shesupplies

Policy July 2022 - 2023

Introduction

SheSupplies was founded on the belief that companies and public entities can have a transformational role in enhancing gender equality in the global supply chain.

Procurement is the gatekeeper to the suppliers!

When buyers embrace a gender-responsive procurement approach, they will enhance gender equality in their supply chain and promote economically empowered and resilient women.

Our Mission

We promote gender equality in the supply chain.

We support organizations (businesses and public entities) to get things done and drive change. We do this by building the awareness and capacity of organizations to identify, prevent and mitigate gender-related human rights risks in their supply chain and source their services and products with a gender lens.

We focus on sectors with higher gender-related risks (e.g. textile & garment, agri-food, hospitality, among others).

Our Vision

A world where women and men have equal economic opportunities and rights.

Our core values

- 1. We respect human rights
- 2. We promote gender equality and equity
- 3. We are committed to multi-stakeholder collaboration
- 4. We believe in diversity and inclusion
- 5. We support transparency and accountability

Strategy

The Problem

Women and girls face gender discrimination due to gender norms, cultural and religious practices and unequal laws and policies. This results in limited access to resources, opportunities and rights. Therefore, women have limited opportunities to thrive and reach their full potential.

In the global supply chain the situation is not different, Women and girls continue to face disproportionate challenges and have limited opportunities to thrive and reach their full potential:

Women perform 66% of the world's work, produce 50% of the food, but earn only 10% of the income, and own very little of the world's private property.

- Women in the workforce face disproportionate challenges including unequal pay, limited leadership opportunities, unsafe working conditions, limited access to (skills) training, sexual harassment and abuse.
- There are approximately 187 million women entrepreneurs worldwide who own between 32% and 39% of all businesses in the formal economy. However, according to research conducted by WEConnect International, globally women-owned businesses earn less than 1% of the money spent on products and services by large corporations and governments.

The Solution

We believe that organizations can have a transformational role in enhancing gender equality in the global supply chain. Procurement is a key driver for sustainability improvements. At this moment, the majority of most companies' environmental and social footprint sits in the supply chain, and procurement is the gatekeeper to a company's suppliers.

The adoption of gender-responsive procurement (GRP) policies and practices is a strategic lever to mitigate the impact of the structural barriers women face and at the same time improve businesses and strengthen economies.¹ Gender-responsive procurement has been an underutilized tool in driving capital to women and influencing a broader ecosystem of suppliers.

Studies show that gender-responsive businesses, that offer equal rights and opportunities for women and men, have higher revenues, are more productive and are more resilient to crises. Also, a more diverse and inclusive supply chain that provides equal opportunities to women-owned businesses makes businesses more innovative and agile in following new consumer trends.

Women workers and women entrepreneurs can offer a solution for many challenges the world faces today and the evidence shows there is a direct correlation between empowering women economically and economic growth, sustainable development, and more inclusive and resilient societies.

What is gender-responsive procurement?

Gender-responsive procurement is the sustainable selection of services and goods that considers the impact on gender equality and women's empowerment and the specific barriers that women face in the supply chain.

With gender-responsive procurement, corporations do not lower their standards to accommodate women-owned businesses or gender-balanced and gender-responsive businesses. Rather, the emphasis is on removing barriers and developing the capacity of these suppliers to compete with other businesses, resulting in higher standards

There are the following three levels that are relevant to promote gender-responsive procurement;

- 1. Sourcing from women-owned businesses.
- 2. Sourcing from gender-balanced businesses.
- 3. Sourcing from gender-responsive businesses.

¹ See for more information on the challenges for women workers and women-owned businesses Annex 1

Why is gender-responsive procurement important?

1) The Business Case

Women's empowerment provides a strategic business opportunity. Empowering women in the value chain presents an incredible opportunity not only to improve the lives of people making, selling, and buying products, but also to ensure more stable and efficient supply chains, draw on a diverse pool of talent, and reach new consumer segments—all of which impact financial performance and long-term business resilience. Reducing gender inequalities through gender-responsive procurement is good for business and is smart economics. It affects corporate profitability, risk mitigation, innovation, and sustainability.

When the disadvantaged position of women workers and women entrepreneurs is ignored during the procurement process, companies risk underutilizing the potential and leaving a considerable amount of productivity, talent, creativity, and expertise on the table. Gender-responsive procurement is a winning business strategy as well as a powerful catalyst for change.

Studies show that gender-responsive procurement leads to²:

- Increased revenue and reduced procurement spend,
- Increased productivity and reduced production cost,
- Greater supplier availability and resilience,
- Strengthened brand reputation,
- Enhanced interest from the financial sector,
- Improved ability to recruit and retain employees,
- More innovation and adaptability,
- Improved service delivery due to greater agility, and
- Strengthened markets through local economic development and inclusive growth.

It needs no explanation, this leads to higher profits!

2) Compliance with rules and regulations

The United Nations Guiding Principles and the OECD Guidelines for Multinational Enterprises both define concrete, actionable steps for governments and companies to meet their respective duties and responsibilities to prevent human rights abuses in company operations and provide remedies if such abuses take place. Reality shows that both alone are not sufficient to drive transformative change. Therefore, different countries have implemented laws that oblige companies to be more transparent and address and prevent the negative impact on human rights and the environment.

² Different research shows that

^{*}Closing the gender gap in economic participation by 25% by 2025 could increase the global GDP by U\$5.3 trillion (World Economic Forum, 2017).

^{*}Women control 65% of household spending, and their global consumer spending is estimated in US\$40 trillion (Catalyst, 2015 and HBR, 2009).

^{*}Diverse companies get on average 38% more profits for sales of new products and services (BCG – Technical University of Münich, 2017).

^{*}Companies with more gender-balanced boards and stronger female leadership report higher returns on equity, sales and invested capital on averageSources: (MSCI, 2015 and Catalyst, 2011)

^{*}A study by McKinsey (2019) found that companies in the top quartile for gender diversity are 15 percent more likely to have financial returns above their respective national industry medians.

In addition, the EU Commission proposed a new Directive on corporate sustainability due diligence. With this new upcoming Directive businesses have a legal duty to address, prevent and mitigate human rights risks in their own organization as well as in their value chain³.

3) A sustainable business

More companies embrace the Sustainable Development Goals (SDGs) as leading for their business.

Sustainability is important for businesses because they realize that the future of the company is directly linked to a more sustainable business conduct. At the same time consumers, investors and other stakeholders also demand a more sustainable approach. We see a growing trend of businesses that move from net zero to net positive, and are keen not only to take away the negative impact of their business, but also develop opportunities to have a positive social impact on all the stakeholders involved in their value chain (their own employees, people in their supply chain, the communities they are active in and their consumers).

Gender-responsive procurement contributes to the following SDGs:

- SDG 5 Gender Equality
- SDG 8 Decent Work and Economic Growth
- SDG 12 Responsible Consumption and Production
- SDG 17 Partnerships for Goals

4) A fair and right thing to do

The very concept of human rights is, at base, a moral one. Human rights are primarily a species of moral rights in that they highlight certain priority moral values that cannot be identified with any actual set of institutionalized rights and duties.

A business that protects its own employees and those who work in its supply chain and ensures that everyone has equal rights and opportunities is a fair one, doing the right thing.

How we work

SheSupplies focuses on two key strategies:

- 1. Building awareness & understanding of the importance of gender equality in the supply chain
- 2. Enhance the capacity of organizations to develop and implement gender-responsive procurement measures.

To guarantee system change:

SheSupplies aims to support organizations in prioritizing, establishing and implementing gender-responsive and ethical procurement policies and practices without compromising quality, efficiency, cost savings and value for money.

1. We broker and coordinate multi-stakeholder collaboration to promote gender equality in the supply chain.

³ The EU Commission proposal for a new Directive on corporate sustainability due diligence establishes a corporate sustainability due diligence duty to address negative human rights and environmental impacts (e.g. violations of human and labour rights, including forced labor and child labor, pollution and biodiversity loss)

- 2. We build the capacity of key stakeholders to support gender responsive procurement practices and policies.
- 3. We promote a sectoral approach bringing together industry peers to share experiences and knowledge and drive collective change.
- 4. We build and develop a dynamic digital Resource Ecosystem bringing together tools, publications, services and other information to promote gender-responsive procurement.

Ad1. We broker and oversee multi-stakeholder collaboration

We believe that multi-stakeholder collaboration is essential for systemic change. In our current global world nothing stands alone and everything we do is connected and depends on others. Therefore, it is important to collaborate and define common goals and solutions. We also realize that multi-stakeholder collaboration is not always easy. Finding the right local partners to support the work in the supply chain is difficult. The SheSupplies team has an extensive network and understanding of how to develop and implement programs in the supply chain, and is able to broker and oversee the collaborative partnership with civil society organizations in the supply chain. We also support organizations to present and share their learnings and good practices at key events and conferences.

Ad 2. To build the capacity of key stakeholders we have developed a Three Step Roadmap:

We developed a 3-step Roadmap to build the capacity of organizations to apply a gender lens to their procurement of services and goods. The 3-step Roadmap enables organizations to identify their gender-related human rights risks, prioritize next steps and develop and implement gender responsive procurement policies, procedures and practices to enhance gender equality in their supply chain.

3-Step Roadmap:

I. Gender-responsive procurement assessment

Our tool assesses at two levels, internal (governance, strategy, policies, practices, procurement team, data collection, risks) and external (measures, supplier engagement, reporting & communication, grievance, M&E, multi-stakeholder collaboration). The GRP-assessment tool provides a baseline and identifies potential areas for improvement, and enables the organization to track progress over a period of time. It promotes and enhances the transparency and accountability of the organization in line with existing rules and regulations.

II. Recommendation report

We provide a recommendation report with customized recommendations on measures to take to address, prevent and mitigate human rights risks and supporting enhanced gender equality in the supply chain.

III. Tailor-Made support

- Workshops and training to build awareness & capacity towards a more inclusive culture.
- Support gender-disaggregated data collection.
- Support a risk analysis.
- Technical support to design, develop and coordinate gender responsive measures

- Advise around policies, procedures and practices.
- Broker and coordinate multi-stakeholder collaboration.
- Support monitoring and evaluation activities to identify the progress.

Ad 3. GRP Sectoral Peer Circle

To achieve systemic change, we also foster and manage sectoral collaborative efforts. We bring together a group of peers from one sector in a Gender-Responsive Procurement Sectoral Peer Circle. The Circle will be a group where they can share experiences, learnings and together come up with solutions for the risks they encounter in their supply chain. At the same time, SheSupplies will enhance their understanding through workshops and use our developed Three Step Road map to assess, address, adapt and implement measures to mitigate and prevent gender-related human rights risks in the supply chain. We will also foster multi-stakeholder collaboration in the Circle to achieve more sustainable results.

Ad 4. Online Resource Platform

The current ecosystem for responsible, sustainable and gender-responsive procurement and sourcing is extensive and difficult to manage. New tools, publications, services and ideas are constantly shared. In our dynamic digital platform we offer organizations, institutions and thought leaders an opportunity to share, find and use curated information, tools and services that supports and advances improved gender-responsive and sustainable procurement.

In order to support organizations we need to develop a professional team of gender experts and mobilize resources from different parties, including private and public foundations, government agencies, individuals and corporate donations. For the first year, we plan to raise a total amount of EUR95.000 from a diverse group of donors including multilateral organizations, corporate grants, government grants, private foundations/NGOs.

Our direct beneficiaries

1.Women workers

Women in the workforce are protected and have equal access to opportunities, resources and rights. They are able to develop their full potential, are economically empowered and more resilient.

2.Women-owned businesses

Women-owned businesses have increased opportunities to enter the supply chain of strategic and large companies due to enhanced gender-responsive procurement policies and practices. This will increase their ability to scale and grow their business and increase their economic position and resilience.

3.Businesses and public entities

Businesses and public entities have enhanced awareness and capacity to develop and implement gender-responsive procurement policies, processes and practices in order to comply with rules and regulations. They will be able to enhance their transparency and are more accountable to the gender-related human rights risks in their supply chain. The organizations will be more sustainable and it will have a positive impact on their business results. They will have enhanced gender equality in their supply chains.

Our indirect beneficiaries

4. Families and communities

The families and communities where the empowered women live will also benefit from their enhanced economic position and resilience of the women. The general health conditions in the community improve, as well as the level of education for the children as the mothers will be able to continue to pay for their school.

Our Impact

Women in the workforce

- Women have improved health and wellbeing.
- Women have safer working conditions.
- Women have enhanced their technical/managerial skills and knowledge.
- Women have leadership positions in the workplace.
- An increasing number of women have a bank account to receive a salary.
- Women take parental leave / unpaid care leave.
- Women are paid fairly and equally.
- More women return to work after pregnancy.
- Less women are subjected to sexual harassment and other forms of abuse.
- An increased number of women join unions or worker committees.

Women who own businesses

- Enhanced access of women-owned businesses to new markets and finance
- Enhanced scale of women-owned businesses
- Enhanced knowledge and skills to enter new markets

Organizations

- Enhanced gender equality in the supply chain
- Increased number of women-owned businesses in the supply chain
- Enhanced gender balance in the supply chain (women in leadership positions)
- Enhanced gender responsive supplier base
- Improved reputation among stakeholders (employees, consumers, investors)
- Improved resilience in crisis and supply chain disruptions (e.g. pandemic)

Our SWOT Analysis

 Strengths Strong expertise on gender Track record in working with corporate sector Extensive gender network Good reputation of founder (founded Stichting Women Win) Unique focus on gender-responsive procurement (GRP) 	 Weakness Start up organization In the process of developing online platform, tools and training material New team of professionals Limited resources
 Opportunities New EU Directive on Due Diligence Growing focus on procurement's role in sustainable business conduct Increased engagement of 	 Threats Other NGOs also focus on gender-responsive procurement Competing NGOs with superior access to organizations. Tight labor market

 stakeholders around ESG (financial sector, consumers) Gender inequality in the supply chain is considered a risk for sustainability. Global supplier diversity and inclusion efforts are increasing as more multinational and domestic corporations recognize the value to their business. 	 The pandemic and climate crisis force companies to focus on other issues in supply chain Much funding focuses on other ESG issues (climate)
--	--

Terms for the Policy

Since SheSupplies is a starting organization we have developed this policy for a two year period. We will re-evaluate the policy after the second year and develop a three year policy plan

The current situation for SheSupplies

A recently published NL Equileap report (commissioned by Women Win) presents an evaluation of 100 public companies listed on the Euronext Amsterdam Stock Exchange, ranking them based on their performance on gender equality.⁴ It also includes a deep-dive analysis of their performance on gender equality in their supply chains. While there appears to be an improvement in the performance of Dutch companies compared to research from previous years, this report highlights the opportunity for improvements for both gender equality in the workplace and throughout the supply chains. The report also reveals that very few Dutch companies are proactively monitoring the gender diversity of their suppliers and proactively working with women owned businesses.

33% of the US based companies have developed a policy promoting procurement from women owned businesses'. In comparison, in the Netherlands, only 2 out of 100 companies have a program to identify and procure from women-owned suppliers, covering either global operations or their country in which they are based.

Considering that more than 190 million women work in the global supply chain and more than 30% of the businesses are owned by women, it is important to realize that Dutch companies and government institutions can have a significant positive impact on women empowerment and women entrepreneurship through their procurement strategy and policies.

The Netherlands and Europe lag behind the international trend when it comes to international responsible business conduct laws and regulations that are no longer based on voluntary commitment of companies, but are replaced by compulsory due diligence and transparency legislation around ESG. The good news is that the European Parliament recently adopted a resolution, calling on the Commission to propose EU-wide legislation on corporate due diligence and corporate accountability. The European resolution seamlessly fits within an international trend to require companies to undertake human rights due diligence.

⁴ Gender equality in the Netherlands, Assessing 100 leading companies on workplace equality, Special report, October 2021

At this time SheSupplies is unique in its focus only on gender-responsive procurement and developing tools and solutions to support organizations to improve gender equality in their supply chains. SheSupplies will fill an important gap in a growing market. Our primary focus will be businesses with a seat in the Netherlands, but we also support businesses in Europe when they are active in sectors with higher gender-related human rights risks.

The organization

Legal Structure

Stichting SheSupplies is incorporated in the Netherlands as a foundation, seated in Amsterdam with KvK registration number 86543377. SheSupplies maintains administrative offices at Leidsegracht 102, 1016 CT Amsterdam, the Netherlands.

Social media channels

Website: <u>http://www.shesupplies.org/</u> LinkedIn: https://www.linkedin.com/company/shesupplies/ Twitter: <u>https://twitter.com/she_supplies</u>

The Team

Currently we have two (unpaid) staff members. The Executive Director (algemeen directeur) and a program manager. Both will start invoicing as freelancers when the first resources are mobilized. At this moment they work on a voluntary basis. The interns do receive a internship allowance of maximum 150€ per month. The interns support the strategic pillars of the organization, including research, maintaining the website, social media activities among other activities.

Advisory Council

SheSupplies has approved the set up of an Advisory Council (approved in the Board Meeting d.d. 16 May 2022) and we will start recruiting members of the AC soon.The principal focus of the Advisory Council (AC) is to provide strategic advice and support the activities of SheSupplies.

Duties and responsibilities:

- Maintain a close advisory partnership with the Executive Director.
- Provide market insight and specific knowledge on key topics. and intelligence, to support organizational planning and alignment to the SheSupplies strategic goals.
- Advice can be provided by the Advisory Council as a whole, or a subgroup of the Advisory Council (it may be effective and efficient to form a small task group when strategic and focused advice is required.)
- Identify potential partners.
- Broker partnerships with key organizations
- Act as ambassadors for SheSupplies.
- Provide advice and support to the Executive Director and the Board regarding delivery of the strategic plan.
- Understand the external market and political environment.
- Raise the profile of SheSupplies at international level.
- Provide insight and intelligence on potential opportunities and risks.
- Open up and facilitate personal networks to advance SheSupplies activities and recognition.

The Board

SheSupplies has three board members.

- 1. Chair: Diana van Maasdijk (Founder and CEO Equileap)
- 2. Treasurer: Alexandra Irene van Selm (Program Director International Responsible Business Conduct at Social and Economic Council (SER)

3. Secretary: Elif Tutum Tuncer (Global Diversity, Equity and Inclusion Director Signify) The Boardmembers will not receive a salary or other payments. Only expenses incurred for activities on behalf of SheSupplies will be covered.

The SheSupplies Budget 2022

Awareness Raising	In EURO
Podcast	
Articles	500
Speaking engagements	3,000
Social media	7,947
Workshops	11,921
Staff costs allocated (25%)	
Costs Awareness Raising	25,368
Capacity Building	In EURO
Develop tools and training material	11,921
Implement 3 step GRP programs	12,671
Develop Digital Platform	11,921
Organize Sectoral Peer Circles	15,894
Staff costs allocated (65%)	
Costs Capacity Building	52,407
Admin & General	
Office expenses	1,000
Website	2,500
Staff costs allocated (10%)	7,947
Costs Admin & General	11,447
TOTAL COSTS	89,222
INCOME	
Corporate grants	35,000
Government grants	35,000
Foundations, NGO's	25,000

TOTAL INCOME	95,000
--------------	--------

Resource Mobilization

SheSupplies mobilizes resources with the following organizations:

- Government grants (e.g RVO, MinBuZa)
- Private Foundations (e.g New Venture Fund, Oak Foundation, Laudes Foundation, OSI, Women Win)
- Public Foundations (e.g Oxfam Novib, Care,
- Multilateral Organizations (e.g UN Women, EU Funds)
- Corporate grants (we are especially looking for companies in high-risk sectors, including the garment/textile sector, Agro-food sector and Extraction sector)

Apart from money, we also raise support from volunteers, pro-bono support from businesses and service providers (e.g. DLA Piper, Google, Salesforce). We also receive material donations from other NGOs; or we accept in-kind contributions from different stakeholders.

All the money raised will be used to realize our goals and objectives and will be invested in our programs.

Notes