. Despite this,
women-owned businesses contribute 20 per cent of global GDP, and women control US$20 trillion in spending.\textsuperscript{16}

Companies can contribute to economic development by supporting women’s business leadership and entrepreneurship. Such investment can make a huge impact. Statistics from the United States show that when a large corporation selects a new SME supplier, this SME's revenues can increase by 250 per cent and its employee count by 150 per cent.\textsuperscript{17} MNEs interested in partnering with women-owned businesses have a multitude of opportunities for doing so, for instance by networking with WEConnect International (see Annex 3). WEConnect International certifies businesses that are at least 51 per cent owned by women and managed by one or more women. These businesses are then connected with MNEs.\textsuperscript{18} WEConnect International also provides education and training for women-owned businesses,\textsuperscript{19} as well as organizing a range of webinars and events.\textsuperscript{20}

Less than 1 per cent of supply-chain sales to MNEs come from women-owned suppliers,\textsuperscript{21} defined as those that are at least 51 per cent owned or controlled by women, have one or more women in charge of short- and long-term decisions, and are independent of non-women-owned businesses.\textsuperscript{22}

Having women-led enterprises as partners can have a positive impact on business, as well as having broader impacts on economic and social development. A positive correlation exists between higher rates of gender-diverse leadership and company performance.\textsuperscript{23} Purchasing from gender-diverse suppliers increases innovation, creates new business opportunities and partnerships, and broadens purchasing options for businesses and consumers.\textsuperscript{24} More women in leadership and a better gender balance at all levels in the workplace can decrease instances of sexual harassment and other forms of gender-based violence.\textsuperscript{25}

Increasing the percentage of women-owned suppliers will broaden a company’s pool of resources and stimulate competition. An IFC study found that companies which do more business with women-led enterprises spend 20 per cent less in purchasing and have fewer procurement staff.\textsuperscript{26} And a gender-sensitive approach to selecting suppliers may attract more women customers. A study by the US Women's Business Enterprise National Council concluded that 80 per cent of women between the ages of 35 and 55 (the primary ages of working women) were more likely to try a company’s product if they knew that it was sold by a woman-owned supplier.\textsuperscript{27} The purchasing power of women is typically higher than that of men, and the money they spend on goods and services tends to be invested back into their families and local communities.\textsuperscript{28}

\textbf{2.5.1 International Labour Standards and other instruments}

In line with the principles contained in the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), companies are encouraged to set up and pursue a workplace

PART 2: TRANSFORMING THE WORKPLACE TO ACHIEVE GENDER EQUALITY: ILLUSTRATIVE PRACTICES ON GENDER-RESPONSIVE SUPPLY CHAIN MANAGEMENT

policy to promote equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any form of discrimination.²⁹

In line with the principles contained in the Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189), companies can advocate for support for women’s entrepreneurship; for measures designed specifically for women who are or wish to become entrepreneurs; and for better policies to support women entrepreneurs. They can also participate in task forces to support women’s entrepreneurship; cooperate where feasible with institutions which provide support to small and medium-sized enterprises in such areas as training, consultancy, business start-up and quality control; and participate in the promotion of exchanges of experience and the establishment of linkages between small and medium-sized enterprises.³⁰ The ILO also runs a technical programme dedicated to supporting women’s entrepreneurship (see Box 4).

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Box 4. ILO Women’s Entrepreneurship Development (ILO-WED) Programme

The ILO-WED Programme was launched in 2008 and takes a human-centred approach to remedying gendered imbalances in entrepreneurship. The programme develops knowledge products (such as advice on how to engage stakeholders), provides support services, develops partnerships and supports advocacy. The ILO-WED approach focuses on the following key areas:

1. Entrepreneurship Training and Support
2. Business Development Services for WED
3. Enabling Ecosystem for WED
4. Knowledge Base on WED
5. Technical Support for Project Design and Implementation

The ILO-WED team provides technical support for projects in 15 countries in the Americas and Africa. This includes support for the Ganar-Ganar (Win-Win) programme in Argentina, Brazil, Chile, Costa Rica, Jamaica and Uruguay, and support for the Partnership for Improving Prospects for Refugees and Host Communities (PROSPECTS) programme in Ethiopia, Kenya and Uganda. WED Assessments support key policy research and recommendations that will lead to policy changes to improve conditions for women entrepreneurs. As a result of WED Assessments, there is now a public procurement target of 30 per cent for women entrepreneurs in Tanzania, and in 2019 the government of Tunisia announced specific budgets and created a road map for women’s entrepreneurship development. The ILO-WED team has also supported the ILO in certifying over 300 individuals in Africa, Asia, Latin America and the Middle East to be trainers, as part of the Gender and Entrepreneurship Together (GET) Ahead programme, which teaches women and men hard business management skills and soft skills for starting a business. Since 2004, this programme has trained over 2 million women entrepreneurs.

Other instruments

The WEPs Indicators encourage companies to support women's economic empowerment by proactively recruiting and appointing women to managerial and executive positions and to their boards of directors; by investing in workplace policies and programmes that open avenues for women's advancement at all levels and across all business areas; by establishing supplier diversity programmes that actively seeks to expand business relationships with women-owned enterprises; and by leveraging influence, alone or in partnership, to advance gender equality and collaborate with business partners, suppliers and community leaders to achieve positive results (see Annex 2).

2.5.2 Guiding principles for supply chains

Companies and governments can address the lack of representation of women in business leadership and management by adopting such strategies as:

1. increasing the proportion of women in business leadership and management roles;
2. supporting women's entrepreneurship; and
3. promoting gender-responsive procurement.

Increasing the share of women in business leadership and management roles

Promoting women to leadership roles has been proven to bring about positive business outcomes, especially in Asia and the Pacific. The positive impacts include better recruitment and retention, enhanced reputation, greater innovation and better ability to understand consumer interests. However, the prevalence of women in supply chain management is extremely low, with only 22 women among top supply chain executives in 320 Fortune 500 companies having a true supply chain function. Some factors that may impede women from becoming supply chain managers include discrimination against women with family responsibilities; a lack of networking opportunities that would help them to move into management positions; negative perceptions of female leadership; and youth employment issues that affect young women, such as education-related debt.

Supporting women’s entrepreneurship

Support for women's entrepreneurship has economic and social impacts that make such policies beneficial for both governments and the private sector. It enlarges the talent and purchasing pools, leading to innovation, more intense competition and more robust supply chains. Entrepreneurship also stimulates local and international economies, as profits are re-invested in communities and businesses.

Policies should help women to overcome the barriers they face when starting a business. These include traditional social and cultural attitudes, limited access to finance, narrow entrepreneurial networks, and less developed entrepreneurial skills.
Promoting gender-responsive procurement

The aims of gender-responsive procurement should be to standardize and consolidate application processes, limit the scope of contracts, pay suppliers promptly and provide feedback for improvement.\textsuperscript{39} Consideration should also be given to promoting women’s entrepreneurship development, buying from gender-responsive enterprises to encourage decent work, and applying a gender perspective to procurement ecosystems such as governance and political economies.\textsuperscript{40} The ILO and UN Women make recommendations to governments and companies on effective, responsive and impactful procurement, such as quantifying the proportion of spending devoted to women’s and gender-responsive enterprises, carrying out legal and legislative framework reviews to advocate for reform, using IGO and NGO certifications and frameworks, seeking guidance from employers’ organizations, and supporting existing suppliers in becoming more gender-responsive.\textsuperscript{41}

2.5.3 Illustrative practices

Canada

The Government of Canada, the largest national purchaser of goods and services,\textsuperscript{42} first rolled out its Women Entrepreneurship Strategy, which is applicable to all parts of the Canadian government, in the 2018 national budget.\textsuperscript{43} The Strategy, which runs until 2025, aims to support women-owned businesses and help them to compete in national and international markets. It focuses on investment in supply chain integration, international marketing, development and management.\textsuperscript{44}

The Women Entrepreneurship Fund, a core part of the Strategy, received a total of $30 million to support 300 projects, with $2.5 million allocated specifically to indigenous women entrepreneurs.\textsuperscript{45} Investments in companies that applied to receive funding have been announced in many regions. For instance, over $4.5 million has been invested in Saskatchewan,\textsuperscript{46} while nearly $10 million has been invested in women entrepreneurs in Atlantic Canada.\textsuperscript{47} The aim of these companies is to expand their capacity to sell to purchasers in Canada and abroad, and to create or expand links within international supply chains.

Only 16 per cent of Canadian businesses are owned by women. The government hopes to double this figure by 2025, with the prospect of adding $150 billion to national GDP.\textsuperscript{48}

United States

The US federal government has introduced a legal instrument, the Small Business Act (1953),\textsuperscript{49} which stipulates supplier diversity requirements. It sets a goal of placing 5 per cent of all federal contracts with woman-owned small businesses each year, up from the 3.4 per cent baseline set in 2010, especially in industries where women’s representation is
low. For such businesses to qualify for this type of federal contract, they must be certified by a third party or self-certified, and must send this information to the US Small Business Administration (US SBA). The US SBA also tracks the progress of all government agencies in achieving these goals.

The initiative to increase the uptake of government contracts by woman-owned small businesses has had a very positive socio-economic impact. Employment in businesses that participate in these programmes has increased, and they have posted a 35 per cent increase in profits since 2007, higher than the 27 per cent average increase across all US firms.

Archroma Pakistan Ltd.

Basic characteristics

Sector, Industry: Textile dyes and chemicals  
Headquarters: Pakistan, Switzerland  
Number of employees: 284 in Pakistan  
Share of female employees: 5 per cent in Pakistan

Archroma Pakistan, Ltd., a subsidiary of a Swiss-based company which manufactures textiles and sources from companies all over the world, announced in 2016 that it would provide technical assistance to female entrepreneurs in the textile industry. Confirmed by a Memorandum of Understanding with a local group called Ethical Affair, the company will provide training in sustainable production at all stages, and in market knowledge. In 2017, the company trained 25 women.

The company also gave increased decision-making power to two women in management positions within the company. Despite initial hurdles, these promoted women have been able to catalyse a social shift within the company, as they have exercised their decision-making powers and acted as mentors to other women. One of the two women was voted onto the board of directors in 2018.

Coca-Cola

Basic characteristics

Sector: Retail, beverages  
Headquarters: United States  
Number of employees: 62,600  
Share of female employees: 47.7 per cent  
Partner company of the International Organisation of Employers (IOE)  
WEPs signatory since 2011

Coca-Cola has made a strong commitment to women’s economic empowerment. In many countries, woman-owned kiosks and corner stores make up a large portion of the company’s
retail base, while half of the farmers in developing countries from which Coca-Cola sources products are women. The company has made a priority of diversifying these resources. In 2010, Coca-Cola announced a “5by20” initiative, a global commitment to empower 5 million women entrepreneurs across its supply chain by 2020.

The programme focuses on providing business skills training, financial services and networking opportunities to producers, recyclers, retailers, artisans and other actors. Being highly decentralized, the company works with its 20 regional units and 250 bottling partners using local resources and funding. Coca-Cola's Chief Sustainability Officer oversees the operation, while the team that reports to the CSO draws up local business plans and works with public affairs and operations staff. Coca-Cola also implements some aspects of the project through partnerships with UN agencies, such as UN Women, and other business and civil society groups.

As of 2018, the programme had supported 3.2 million women in 92 countries. At the same time, Coca-Cola has benefited from cost savings, thanks to reduced transport needs, and increased sales resulting from its enhanced reputation. The company also attributes a reduced environmental impact to the 5by20 programme. There have also been some regional improvements. In Tanzania, Coca-Cola Kwanza reports that 95 per cent of its US$100 million in sales goes to micro-distribution centres, 65 per cent of which are owned or managed by women. The centres' sales have increased by 12 per cent. In the Philippines, gender-responsive retailer training in sari-sari stores is scheduled to impact 100,000 women, providing peer mentoring on issues such as microfinancing. In South Africa, women have reported a significant improvement in their ability to afford basic necessities, save money and feel confident in their business. These women also experienced a 46 per cent increase in business sales in the 18 months after their training.

### Finlay's

**Basic characteristics**

*Sector, Industry:* Retail, beverages  
*Headquarters:* United Kingdom  
*Number of employees:* N/A  
*Share of women employees:* 31 per cent in James Finlay Kenya (JFK) tea estate in 2015

Finlay's owns tea estates in three countries: Kenya, Sri Lanka and Argentina. The company has implemented multiple programmes on its JFK tea estate. In 2014, it launched Project Athena to improve its equality policies and anti-discrimination measures, bring more women into decision-making roles, and invest in their personal development. The project first conducted an assessment of daily life in the company to see where anti-discrimination measures were needed. All managers and employees received equality training. Additionally, leadership training and apprenticeships were made available to women, with the Olessos
Technical Institute providing some education. The programme also provided management and life-skills training, and opportunities for networking and mentoring.

In 2015, the company introduced a Gender Equality and Diversity Policy and Strategy. By the end of that year, JFK had 23 per cent women in senior management, up from 21 per cent in 2014. Meanwhile, women’s representation in junior management increased from 22 to 25 per cent, and in graded and general positions to 19 per cent and 33 per cent respectively.

The company’s goal is now to increase women’s representation in leadership at each level to 30 per cent by 2022. In 2018, JFK and the Kenya Institute of Management established a nine-month leadership and development programme for women in senior management. There are also apprenticeships available in various trades. Some of JFK’s newer management and entrepreneurship programmes are run in collaboration with Starbucks, which is a major purchaser of Finlay’s tea.

2.6 Building a future of work that works for women

Gender equality and women’s economic empowerment must be an integral part of the future of work as shaped by industrial and digital innovation. The International Organisation of Employers notes that, in order to tackle modern day labour issues, companies and governments alike will have to pay attention to skills development, rapid demographic change and flexible worktime policies. They will also have to consider changing social expectations of work, climate change and globalization in introducing sustainable workplace policies. All of these considerations have the potential to increase women’s economic empowerment across all nations and sectors, and especially within supply chain management and production.

Technological innovations are only as effective and empowering as the individuals using them. The ILO, in the Centenary Declaration for the Future of Work, calls on governments and social partners to developing a human-centred approach to the future of work. This will involve promoting the qualifications and skills of men and women workers by addressing current and anticipated social, cultural and economic gaps; ensuring that education and training systems are responsive to market needs; increasing opportunities for decent work; and investing in the care economy. Equal access to finance, technologies and education are all crucial aspects of ensuring equal access to decent work for women. Training opportunities in these areas, when applied to supply chains, will give women and other vulnerable groups – such as migrants, who usually have low-paying jobs and less education – greater mobility into leadership roles and an increased competitive edge. This is especially crucial in the age of automation, as developments such as the robotization of manufacturing processes pose the risk of unemployment and disrupted production, and could severely impact women workers.
Integrating mobile technologies and digital training into work and daily life may also increase awareness of labour rights and improve workers’ organization, especially for young women. In most regions of the world, there tends to be a digital gender gap. This impacts the ability of women to develop the hard and soft skills required to access and adapt to the changing world of work and supply chain employment, where digitalization is increasingly prevalent. If the G20 fails to close the gender gap in digital skills, it is likely to miss an opportunity to grow by US$1.5 trillion in 10 years.

Women are also at a disadvantage when working in the technology sector in virtually every country. In the information and communication technologies (ICT) industry, there are gender gaps in participation in employment and in pay. In 2019, women, who made up between 26 and 33 per cent of the workforce in the ICT sector in G7 countries (Figure 7), experienced pay gaps of between 16 and 24 percentage points as compared with their male counterparts. Globally, the median pay gap in this sector is 21 per cent, as compared with a 16 per cent median gender pay gap for the global economy as a whole. Since digital skills are becoming an increasingly vital part of supply chain functioning at all levels of operation, closing gender gaps in the ICT sector is a matter of urgency. Supply chains are optimized when production workers around the world are empowered and women become equal players in the digital world of work.

![Figure 7. Female share of employment (%) and gender pay gaps (%) in the ICT sector, 2019, G7 countries](chart)

Note: Data for Canada not available. Gender pay gap data not available for Italy and United States.


Preparing for the future of work in the age of digitization and the rise of the global market endorses gender equality, while improving company outcomes. Increasing women's digital
skills, including access to the Internet, can speed economic development in low- and middle-income countries. It has been estimated that GDP in these countries could increase by between US$13 and 18 billion if 600 million more women gained access to the Internet.\textsuperscript{12}

Programmes that invest in employees’ skills and capabilities need not be expensive or time-consuming; one programme described in the following illustrative practices was completed in half a day. In any case, the improved productivity and profits are likely to offset any programme costs. In the increasingly automated garment industry, it is fruitful to invest in workers who have lost their jobs due to automation. Brands can save 75 per cent of their costs if they train garment workers to perform 3D modelling tasks or conduct quality checks.\textsuperscript{13} In agriculture, the economic empowerment of women – by giving them access to certain digital technologies, for instance – can increase production yields by 20 to 30 per cent.\textsuperscript{14}

Among international initiatives, the EQUALS Global Partnership for Gender Equality in the Digital Age, launched in 2016 by the International Telecommunication Union, UN Women, GSMA, the International Trade Centre and the United Nations University, is a worldwide group of corporate leaders, governments, businesses, not-for-profit organizations, academic institutions, NGOs and community groups dedicated to promoting gender balance in the technology sector by championing equality of access, skills development and career opportunities for women and men alike. EQUALS works by promoting awareness, building political commitment, leveraging resources and knowledge, harnessing the capacities of partners and supporting real action. In seeking to achieve digital gender equality, EQUALS aims to improve the livelihoods of millions around the world, including workers in supply chain employment.\textsuperscript{15}

2.6.1 International Labour Standards and other instruments

The Discrimination (Employment and Occupation) Convention, 1958 (No. 111), calls on governments to implement a national policy to “promote, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination in respect thereof”.\textsuperscript{16}

The Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189), includes provisions specifically aimed at supporting women entrepreneurs, including training and access to finance.\textsuperscript{17} The Human Resources Development Recommendation, 2004 (No. 195), calls for ongoing identification of trends in the competencies needed by individuals, enterprises, the economy and society as a whole; and the expansion of workplace learning and training through on- and off-the job training, involving public and private-sector training providers and making greater use of ICT.\textsuperscript{18}
Other instruments

The WEPs Indicators include provisions on gender-sensitive solutions to overcoming obstacles that prevent women from accessing financial products and services; gender-responsive training, skills development and continuous education; and public reporting.¹⁹

2.6.2 Guiding principles for supply chains

To empower women in a human-centred future of work throughout the supply chain, successful government and company policies should aim to:

1. increase financial inclusion;
2. provide digital skills training;
3. enhance climate resiliency and create sustainable infrastructure.

Increasing financial inclusion

Technology is steadily moving towards automation and “smart” functions as part of the Fourth Industrial Revolution, and yet women’s involvement in this tech boom is limited, creating a new type of inequality. The global gender data gap is the result of unequal access to the internet and mobile communications. Currently, there is a 16 per cent difference between men and women’s access to digital technologies.²⁰ In South Asia alone, the “gap” in mobile phone ownership may be as high as 38 per cent.²¹ Such inequalities impede women’s economic empowerment as the world moves towards mobile banking, online employment services, online education and so on. Only 57 per cent of women have their own bank account with a financial institution, 7 percentage points below the figure for men.²²

As women fall behind in access to technology in an increasingly digital world, their economic opportunities lag even further. Without financial education and the ability to access the internet, women-owned businesses, especially SMEs, struggle to keep up with the competition in penetrating new markets, improving efficiency and customer service, and so on. The credit gap for women-owned SMEs is about US$287 billion in the formal sector, but as high as US$1 trillion if the informal economy is included.²³ This gap is costing women-owned SMEs between US$260 and US$320 billion annually in developing economies alone.²⁴ Only 46 countries have legal provisions ensuring equal access to credit.²⁵ Laws preventing equal access to collateral, such as land, is another reason why financial inclusion is difficult to achieve for women.²⁶ It is important that more countries take up this issue and introduce policies that enable women business owners to thrive and contribute economically.

Providing digital skills training

Upskilling and reskilling workers to equip them for the future of work provides financial and social benefits, but such initiatives are all too rare. Digital skills training is part of lifelong learning and can offset the potential risks of automation. In the garment industry, for
instance, large numbers of workers – 64 per cent in Indonesia and 88 per cent in Cambodia – are at risk of being displaced by technology, but some of these jobs could be saved by digital skills training.\textsuperscript{27} However, OECD data shows that the workers most at risk of suffering the consequences of automation are two times less likely than other workers to receive formal work-related training, and 3.5 times less likely to receive remote-work-related training.\textsuperscript{28} This leave a large majority of supply chain workers, such as those in the garment industry,\textsuperscript{29} unable to keep up with the changing demands of work as labour moves away from repetitive tasks to new hard and soft skills.\textsuperscript{30}

Workers should be entitled to receive training that enables them to keep their jobs. Training could enable supply chain employees to develop new digital skills in such fields as artificial intelligence (AI), information security and robotics.\textsuperscript{31} It is vital that such training be delivered in company time, be easily accessible and respect workers’ work–life balance. By developing new skills, women are economically empowered and prepared for the future of work in a variety of sectors.

\textit{Enhancing climate resiliency and building sustainable infrastructure}

Low- and middle-income countries, where the lower tiers of supply chains are usually located, often face the most detrimental effects of climate change.\textsuperscript{32} Not only do these catastrophes decrease production and supply, but women feel the impact of climate disasters more heavily than men in many countries.\textsuperscript{33} In Pakistan alone, about three quarters of the female working population (15 years old and over) work in the agricultural sector.\textsuperscript{34} These women are especially vulnerable to flooding, fire and other climate-change-related disasters. Investing in sustainable infrastructure in or near the workplace can make this kind of work more attractive, as basic infrastructure and services, such as running water and quality public transport, increase women’s ability to dedicate time to work, and enhance their safety and their bargaining power in the private sphere.\textsuperscript{35} Increasing the proportion of women in decent green jobs, and having access to modern technologies, creates work opportunities, mitigates the effects of climate change and removes a heavy burden from women’s shoulders. Gender equality in agriculture goes hand in hand with increased efforts to mitigate and combat the effects of climate change.\textsuperscript{36}

\textbf{2.6.3 Illustrative practices}

\textbf{Ferrero}

\textbf{Basic characteristics}

\textit{Sector, Industry}: Retail, confectionary  
\textit{Headquarters}: Luxembourg, Italy  
\textit{Number of employees}: 41,325  
\textit{Share of female employees}: 45 per cent\textsuperscript{37}
Ferrero launched “CocoaAction” in 2014 as one of its many sustainability projects. In conjunction with Snapal, a local partner, the company is working to develop sustainable and just cocoa production in Côte d’Ivoire and Ghana. The project cooperated with four communities in 2017, eight in 2018 and twelve in 2019. The programme – formulated after a community assessment to understand local needs – incorporates child protection, education and women’s economic empowerment and will run for three years in each community. Village Savings and Loans Associations (VSLAs) are set up to help women achieve financial inclusion, and the programmes have shown positive outcomes in terms of microenterprise development, increased savings and greater decision-making power in the home. The programme also includes literacy classes for women, entrepreneurship training and the development of income generating activities (IGAs).

As of 2018, the programme has contributed to the creation of 20 VSLAs in the Lakota region of Côte d’Ivoire. Of the 489 beneficiaries, 94 per cent are women, who have accumulated €8,880 (approximately US$10,472) in savings. The VSLAs have also provided €5,046 (approximately US$5,950) in loans for IGA development, thus helping 126 people. Three of the communities benefit from literacy classes, with 21 sessions already completed and 73 women regularly participating.

**L’Oréal**

**Basic characteristics**

*Sector, Industry:* Retail, household and personal products

*Headquarters:* France

*Number of employees:* 82,606

*Share of women employees:* 69 per cent

WEPs signatory since 2013

In 2010, L’Oréal launched a Solidarity Sourcing Programme for more responsible sourcing. By 2014, L’Oreal was sourcing 100 per cent of the shea butter it requires for over 1,200 of its products from Burkina Faso, where one third of the country’s population lives in poverty. To help mitigate the negative effects of climate change in this country, and empower the 35,000 women working in this part of the shea-nut supply chain, in 2016 L’Oréal undertook a new project as part of the Carbon Balanced Initiative in conjunction with Nafa Naana, a local enterprise. The project aims to provide women in this supply chain with 1,500 cooking stoves that will replace the traditional three-stone stoves. These new stoves are used by SMEs for preparing shea nuts. They reduce carbon dioxide emissions, timber consumption, the risk of burns and smoke inhalation, and the cost of firewood. The programme has the potential for replication in other countries.

In 2017, L’Oréal also became a founding member of Women4Climate, working with C40 Cities to mentor young women and support research on the gender-specific impacts of
climate change. The C40 programme is taking place in over 96 cities, which together account for one quarter of the global economy and one half of the global population. Participating cities collaborate to implement strong climate-action measures. As of August 2020, there were 17 cities – in Europe, Africa, North America, South America, western Asia, Australia and New Zealand – with active Women4Climate mentorship programmes. Women4Climate also shares knowledge on how climate change impacts women and makes recommendations on how to include women in climate-action policy decision-making.

Shimmy Technologies

Basic characteristics
Sector, Industry: Technology, fashion industry
Headquarters: United States
Number of employees: 10
Share of female employees: 70 per cent

Shimmy Technologies is a social enterprise that develops technology to help companies achieve gender equality and decent work for the 75 million people in the apparel supply chain. A 2018 report by McKinsey Apparel, Fashion & Luxury Group predicted that automation of simple garment production would be complete by 2025, with an 80 per cent reduction in the labour force. In response, Shimmy Technologies established its Shimmy Upskill programme, to prepare women in the garment industry for the future of work.

Shimmy Technologies piloted Shimmy Upskill with financial backing from the C&A Foundation and the New York State Workforce Development Institute. The programme consists of modules that use gaming technology and natural-language-processing artificial intelligence to teach women garment workers how to use digital technology (for instance, using touch screens) and acquiring the digital literacy and skills they need for the future of work, including digital pattern annotation, overall garment construction, CAD, CAM, and 3D modelling. Participants receive individualized feedback, and teamwork is encouraged throughout the programme. The software was specifically developed to be engaging and easy to use, and the teaching material corresponds to certification criteria. The modules use images with which workers are already familiar in their daily tasks, and are presented in both the local language and English.

Focus groups with Bangladeshi workers found that their chief concerns were increased pay, a better work–life balance, respect, and fear of the impact of automation. Shimmy Upskill conducted five pilot studies in Bangladesh, Indonesia and the United States, using tablets in factory training rooms. These studies included pre-tests and follow-up discussions to test the efficacy of the modules. Participants took less than half a day to complete the module concerned, showing how little time needs to be invested in implementing a programme of this kind. Moreover, the pilot studies highlighted crucial elements of user-centred learning...
and demonstrated a genuine interest on the part of workers to participate in this skills development curriculum. Workers reported that they gained computer skills, transferable skills, industry knowledge and relevant English terminology, which they retained for over eighteen months after completing the training. Most crucially for employers, workers were now able to operate different machines, potentially improving factory productivity, improving the gender balance in higher-paid technical jobs, and increasing 3D and CAD capacity to take on more orders and perform inclusive sizing of clothes. Shimmy Upskill has so far proven that disruptive gaming technology can be used to teach garment workers new skills, while testing their aptitude for new design and automated machine operator roles within the factories where they already work.

Generous financial and in-kind support from the Laudes Foundation, Microsoft and the Acumen Fund has enabled the further development of the Shimmy Upskill project in anticipation of a roll-out across factories in Bangladesh and the US in the coming months. Shimmy Technologies believes that technical skills training should go hand in hand with mindset and soft-skill training, as female workers will face nuanced situations and unconscious bias as they disrupt the male-dominated status quo. Accordingly, some of Shimmy Technologies’ future skills development plans include partnering with the ILO-IFC Better Work GEAR programme and incorporating further gaming technology features that have been shown to accelerate learning and aid retention. The group is also planning to develop an ongoing monitoring and evaluation strategy to assess social impact, using business metrics.

Partnerships have been at the core of Shimmy Technologies’ work. As of May 2020, the company is working in partnership with Better Work, the Laudes Foundation and the Center for Global Development on a research project entitled Apparel Automation Pulse (“The Pulse”) to better understand the impact of automation on productivity and human capital. Additionally, private-sector companies have been in contact to engage in partnerships to disseminate the technology to their supply chain workers and use the technology to deliver their own training activities.
Further considerations, implications and conclusions

Further considerations

Many enterprises have a strong gender equality component to their sustainable and responsible supply chain policies, which they seek to implement along the whole of the chain. However, they generally lack a direct contractual relationship with companies beyond tier 1 or tier 2 of the chain, where decent work deficits tend to be more common. In one study, it was found that 65 per cent of large companies lacked the means to assess conditions and implement their codes of conduct at the lower end of their supply chains.

There are ways in which buyers can ensure compliance across all levels of the supply chain: improving data collection, adapting audits and assessments according to tier level, and requiring tier 1 and 2 suppliers to have their own gender-sensitive ethical procurement guidelines with verification methods that align with the buyer’s code of conduct. However, their suppliers may need support in building the capacity to manage gender-equality and other labour-rights issues in their own supply chains.

While gender equality is a human right in itself, a gender lens is essential for addressing the whole range of labour-related human rights. For instance, the elimination of forced or child labour needs to go hand in hand with gender equality initiatives to protect both the child and the working parents: if women are not be able to work, the family may be driven to rely on child labour. A working mother in a lower tier of the supply chain may not have access to child care and instead withdraw her daughter from school to care for her younger siblings, thus impeding her access to education; or the mother may bring the children to her place of work in often hazardous conditions.

Lastly, partnerships can play an important part in scaling up companies’ gender equality initiatives. MNEs and large domestic companies managing supply chains are in a unique position to bring about positive social change and contribute to the realization of human rights, especially where women’s empowerment is concerned. Partnerships are most effective when they involve participation in programmes and collaborative ventures with international and local partners to advance women’s economic empowerment. Partnerships can also help smaller companies wishing to implement women’s economic empowerment initiatives that might not be feasible without additional expertise or resources from business partners and other organizations. Some of the projects featured in this document might not have had so powerful an impact without the participation of workers’ representatives, local and international non-profits, civil society organizations, financial institutions or other companies.
Entities with which fruitful partnerships can be formed include local women's organizations, which can help in identifying barriers to women's economic empowerment and formulating more effective solutions; employers' organizations, which may have programmes to support their members in promoting gender equality and encouraging women entrepreneurs; and trade unions, which may be running campaigns to promote gender equality in the workplace. Larger organizations willing to enter into partnerships with the private sector to foster equitable supply chains include the EU, the ILO, UN Women, the UNGC, the IFC, WEConnect and BSR.

**Implications for suppliers**

This report has focused mainly on what companies can do to promote gender equality in their business partnerships in domestic and global supply chains; and how they might support their suppliers so that gender equality policies add value to their operations and do not merely represent an additional cost.

However, this focus on business-to-business relationships might give the misleading impression that responsibility lies primarily or exclusively with buyer companies. Suppliers themselves have a responsibility for ensuring equal treatment of the men and women they employ; and for contributing to the achievement of full gender equality. Suppliers themselves can use this report to better understand the principles underlying gender equality at work, and can implement the guidance, even in the absence of explicit buyer expectations. The illustrative practices described herein are drawn from publicly available documents, which means that the sample is biased towards the large firms that are more likely to produce such reports, in particular companies managing global supply chains. Nonetheless, these examples can give suppliers ideas for concrete measures they might take, as well as sparking discussions with buyers who may be offering support or with their own suppliers further down the chain.

**Policy implications for governments**

Nor does the focus on business-to-business engagement mean that governments are irrelevant; on the contrary, their duty to protect is paramount. Guidance for governments on protection of the right to full gender equality in the workplace merits its own report. Nevertheless, given the importance of government policies to protect and promote gender equality, we have included some factors which governments should consider.
There is a clear economic and social case for enacting policies that empower women. Inclusive and fair workplaces have obvious benefits and important spill-over effects. They improve individual and community mental and physical health (including the health of employees’ family members), transform gender norms, increase worker productivity and happiness, promote innovation and improve national and international economic growth. Women’s economic empowerment in the context of supply chains is therefore crucial to sustainable development and the realization of genuine gender equality, and should be a top priority for government policy action. National policies on labour and trade, as well as private sector policies at all levels of the supply chain, can heavily impact women workers’ empowerment.

Conclusions

The integration of women’s economic empowerment in dealings with business partners is integral to achieving gender equality, a just global society and favourable financial outcomes for all. Actions can be taken at all stages of the supply chain, with clear goals and a rigorous system of implementation and evaluation.

This document has highlighted how supply chain managers in G7 and EU countries, and companies that supply goods to G7 and EU countries, are key players in ensuring decent work. Furthermore, government policies governing supply chain management in G7 and EU countries have a clear international impact on women’s economic empowerment. This document provides examples of government and company policies that address women’s empowerment in supply chains, in particular policies that ensure equal pay, prevent violence and harassment in the workplace, ensure a healthy work–life balance, empower women in business and management, and prepare women for the future of work. The following table summarizes the guidance on empowering women working in supply chains.
Women’s economic empowerment can be achieved in all companies if appropriate policies are adopted. The above-listed measures are only a few of the many ways in which companies can contribute, depending on their resources and whether they are involved in public–private, sectoral or B-2-B partnerships. Support is needed from all levels of supply chain management and from governments, since the relationships between stakeholders in supply chains are complex and influence one another.⁹

The findings presented in this document highlight both successes and areas where improvement is needed.
In conclusion, supply chain management can have a significant impact on women’s economic empowerment globally, in and beyond the G7 and the EU. It requires a critical understanding and systemic analysis of the gender dimension of all workers’ rights, as well as the ways in which the natural environment and technology are related to the implementation of gender equality supply chain policies. It also requires a solid understanding of the most effective ways of communicating expectations and supporting business partners. With this foundation, companies everywhere can improve their operations and promote gender equality through their business relationships, so that women and men at all levels of supply chains can enjoy a future of decent work.
## ANNEXES

### Annex 1: Principles of the ILO MNE Declaration

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<th>General Policies</th>
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<td>• Further the aim of the Declaration by adopting appropriate laws and policies, measures and actions, including in the fields of labour administration and public labour inspection [paragraph 3]</td>
<td>• Declare and pursue, as a major goal, an active policy to promote full, productive and freely chosen employment, and decent work [paragraph 13]</td>
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<td>• Ensure equal treatment between multinational and national enterprises [paragraph 5]</td>
<td>• Develop and implement an integrated policy framework to facilitate the transition to the formal economy [paragraph 21]</td>
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<td>• Ratify all the Fundamental Conventions [paragraph 9]</td>
<td>• Establish and maintain, as appropriate, social protection floors within a strategy to progressively ensure higher levels of social security [paragraph 22]</td>
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<td>• Promote good social practice in accordance with the MNE Declaration among MNEs operating in their territories and their MNEs operating abroad [paragraph 12]</td>
<td>• Take effective measures to prevent and eliminate forced labour, provide victims with access to an appropriate remedy, develop a national policy and action plan, and provide guidance and support to employers [paragraphs 23-24]</td>
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<td>• Be prepared to have consultations with other governments whenever the need arises [paragraph 12]</td>
<td>• Endeavour to increase employment opportunities and standards, taking the employment policies and objectives of governments into account [paragraph 16]</td>
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<td>• Before starting operations, consult the competent authorities and the national employers’ and workers’ organizations in order to keep employment plans, as far as practicable, in harmony with national social development policies [paragraph 17]</td>
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<td>• Give priority to the employment, occupational development, promotion and advancement of nationals of the host country [paragraph 18]</td>
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<td>• Use technologies which generate employment, both directly and indirectly; and take part in the development of appropriate technology and adapt technologies to the needs of and characteristics of the host country [paragraph 19]</td>
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<td>• Respect the sovereign rights of the state and obey national laws and respect international standards [paragraph 8]</td>
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<td>• Contribute to the realization of the fundamental principles and rights at work [paragraph 9]</td>
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<td>• Carry out due diligence, taking account of the central role of freedom of association and collective bargaining, industrial relations and social dialogue [paragraph 10]</td>
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<td>• Consult with government, employers’ and workers’ organizations to ensure that operations are consistent with national development priorities [paragraph 11]</td>
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#### PRINCIPLES DIRECTED TO GOVERNMENTS

- Develop a national policy designed to ensure the affective abolition of child labour, take immediate measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency, and progressively raise the minimum age of admission to employment [paragraph 26]
- Pursue policies designed to promote equality of opportunity and treatment in employment, with a view to eliminating any discrimination based on race, colour, sex, religion, political opinion, national extraction or social origin [paragraph 28]
- Promote equal remuneration for men and women workers for work of equal value [paragraph 29]
- Never require or encourage multinational enterprises to discriminate and provide guidance, where appropriate, on the avoidance of discrimination [paragraph 31]
- Study the impact of multinational enterprises on employment in different industrial sectors [paragraph 32]
- In cooperation with multinational and national enterprises, provide income protection for workers whose employment has been terminated [paragraph 36]

#### PRINCIPLES DIRECTED TO ENTERPRISES

- Build linkages with local enterprises by sourcing local inputs, promoting the local processing of raw materials and local manufacturing of parts and equipment [paragraph 20]
- Contribute to the transition to the formal economy [paragraph 21]
- Complement and help to stimulate further development of public social security systems [paragraph 22]
- Take immediate and effective measures to secure the prohibition and elimination of forced labour in their operations [paragraph 25]
- Respect the minimum age of admission to employment and take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour [paragraph 27]
- Be guided by the principle of non-discrimination and make qualifications, skills and experience the basis for recruitment, placement, training and advancement of staff [paragraph 30]
- Endeavor to provide stable employment for workers and observe freely negotiated obligations concerning employment stability and social security, promote security of employment, providing reasonable notice of intended changes in operations and avoiding arbitrary dismissal [paragraphs 33-35]

#### Training

- Develop national policies for vocational training and guidance, closely linked with employment, in cooperation with all the parties concerned [paragraph 37]
- Provide training for all levels of workers employed to meet the needs of the enterprise as well as the development policies of the country [paragraph 38]
- Participate in programmes aiming at encouraging skill formation, lifelong training and development, as well as providing vocational training, and make skilled resource personnel available [paragraph 39]
- Afford opportunities within the enterprise for local management to broaden their experience [paragraph 40]
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<td><strong>Endeavour to adopt suitable measures to ensure that lower income groups and less developed areas benefit as much as possible from the activities of multinational enterprises [paragraph 42]</strong></td>
<td><strong>Across their operations, provide wages, benefits and conditions of work not less favorable than those offered by comparable employers in the country concerned, taking into account the general level of wages, the cost of living, social security benefits, economic factors and levels of productivity [paragraph 41]</strong></td>
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<td><strong>Ensure that both multinational and national enterprises provide adequate safety and health standards and contribute to a preventive safety and health culture, including taking steps to combat violence at work and attention to building safety; and that compensation is provided to workers who have been victims of occupational accidents or diseases [paragraph 43]</strong></td>
<td><strong>Maintain highest standards of safety and health at work, make known special hazards and related protective measures associated with new products and processes, provide information on good practice observed in other countries, and play a leading role in the examination of causes of industrial safety and health hazards. [paragraph 44]</strong></td>
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Annex 2: The Women’s Empowerment Principles and suggested actions

**Principle 1: High-level corporate leadership**

*Suggested actions:*

- Establish company-wide goals and targets for gender equality and women’s empowerment and measure progress through clear performance indicators.
- Make managers at all levels accountable for results against these goals and targets through their performance reviews.
- Engage and consult internal and external stakeholders in the development of company policies, programmes and implementation plans.
- Ensure that existing policies are gender-sensitive – identifying factors that impact women and men differently – and that corporate culture advances equality and inclusion.
- Review the requirements for board membership, and membership of other governance bodies and committees, to remove any discrimination or bias against women.

**Principle 2: Treat all women and men fairly at work without discrimination**

*Suggested actions:*

1. Pay equal remuneration, including benefits and bonuses, for work of equal value and ensure as a minimum a living wage for all women and men employees.
2. Foster an inclusive workplace culture and remove gender-based discrimination from all policies and practices.
3. Implement gender-sensitive recruitment and retention practices and proactively recruit and appoint women to managerial and executive positions and to the corporate board of directors.
4. Offer flexible working arrangements, leave and re-entry opportunities to positions of equal pay and status.
5. Support women and men’s access to child and dependent care through services, resources and information.
6. Assure participation of women — 30 per cent or more — in decision-making and governance at all levels and across all business areas.
Principle 3: Employee health, wellbeing and safety

*Suggested actions:*
- Establish a zero-tolerance policy against all forms of violence and harassment at work.
- Ensure all employees have equal access to health insurance, including part-time workers, and to support services for survivors of violence and harassment.
- Strive to offer health insurance or other needed services — including for survivors of domestic violence — and ensure equal access for all employees.
- Respect women and men workers’ rights to time off for medical care and counselling for themselves and their dependents.
- Provide safe working conditions and protection from exposure to hazardous materials and disclose potential risks, including to reproductive health, taking into account differential impacts on women and men.
- Address safety and security issues, in consultation with employees, including travelling to/from work and business trips, and train security staff and managers to recognize signs of violence against women, human trafficking, and labour and sexual exploitation.

Principle 4: Education and training for gender equality

*Suggested actions:*
- Invest in workplace policies and programmes that open avenues for advancement of women at all levels and across all business areas, and encourage women to enter non-traditional job fields.
- Ensure equal access to all company-supported education and training programmes, including literacy classes, vocational and information technology training.
- Provide equal opportunities for formal and informal networking and mentoring.
- Articulate the company’s business case for women’s empowerment and the positive impact of inclusion for men as well as women

Principle 5: Enterprise development, supply chain and marketing practices

*Suggested actions:*
- Expand business relationships with women-owned enterprises, including small businesses, and women entrepreneurs.
- Ask business partners and peers to respect the company’s commitment to advancing equality and inclusion.
- Develop and implement gender-responsive procurement policies and practices.
- Support gender-sensitive solutions to credit and lending barriers.
- Respect the dignity of women in all marketing and other company materials.
Ensure that company products, services and facilities are not used for human trafficking and/or labour or sexual exploitation.

**Principle 6: Community initiatives and advocacy**

*Suggested actions:*

- Lead by example by showcasing concrete actions to advance gender equality and women’s empowerment.
- Leverage influence, alone or in partnership, to advance gender equality and collaborate with business partners, suppliers and community leaders to achieve results.
- Work with community stakeholders and officials to eliminate discrimination and exploitation and to open opportunities for women and girls.
- Promote and recognize women's leadership in, and contributions to, their communities and ensure their active participation in community consultation.
- Use philanthropy and grants programmes to support community initiatives.

**Principle 7: Measurement and reporting**

*Suggested actions:*

- Make public the company policies and implementation plan for promoting gender equality.
- Establish benchmarks that quantify inclusion of women at all levels.
- Measure and report on progress, both internally and externally, using data disaggregated by sex.
- Incorporate gender indicators into ongoing reporting obligations.
Annex 3: Helpful resources

Better Work, Compliance Assessment Tool

BSR, Gender Equality in Codes of Conduct Guidance

BSR, Gender-Mainstreaming in Supply Chain Resource Hub

European Commission, Gender Equality Strategy 2020-25

ILO, Helpdesk for Business on International Labour Standards

ILO, Rules of the Game: An introduction to standards-related work of the International Labour Organization

ILO-ITC, Empowering Women at Work Capacity Development Platform

OECD, OECD Due Diligence Guidance for Responsible Business Conduct

UNGC, Action Platform: Decent Work in Supply chains

UNGC, Sustainable Supply Chains: Resources and Practices

UNGC, UN Global Compact Academy

UNGC, UN Women, the Multilateral Investment Fund of the IDB, The Women's Economic Empowerment Principles Gender Gap Analysis Tool

UN Women, www.empowerwomen.org

UN Women, www.weps.org

UN Women and UNGC, WEPs Equality Means Business – Using our principles as a multiplier for action and progress

WE EMPOWER G7, Case studies

Equal pay

EPIC, Equal Pay International Coalition

Fair Wear Foundation, Wage Ladder

Government of Germany, About Sustainability Compass
ILO, Equal Pay: Introductory Guide


ITUC, Modern Slavery in Company Operations and Supply Chains: Mandatory transparency, mandatory due diligence and public procurement due diligence

UN Women, Diagnosis for Equal Remuneration (DIR) self-evaluation tool

WE EMPOWER G7, Closing Gender Pay Gaps to Achieve Gender Equality at Work Guidance

Violence and Harassment in the world of work

Business Fights Poverty, How can business tackle gender-based violence in the world of work: A Toolkit for Action

Government of the United States, Managing Risks to Women in Supply Chains

IFC, How business can tackle gender-based violence in the world of work: A Toolkit for Action

ILO, Sample Sexual Harassment Policy

ILO and UN Women, Handbook: Addressing Violence and Harassment against Women in the World of Work

ILO Portal, Eliminating Violence and Harassment in the world of work

ITCILO and Fair Wear Foundation, Gender-based violence in supply chains, Resource kit

United Nations, Code of Conduct to prevent harassment, including sexual harassment

WE EMPOWER - G7, The COVID-19 Shadow Pandemic: Domestic Violence in the World of Work - A Call to Action for the Private Sector

Work–life balance and sharing care responsibilities

IFC, Tackling Childcare: A Guide for Employer-Supported Childcare

ILO, Guide to developing balanced working time arrangements

ILO, Maternity Protection Resource Package

ILO, Work and family: Creating a family-friendly workplace

Levi Strauss Foundation, *Improving Business Performance through Gender Equality: Strategies for the apparel supply chain*

UNICEF, ILO, UN Women, *Family-Friendly Policies and Other Good Workplace Practices in the Context of COVID-19: Key steps employers can take*

**Women in business and management**

ILO, *Entrepreneurship Development Interventions for Women Entrepreneurs, An update on what works*

ILO, *Women in Business and Management*

IOE, *Policy Priorities: Diversity*

UN Women, *The Power of Procurement: How to source from women-owned businesses*

UN Women, *Gender-responsive Procurement*

Valore D, *Inclusion Impact Index*

WeConnect International, *Connecting Women’s Enterprises with Global Opportunities*

**WE EMPOWER G7, Guidance on Gender Responsive Procurement**

**Women at work and the future of work**

BSR, *Redefining Sustainable Business: Management for a rapidly changing world*

ILO, *Global Commission on the Future of Work: Work for a brighter future*

ILO Portal, *The future of Work*

IOE, *Policy Priorities: The future of Work*

IOE, *Female Talent: Unleashing its Full Potential for the Future*

OECD, *Bridging the Digital Gender Divide: Include, Upskill, Innovate*

UN Women, *Will the Pandemic Derail Hard-won Progress on Gender Equality?*

WE EMPOWER - G7, *Guidance Note for Action: Supporting SMEs to Ensure the Economic COVID-19 Recovery is Gender-Responsive and Inclusive*

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PART 1: GUIDING FRAMEWORKS FOR SUPPLY CHAIN POLICIES TO PROMOTE GENDER EQUALITY IN THE WORKPLACE

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PART 2: TRANSFORMING THE WORKPLACE TO ACHIEVE GENDER EQUALITY: ILLUSTRATIVE PRACTICES ON GENDER-RESPONSIVE SUPPLY CHAIN MANAGEMENT


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