



Business and Human Rights from the Decent Work Perspective

Landmark



Credits

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The discussion on the business sector's responsibilities towards human rights has been gaining momentum in the last few years, especially since the 1990s, when the economic globalization reached its peak and the impact of transnational economy on people's lives all over the world has become increasingly clear.

Since then, there have been major advances in this theme with the advent of initiatives aimed at the reporting of business impacts and the promotion of corporate social responsibility both in business management and in control of the value chain. Within the United Nations, John Ruggie took over as Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, filling a great gap in the UN and in international treaties and conventions related to business involvement with and responsibilities towards human rights.

The Ethos Institute has worked on human rights-related agendas since its foundation, particularly initiatives related to countering forced labor and promoting decent work. In partnership with the Inter-American Foundation (IAF), the institute produced the historical survey series *Perfil Social, Racial e de Gênero das 500 Maiores Empresas do Brasil e Suas Ações Afirmativas* (Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions) and a set of guidebooks to help companies develop gender and race equality promotion practices, as well as the inclusion of people with disabilities.

Another important landmark was the organization of the Meeting of CEOs: Corporate Social Responsibility and Human Rights, held in June 2008 to celebrate the 60th anniversary of the Universal Declaration of Human Rights, which gathered many CEOs and was attended by the then President of the Republic, Luiz Inácio Lula da Silva. In this meeting, organized in partnership with the Special Secretariat for Human Rights, CEOs signed the Meeting of CEOs Declaration (Business and Human Rights)¹, committing themselves to respecting human rights and specifically to the following themes of the decent work agenda: promotion of gender equality in the workplace; promotion of racial equality in the workplace; eradication of forced labor in value chains; inclusion of people with disabilities; and support for the promotion of the rights of children, adolescents and the youth.

This publication, also supported by IAF, seeks to contribute to the discussion on companies' relations with human rights, showing how they can see human rights in their business and presenting opportunities for preventive and proactive actions. We, therefore, aim to help companies to move forward in their human rights efforts both in their management and in their value chain, and also, by implementing the specific agendas addressed herein, to contribute to society as a whole in the development of a labor market that respects and promotes human rights.

¹ <http://www.ethos.org.br/sistemas/RSEeDH/declaracaoRSEeDH.pdf>

The first part of the publication draws a “Human Rights Timeline” to help the reader get acquainted with the theme and its evolution since the Universal Declaration of Human Rights, in 1948, to date. It includes the main international pacts, treaties and conventions, important national and international initiatives within civil society, as well as regulations and advances in domestic public policy, contextualized along history. This section presents general landmarks regarding human rights and, as far as advances in specific agendas are concerned, it brings the landmarks related to the five themes of decent work, subject-matter of this publication.

The “Thematic Chapters”, which make up the second part of the publication, list essential documents, reports and tools, the national regulations, world conventions and treaties related to each of the five themes of the decent work agenda. The goal is to equip companies to promote human rights while working on this agenda.

The third part brings the “Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work” a management tool for companies to assess their policies and practices and to plan actions to respect human rights in general and specifically regarding the five themes.

“Inspiring Business Practices and Initiatives” are reported in the fourth part, with practical examples of companies that committed themselves to the referred themes and implemented policies and practices in this sense.

The last section presents a research on the evolution of pro-diversity practices among the companies that participated in the survey *Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions* and claimed to have at least one of the affirmative actions mentioned therein. The research aims to analyze if companies have kept their good practices and if such practices have brought good results for the promotion of human rights in the workplace. The section brings a critical analysis of this evolution, showing Brazil’s current situation regarding the segments prioritized in this study, and providing important inputs to encourage companies to develop practices aimed at valuing diversity and promoting equality or improve existing ones.

Human Rights in Brazil

A lot has been achieved in Brazil in recent years with respect to human rights protection, especially with the return to democracy and the approval, in 1988, of the Brazilian Constitution, encompassing all civil, political, social, economic and cultural rights resulting from years of struggle of the Brazilian society. The decrease in poverty levels has also been a huge advance in guaranteeing the rights of the Brazilian population.

Nevertheless, we still face critical challenges in this agenda so that the guarantee of these rights provided by law can reach all levels of the population and all regions of the country. The challenges become even more evident as the governmental action is limited and sometimes the State – responsible for protecting human rights – violates these rights.

The 2010 Amnesty International Report *The State of the World's Human Rights*² shows the current status of this reality. It reports the main violations that occurred in 2009 in each of the 40 countries analyzed. Amnesty International representatives – in a visit to Brazil between May and December 2009 – identified the following critical points:

- **The treatment given to dwellers of slums and poor communities.** These segments of the population are frequently under the control of armed criminal gangs and are subject to warlike police raids, with summary executions justified by “resistance to arrest”. Police forces also make use of torture, intimidation, illegal and arbitrary searches, extortion and theft.
- **Inhuman and degrading conditions of prisons.** The use of torture by government agents as a method to inquire, punish and humiliate – a practice related to impunity for past violations, overcrowded prisons – which is a form of torture itself, and the presence of internal gangs are problems for which there are no short-term solutions.
- **Land-related conflicts in rural areas of the country,** with the murder of peasants and landless workers committed either by policemen or by gunmen hired by farmers.
- **The violation of workers’ rights, especially in the agricultural sector,** despite the enormous efforts put forth to counter forced labor.
- **The construction of large infrastructure facilities,** such as dams, roads and ports, which sometimes means forced displacement and loss of means of subsistence by local communities and indigenous peoples, with the violation of human rights of these populations.

² http://www.observatoriodeseguranca.org/files/AIR2010_BR.pdf

In this context, considering the interdependence, indivisibility and interrelation of the human rights³, the economic rights advances made in recent years in Brazil by most of the population must be followed by equal advances in civil, social and cultural rights. Therefore, there is a lot to be done in this agenda, which requires not only governmental action, but also action by the civil society, business and labor organizations, so that respect for human rights can be prioritized in the current economic development panorama.

Human Rights and Business

The report *Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework*⁴, presented in March 2011 by John Ruggie, Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, sets international standards for the scope of business responsibilities towards human rights, relating such responsibilities to the government’s obligation to guarantee them. The report states that, while the government has to protect the human rights of its citizens, the company has to respect them, regardless of the political reality it belongs to, that is, even if it operates in non democratic countries or where democracy is in a precarious state. The company must also offer effective remediation mechanisms when involved in human rights violations.

Although Ruggie recognizes that companies are key actors for employment and wealth creation all over the world, he stresses that, because they operate in a globalized economy not subject to international laws, they have considerable potential to impact on human rights, many times negatively.

The report also shows that business responsibility towards respect for human rights does not depend on the company size or its economic sector, even though impacts and responsibilities can change according to these two factors. In this sense, an important concept to be taken into account is the sphere of influence of companies, which changes dimension according to their characteristics. Such concept is present in the newly born social responsibility standard ISO 26000⁵. In its chapter “Recognizing social responsibility and engaging stakeholders”, the standard sets forth the following: “An organization is responsible for the impacts of decisions and activities over which it has formal and/ or de facto control. (de facto control refers to situations where one organization has the ability to dictate the decisions and activities of another party, even where it does not have the legal or formal authority to do so). Such impacts can be extensive. In addition

³ The Vienna Declaration and Programme of Action, available at: http://dhnet.org.br/direitos/anthist/viena/declaracao_viena.htm

⁴ <http://www.business-humanrights.org/media/documents/ruggie/ruggie-guiding-principles-21-mar-2011.pdf>

⁵ ABNT NBR ISO 26000 – Diretrizes sobre Responsabilidade Social, p. 16, 2010.

to being responsible for its own decisions and activities, an organization may, in some situations, have the ability to affect the behavior of organizations/parties with which it has relationships. Such situations are considered to fall within an organization's sphere of influence".

At the same time, companies have to deal with a highly competitive global market, constantly seeking higher productivity and cost reduction rates. Many times, companies outsource operational activities not directly linked with their business, such as information technology and security, or decide that certain production stages should be carried out by suppliers. Such suppliers are normally located where operational and production costs are lower. When cost reduction outweighs other parameters, social and environmental aspects are neglected when hiring suppliers.

As a matter of fact, in many cases reduced concern with the value chain still means a gap in business management, creating business environments that favor human rights violation due to lack of policies and procedures to control complex supplier networks.

The best attitude the company can adopt is integrating human rights concerns into its business strategy, avoiding exclusive focus on brand image risk management. For a proper impact management, assessment of operational risks and alignment of business actions with the expectations of society and individuals, companies seriously engaged with this agenda have increasingly integrated corporate social responsibility into their strategies, which brings gains for the business. In *How to Do Business with Respect for Human Rights: a Guidance Tool for Companies*, a guide developed by the Global Compact Network in the Netherlands, the impacts of adopting or not adopting measures aimed at respect for human rights become clear, as shown in the comparative table below⁶.

⁶ Adapted to the Brazilian reality. The original document can be found at: http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/how_to_business_with_respect_for_human_rights_gcn_netherlands_june2010.pdf

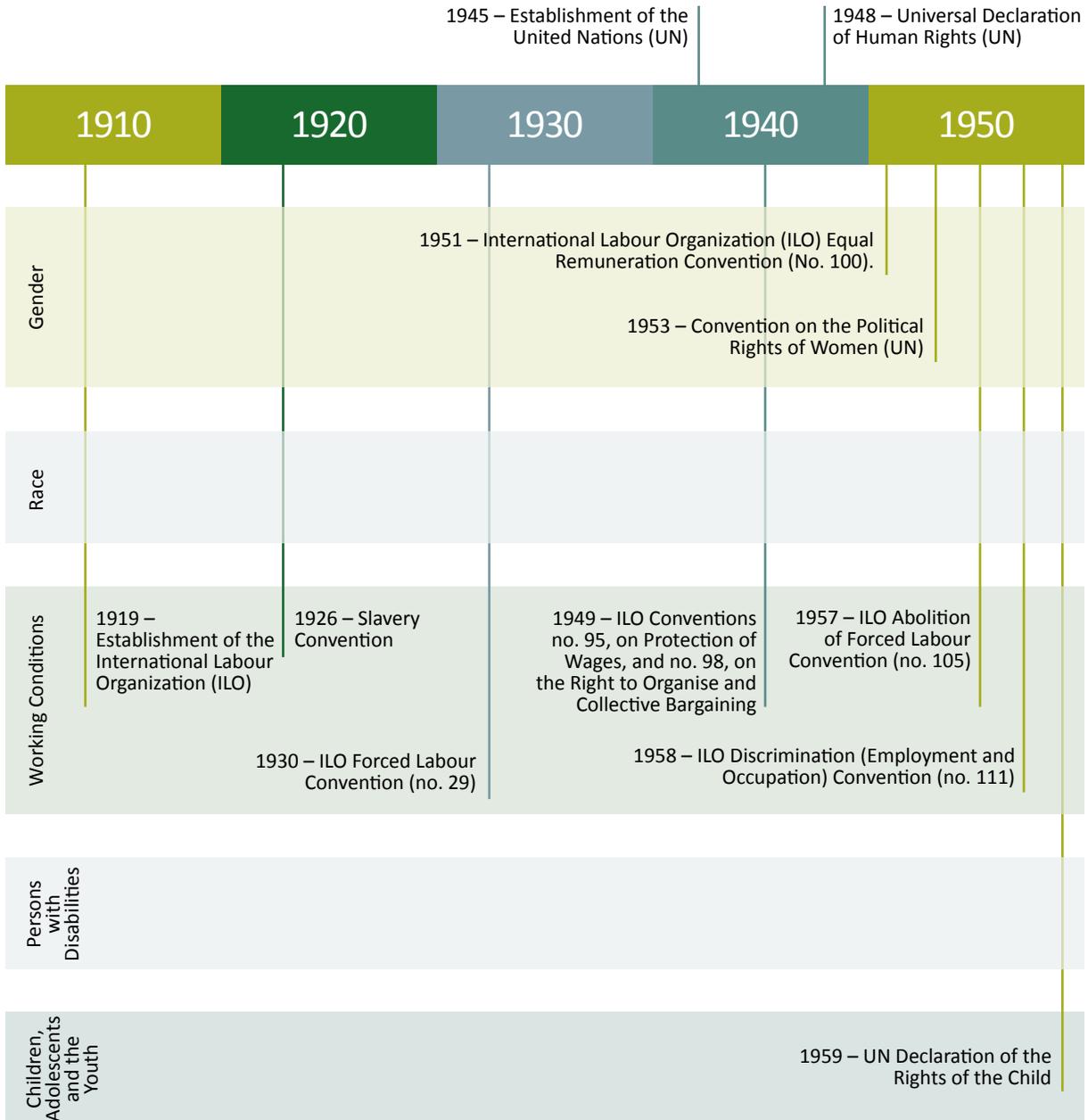
How Not Respecting Human Rights Can Reduce the Bottom Line	How Human Rights Can Raise the Bottom Line
Costs of strikes when workers feel their rights are not respected.	Maintaining a diverse workforce makes the company better equipped to compete in the global economy.
Litigation costs from lawsuits related to human rights abuses (eg. discrimination).	A company that respects human rights is an attractive employer on the job market.
Lowered employee morale due to implication of their company in human rights abuses.	Employees are more motivated, leading to increased productivity and higher retention rates.
Public relations and brand image cost arising from human rights abuses.	Proper human rights due diligence ⁷ leads to positive news and attention (even when things have gone wrong).
Financing costs, e.g. increased project financing costs or withdrawal of financing.	Less external restrictions related to financing of a project.
Force majeure claims by contractors forcing renegotiation of price upwards or cancellation.	The company may become more attractive as a client for contractors, suppliers and other business partners.
Inability to get products on the market at the planned time ⁸ .	Increased knowledge and capacity to tailor products to the needs and preferences of consumers.
Restricted opportunities for growth because of the reluctance of governments to grant new licenses.	Increased access to government contracts.
Possibility of write-offs and restatement of earnings in the event of project cancellation or delay.	Increased likelihood that projects will finish in time or ahead of schedule.
Restricted access to equity capital markets as a result of concerns of Socially Responsible Investors.	Management time that currently goes to dispute resolution can be dedicated to innovation, entrepreneurship and other businesses.

⁷ ISO 26000 defines due diligence as a comprehensive, proactive process to identify the actual and potential negative social, environmental and economic impacts of an organization's decisions and activities over the entire life cycle of a project or organizational activity, with the aim of avoiding and mitigating negative impacts.

⁸ Although pointed out in the publication, this situation has not been identified in any other study or country report.

Human Rights Timeline

First 50 Years of the 20th Century



The United Nations Organization (UN)⁹, comprising 192 sovereign States, was founded in 1945 after World War II to keep peace and safety in the world, foster cordial relations

among nations and promote social progress, higher standards of living and human rights. Member states are united around the Charter of the United Nations¹⁰, an international treaty that lists the rights and duties of international community members.

In 1948, the UN published its most important document, the Universal Declaration of Human Rights¹¹, developed under the influence of experiences had in World War II. This perception is present in the preamble to the declaration, which mentions the dignity everyone is entitled to and what is considered as a crime against mankind. The declaration's text encompasses the so-called first and second generation rights (civil and political rights, and economic, social and cultural rights).

In the following decade, the UN would publish other declarations with the specific purpose of granting special protection to certain groups of individuals. In 1953, the United Nations committed themselves to the Convention on the Political Rights of Women¹² and, in 1959, adopted the Declaration of the Rights of the Child¹³. Since then, more than 60 declarations or conventions on human rights have been adopted.

The International Labour Organization (ILO)¹⁴, whose purpose is to promote social justice, is the only organization of the United Nations System that has a tripartite structure in which business and labor representatives have the same rights as government ones. ILO was created by the 1919 Paris Peace Conference, right after the end of World War I. In 1969, in its 50th anniversary, the organization received the Nobel Peace Prize. Since its foundation, countless conventions have been adopted, making important advances in the field of labor relations.

One of the main ILO conventions – no. 29 – is related to working conditions. Before its publication, the League of Nations had adopted the international treaty Slavery Convention¹⁵, dated 1926, which determined the end of slavery, clarifying the meaning of it right in the first section: “Slavery is the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised”. The treaty sets forth the ban on slave trade and traffic, the prevention and suppression of embarkation, disembarkation and transport of slaves in territorial waters, and severe penalties in case of infractions; in addition, it urges contracting parties to bring about the complete abolition of slavery “progressively and as soon as possible”.

ILO Forced Labour Convention (no. 29)¹⁶ was adopted in 1930 and provides for the elimination of all forms of all forced or compulsory labor. It addresses exceptions such as

⁹ <http://www.onu-brasil.org.br/index.php>

¹⁰ http://unicrio.org.br/img/CartadaONU_VersoInternet.pdf

¹¹ http://unicrio.org.br/img/DeclU_D_HumanosVersoInternet.pdf

¹² <http://www2.mre.gov.br/dai/cdpm.htm>

¹³ www.direitoshumanos.gov.br/conselho/conanda/legis/link1/

¹⁴ www.oitbrasil.org.br

¹⁵ http://www.cedin.com.br/site/pdf/legislacao/pdf_tratados7/Conven%E7%E3o%20sobre%20a%20Escravidura.pdf

¹⁶ www.oitbrasil.org.br/node/449

compulsory military service, work or service exacted from any person as a consequence of a conviction in a court of law, and work or service exacted in cases of emergency. However, even in exceptions, a weekly day of rest is provided for by the Convention, as well as remuneration for hours worked in excess of the normal working hours.

Convention 95¹⁷, on Protection of Wages, dated 1949, determines that wages shall be paid regularly, and forbids any wage systems that prevent workers from the actual possibility of quitting the employment, thus reinforcing the Forced Labour Convention.

Convention 98¹⁸, on the Right to Organise and Collective Bargaining, also dated 1949, establishes for all workers and employers the right to set up their own organizations and join such organizations, without prior authorization, and provides for a number of guarantees for the autonomy of these organizations, without any interference by public authorities.

Convention no. 100¹⁹, dated 1951, is a landmark in the promotion of women's rights. It addresses the Principle of Equal Remuneration for Men and Women Workers for Work of Equal Value, and provides that differential rates between workers which correspond, without regard to sex, to differences, as determined by such objective appraisal, in the work to be performed shall not be considered as being contrary to the principle of equal remuneration for men and women workers for work of equal value.

Through Convention no. 105²⁰, on the Abolition of Forced Labour, dated 1957, each ILO member undertakes to "suppress and not to make use of any form of forced or compulsory labor: (a) as a means of political coercion or education or as a punishment for holding or expressing political views or views ideologically opposed to the established political, social or economic system; (b) as a method of mobilizing and using labor for purposes of economic development; (c) as a means of labor discipline; (d) as a punishment for having participated in strikes; and (e) as a means of racial, social, national or religious discrimination".

Convention no. 111²¹, dated 1958, on Discrimination (Employment and Occupation), defines "discrimination" and addresses the access to vocational training, access to employment and to particular occupations, and terms and conditions of employment.

We began the 20th Century with an international treaty that abolished slave labor and started the second half of the century addressing discrimination at work. The rights to be ensured represent an advance in the issue of slave labor, for the agenda of discussions increasingly include the conditions offered to workers and the evolution of their rights. What could not be foreseen was that, after so many years, forced or compulsory labor would still need to be fought.

According to an analysis by NGO Repórter Brasil²², "the many forms of forced labor in the

¹⁷ <http://www.oitbrasil.org.br/node/463>

¹⁸ www.oitbrasil.org.br/node/465

¹⁹ www.oitbrasil.org.br/node/445

²⁰ www.oitbrasil.org.br/node/469

²¹ www.oitbrasil.org.br/node/472

²² <http://www.reporterbrasil.org.br>

world always have two common characteristics: use of coercion and denial of freedom. In Brazil, slave labor is a result of degrading working conditions plus deprivation of freedom.”

The 1960s, 1970s and 1980s

	1960	1970	1980
	1968 – I International Conference on Human Rights, in Teheran, Iran (UN)	1976 – OECD Guidelines for Multinational Enterprises	1977 – Social Reporting Law, in France 1987 – Our Common Future (Brundtland Report) ✘ 1989 – The Natural Step (TNS) ✘
Gender		1975 – I World Conference on Women, in Mexico, with the theme “Women and Development” (UN) 1979 – UN Convention on the Elimination of Discrimination Against Women (Cedaw) 1980 – II World Conference on Women, in Copenhagen, Denmark (UN) 1985 – III World Conference on Women, in Nairobi, Kenya, with the theme “Gender and Development” (UN), and National Council for the Rights of Women [BR]	
Race		1966 – Convention on the Elimination of all Forms of Racial Discrimination (Cerd), International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights (UN)	1989 – Act no. 7.716 [BR]
Working Conditions			
Persons with Disabilities		1975 – Declaration on the Rights of Disabled Persons (UN) 1980 – UN declares the 1980s as the International Decade and 1981 as the International Year of Disabled Persons 1982 – World Programme of Action Concerning Disabled Persons (UN) 1983 – ILO Vocational Rehabilitation and Employment (Disabled Persons) Convention (no. 159)	1989 – Act no. 7.853, on support for persons with disabilities and their social integration [BR]
Children, Adolescents and the Youth		1973 – ILO Minimum Age Convention (no. 138)	1989 – Convention on the Rights of the Child (UN)

In these three decades, there have been important global landmarks. In 1976, the OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises²³ were created. These guidelines set out principles and standards of good practices aimed at responsible business conduct in the social, environmental and human rights areas.

In the following year, the Social Reporting Law²⁴ was enacted in France and required, in its first phase, the implementation of a social report by all companies with more than 750 people and, later on, by those with more than 300 people. This regulation results from the need for a more systemic assessment by society of business actions in the social field.

Another outstanding landmark with global meaning was the so-called Our Common Future (Brundtland Report)²⁵, focused on sustainable development and on the necessary political changes to reach it. Developed by the United Nations World Commission on Environment and Development, it was chaired by Gro Brundtland, then prime minister of Norway. The concept of sustainable development was coined in this report: “Sustainable development is the kind of development that meets the needs of the present without compromising the ability of future generations to meet their own needs. The two key concepts of sustainable development are: the concept of “needs” in particular the essential needs of the world’s poorest people, to which they should be given overriding priority; and the idea of limitations which is imposed by the state of technology and social organization on the environment’s ability to meet both present and future needs.”

Just after the definition of the concept of sustainable development, the organization The Natural Step was created in Sweden, when a manifesto was published involving environmental issues with a scientific approach, seeking to raise awareness of mankind about the consequences of the way we have treated the planet. The document contains four scientific principles to achieve sustainability, represented by system conditions. The fourth system condition says that “in a sustainable society, human needs must be met worldwide.”

Within the human rights themes, the fight for civil rights of afro-descendants stand out in the 1960s. In 1963, the North-American pastor and activist Martin Luther King gave his famous “I have a dream” speech during a parade with 250 thousand demonstrators fighting for civil rights and against racism in Washington, USA. In the following year, at 35, he would become the youngest winner of the Nobel Peace Prize and, in 1968, he would be assassinated.

²³ <http://www.oecd.org>

²⁴ <http://www.balancosocial.org.br>

²⁵ <http://www.un-documents.net/wced-ocf.htm>

Almost 20 years after the publication of the Universal Declaration of Human Rights, the UN realized that the fact that it included rights and freedoms of the population was not enough to ensure their enforcement, since the document does not have a binding legal force in the signatory parties. It concluded that the declaration should be complemented by covenants and treaties, two of which would be created after a few years of discussion.

The International Covenant on Civil and Political Rights²⁶ was completed in 1966 and can be divided into two sections. The first section contains the fundamental rights and the second one contains the covenant's monitoring and implementation devices. The UN Human Rights Committee was created to receive wrongdoing reports and determine the necessary sanctions and measures. Another method for international protection of human rights established by this covenant was the communication system. The States parties must forward periodical reports on the measures taken to guarantee rights and freedoms in its territory. There is also another communication mechanism called vertical protection system, through which a State party may report violation by another State party of rights guaranteed by the covenant. There is also a horizontal protection system, through which a State party can apply sanctions against or pressures on a violating State, such as boycotts or embargoes. The difference is that in the horizontal system the measure can be taken either by States or companies. Brazil joined this covenant in 1992 and sent its first report in 1994.

The Human Rights Committee analyzed and sent back remarks to the country, especially concerns with summary executions, poor conditions in prisons and threats to witnesses of human rights abuse. The Committee believes that unequal income distribution is the main contributory factor for the negative impacts seen in Brazil.

Also in 1966, the International Covenant on Economic, Social and Cultural Rights²⁷ was created with the purpose of making the provisions of the Universal Declaration legally binding. Adopting the same mechanism of the International Covenant on Civil and Political Rights, the Committee on Economic, Social and Cultural Rights was set up to monitor the implementation of economic, social and cultural rights provided for in the covenant and analyze periodical reports. Brazil ratified this covenant in 1992 and, in 1996, it launched the I National Human Rights Program (PNDH I), emphasizing civil and political rights. PNDH II was launched in 2002 and emphasized economic, social and cultural rights.

It can be seen that after the adoption of the Universal Declaration of Human Rights the United Nations approved many relevant international instruments. However, the I International Conference on Human Rights²⁸, held in 1968, reinforced what was yet to be

²⁶ http://www2.mre.gov.br/dai/m_592_1992.htm

²⁷ http://portal.mj.gov.br/sedh/ct/legis_intern/pacto_dir_economicos.htm

²⁸ <http://www.dhnet.org.br/direitos/sip/onu/doc/teera.htm>

done “in the scope of application of human rights and freedoms”. From the Proclamation of Teheran, final act of this conference, we highlight two critical points:

- “Gross denials of human rights under the repugnant policy of apartheid is a matter of the gravest concern to the international community.”; and
- “The discrimination of which women are still victims in various regions of the world must be eliminated. An inferior status for women is contrary to the Charter of the United Nations as well as the provisions of the Universal Declaration of Human Rights. The full implementation of the Declaration on the Elimination of Discrimination against Women is a necessity for the progress of mankind.”

In this period, some practical actions have been taken to address the above-mentioned concerns. Thematic conventions and conferences have been held aimed at tackling more effectively the specific problem of human rights abuse. The proposal of the Convention on the Elimination of all Forms of Racial Discrimination²⁹, dated 1966, was to become an international instrument to counter racism. The States parties committed themselves to the right to equal treatment before the tribunals, the right to security of person and protection by the State, and to political, civil, economic, social and cultural rights. Given the context of that time, it was necessary to make explicit the “right of access to any place or service intended for use by the general public, such as transport, hotels, restaurants, cafes, theatres and parks.” In this way, the convention sought to counter the apartheid, a problem that became evident after 17 African countries joined the UN in 1960. At the end of the 1980s, in Brazil, Act no. 7716³⁰ defined the crimes resulting from racial, ethnic, religious prejudice or prejudice related to country of origin.

The International Women’s Year (1975) was the beginning of the Decade for Women, declared by the I World Conference on Women. Five years later, the II Conference was held, assessing the progress made. With the III Conference and the end of the Decade for Women, in 1985, the “strategies for the advancement of women” were approved.

In 1979, the Convention on the Elimination of Discrimination Against Women³¹ reinforced the rights related to voting, nationality, free choice of profession, equal remuneration and benefits, marriage and maternity (prohibiting dismissal on the grounds of pregnancy or of maternity leave) and the right freely to choose a spouse. It clarified that the special measures aimed at protecting maternity shall not be considered discriminatory, and also that the “adoption by States Parties of temporary special measures aimed at accelerating de facto equality between men and women shall not be considered discrimination as defined in the present Convention, but shall in no way entail as a consequence the maintenance of unequal or separate standards; these measures shall be discontinued when the objectives of equality of opportunity and treatment have been achieved.”

²⁹ http://portal.mj.gov.br/sedh/ct/legis_intern/conv_int_eliminao_disc_racial.htm

³⁰ http://200.181.15.9/CCIVIL_03/LEIS/L7716.htm

³¹ http://portal.mj.gov.br/sedh/11cndh/site/pndh/sis_int/onu/convencoes/Convencao%20sobre%20a%20Eliminacao%20de%20Todas%20as%20Formas%20de%20Discriminacao%20contra%20a%20Mulher.pdf

Therefore, this convention pointed out that it is legitimate to make use of differentiated policies without being exclusionary or discriminatory.

In Brazil, the National Council for the Rights of Women³² was created in 1980 with the purpose of promoting policies aimed at eliminating discrimination against women, providing them with freedom and equal rights, as well as their full participation in political, economic and cultural activities in the country.

The promotion of rights of persons with disabilities starts in 1975 with the Declaration on the Rights of Disabled Persons³³. In 1981, when the UN established the International Year of Disabled Persons, the concept of inclusive society was made official. The World Programme of Action Concerning Disabled Persons³⁴, established in the following year, had the purpose of “promoting effective measures for prevention of disability, rehabilitation and the realization of the goals of ‘full participation’ of disabled persons in social life and development, and of ‘equality’”.

In Brazil, Act no. 7.853/1989³⁵ provides for the support to persons with disabilities and their social integration and for the National Board for Integrating People with Disabilities (Corde). This Act brings an end to a cycle in which the approach to people with disabilities was basically philanthropic and begins a new one, which values individual and collective rights and an effective social inclusion of these individuals in the areas of education, health, vocational training and career development, human resources and buildings, considering that mobility is jeopardized and many times hampered by the way urban spaces are designed and built. According to Section 1, “general rules are hereby set out to ensure the full exercise of individual and social rights of persons with disabilities, and their effective social inclusion, pursuant to this Act”.

After rehabilitation, some people are able to return to society. This process was known as “reintegration”, for it was applicable only to people who were active in society before becoming disabled, leaving out children that were born or became disabled in the first years of life. Since the 1980s, this term was changed to “integration”, a word applicable to all persons with disability.

The 1980s end up with the UN Convention on the Rights of the Child³⁶, for which “a child means every human being below the age of eighteen years unless under the law applicable to the child, majority is attained earlier.” According to the *Apprenticeship Manual*, of the Ministry of Labor and Employment³⁷, an apprentice “is a young adult between 14 and 24 years of age, enrolled in a vocational course of study and admitted by companies of any nature that have employees regulated by the CLT (Brazilian labor code)”. However, due to

³² <http://www.sepm.gov.br/conselho>

³³ http://www.mte.gov.br/fisca_trab/inclusao/legislacao_2_4.asp

³⁴ www.cedipod.org.br/w6pam.htm

³⁵ http://www.planalto.gov.br/ccivil_03/Leis/L7853.htm

³⁶ www2.mre.gov.br/dai/crianca.htm

³⁷ http://www.mte.gov.br/fisca_trab/aprendizagem_pub_manual_aprendiz_V2.pdf

countless reasons, such as lack of inspection and poor financial condition of families, many children (minors) still work, especially in rural areas. The ILO Minimum Age Convention (no. 138)³⁸, is an instrument through which each member country “undertakes to pursue a national policy designed to ensure the effective abolition of child labor and to raise progressively the minimum age for admission to employment or work to a level consistent with the fullest physical and mental development of young persons”.

Child labor is critical, for children perform the activity without any safety and health condition, to the detriment of their studies, earning extremely low wages and being deprived of the right to live a period of physical, mental, spiritual, moral or social development provided for in Article 32 of the Convention on the Rights of the Child.

³⁸ www.oitbrasil.org.br/node/492

The Last Decade of the 20th Century

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
	1990 – Human Development Index (HDI) developed by the United Nations Development Programme (UNDP)		1992 – Conference on Environment and Development and Agenda 21, in Rio de Janeiro, Brazil (UN)	1993 – II World Conference on Human Rights, in Vienna, Austria (UN)			1996 – I National Conference on Human Rights (II in 1997, III in 1998 and IV in 1999) [BR] and National Program on Human Rights (PNDH1) [BR]	1997 – Development of the Ibase Social Report Model ✖		1999 – Launch of the Global Compact (UN) ✖
Gender			1993 – Declaration on the Elimination of Violence against Women (UN)	1994 – Inter-American Convention on the Prevention, Punishment, and Eradication of Violence against Women, in Belém, Brazil			1995 – IV World Conference on Women, in Beijing, China, with the theme “Equality, Development and Peace” (UN)			
Race					1995 – Zumbi dos Palmares March against Racism and for Citizenship and Life [BR] and Interministerial Working Group (GTI) [BR]				1996-1998 – Inclusion of the item race/color in some national databases [BR]	
Working conditions					1996 – Working Group for the Elimination of Discrimination in Employment and Occupation (Ministry of Labor) [BR]			1997 – Creation of SA8000 ✖		1998 – Fundamental Principles and Rights at Work (ILO)
Persons with Disabilities		1991 – Act no. 8.213 [BR]			1994 – Salamanca Statement (UN)					1999 – Inter-American Convention on the Elimination of All Forms of Discrimination against Persons with Disabilities (OAS), Rehabilitation International Charter for the Third Millennium (UN) and National Policy for the Integration of Persons with Disabilities [BR]
Children, Adolescents and the Youth	1990 – Statute of the Child and Adolescent (ECA) [BR] and creation of the Abrinq Foundation for the Rights of Children and Adolescents [BR]	1991 – National Council on the Rights of the Child and Adolescent (Conanda) [BR]				1994 – National Forum for the Prevention and Eradication of Child Labor [BR]		1996 – Child Labor Eradication Program (Peti) [BR]		1999 – ILO Worst Forms of Child Labour Convention (no. 182)

The decade starts with the creation by the United Nations Development Programme (UNDP) of the Human Development Index (HDI)³⁹, which aims to be a counterpoint to the Gross Domestic Product (GDP), which analyzes only the economic aspects of development. The three dimensions analyzed by the HDI are: standard of living, measuring the income calculated by the GDP per capita, converted into dollars; knowledge and education, which includes the adult literacy rate and the gross enrollment ratio; and a long and healthy life, analyzing the life expectancy at birth. In the 2009 edition of the *Human Development Report*, annually published by the UNDP, Brazil ranked 75th, but it was placed in the group of countries that present a high HDI.

The UN Conference on Environment and Development, held in Brazil (also known as Rio-92 or Earth Summit), whose objective was to reconcile worldwide economic development with environmental protection, developed the Agenda 21⁴⁰, a document with more than 2,500 recommendations related to sustainable development to be considered when developing public policy. Agenda 21 addresses several topics and has specific chapters aimed at the issues of women and children and the youth.

The final declaration of the II World Conference on Human Rights⁴¹, held in Vienna in 1993, is well-known for being the most comprehensive and legitimate, for covering a wide range of topics, and for the number of participants it gathered (official delegations of 171 States and 2,000 NGOs). Right after its end, it was concluded that the Vienna Conference represented for the human rights what Rio-92 did for the environment. Among the many issues addressed, the Vienna Declaration praises the practice of international cooperation. It brings the issue of development as a facilitator, but it stresses that “the lack of development may not be invoked to justify the abridgement of internationally recognized human rights”. Directly speaking to some nations that questioned the legitimacy of certain rights in the context of their national culture, it reaffirms that “while the significance of national and regional particularities and various historical, cultural and religious backgrounds must be borne in mind”, human rights are universal. And one of the lessons learned in this conference is that the partnership between governments and civil society would pervade the many programs approved in subsequent conferences on global themes. It was also decided that the States should develop their national human rights plans.

Brazil would launch in 1996 its first human rights plan, the National Human Rights Program (PNDH1), developed from a broad participation of public institutions and civil society organizations in the discussion and presentation of proposals during the I National Conference on Human Rights⁴². The II⁴³ and III⁴⁴ national conferences assessed

³⁹ <http://www.pnud.org.br/idh/>

⁴⁰ <http://www.mma.gov.br/sitio/index.php?ido=conteudo.monta&idEstrutura=18&idConteudo=575&idMenu=9065>

⁴¹ <http://www.dhnet.org.br/direitos/anthist/viena/viena.html>

⁴² http://www.dhnet.org.br/dados/conferencias/nacionais/relatorio_01_conf_nac_dh_1996.pdf

⁴³ <http://www2.camara.gov.br/atividade-legislativa/comissoes/comissoes-permanentes/cdhm/relatorios/RELATORIO%20DA%20II%20CONFERENCIA%20NACIONAL%20DE%20DIREITOS%20HUMANOS.pdf>

⁴⁴ <http://www.dhnet.org.br/dados/conferencias/dh/br/iiconferencia.html>

the implementation of the PNDH, pointed out pathways for the consolidation of the program, encouraged the development of state and municipal programs, and made recommendations for coordinated actions among human rights organizations. The IV Conference⁴⁵ sought to improve its own operational mechanisms in order to achieve more efficacy and visibility for its results.

The decade ends up with two initiatives aimed at companies, which seek more transparency in the way management is conducted. One of them is the UN Global Compact⁴⁶. The other is the Ibase social report model, launched in Brazil in 1997 by the Brazilian Institute of Social and Economic Analysis (Ibase).

Looking back on the last decade of the 20th Century through the themes proposed in this timeline, we start with four important initiatives within the Brazilian context. In 1990, the Abrinq Foundation for the Rights of Children and Adolescents⁴⁷ was created and the Statute of the Child and Adolescent (ECA)⁴⁸ was enacted. This statute strengthened precepts already included in the Federal Constitution of 1988, such as the full protection of children and adolescents, and the priority treatment of these groups when formulating public policy, when allocating government funds and in the provision of public services. Brazil, as described in the ECA, divides childhood into two phases, considering the child as the person who has not yet completed twelve years of age and the adolescent as that between twelve and eighteen years of age.

In 1991, the National Council on the Rights of the Child and Adolescent (Conanda)⁴⁹ was created with the objective of setting out general rules for the formulation and implementation of the national policy on asserting the rights of the child and the adolescent, following ECA's lines of action and guidelines. In 1994, the National Forum for the Prevention and Eradication of Child Labor⁵⁰ was established with the purpose of engaging and mobilizing institutional agents involved with policies and programs to counter child labor and protect the adolescent worker. And, in 1996, the Child Labor Eradication Program (Peti) was launched with the objective of removing children and adolescents between 7 and 14 years of age from employment deemed hazardous, painful, unhealthy or degrading, i.e., employment that puts the health and safety of children and adolescents at risk. More detail can be seen in the Legal Frameworks table in the chapter entitled "Support for the Promotion of the Rights of Children, Adolescents and the Youth" (see page 91).

⁴⁵ <http://www2.camara.gov.br/atividade-legislativa/comissoes/comissoes-permanentes/cdhm/relatorios/Relatorio%20da%20IV%20Conferencia%20Nacional%20de%20Direitos%20Humanos.pdf>

⁴⁶ <http://www.unglobalcompact.org/> and <http://www.pactoglobal.org.br>

⁴⁷ <http://www.fundabrinq.org.br>

⁴⁸ http://www.planalto.gov.br/ccivil_03/Leis/L8069Compilado.htm

⁴⁹ <http://www.direitoshumanos.gov.br/conselho/conanda>

⁵⁰ <http://www.fnpeti.org.br/>

At the end of the decade, the ILO adopted Convention no. 182⁵¹ on Worst Forms of Child Labour. Among these forms of labor are forced or compulsory labor, prostitution, illicit activities and all other work harmful or hazardous to the health of the child.

As for gender equality, the decade starts with the Declaration on the Elimination of Violence against Women⁵², dated 1993, considered the first international document exclusively focused on this theme. The Inter-American Convention on the Prevention, Punishment, and Eradication of Violence against Women⁵³, held in 1994, resolved that acts of violence against women should be countered in both the public and private spheres.

In 1995, the IV World Conference on Women⁵⁴ held in Beijing stressed the need to foster and set up mechanisms to enable the economic autonomy of women as a means to reach equality. Among its objectives are “to promote women’s economic independence, including employment, and eradicate the persistent and increasing burden of poverty on women by addressing the structural causes of poverty through changes in economic structures, ensuring equal access for all women, including those in rural areas, as vital development agents, to productive resources, opportunities and public services.”

In the scope of labor relations, Brazil created in 1996 the Working Group for the Elimination of Discrimination in Employment and Occupation (GTEDEO)⁵⁵, comprised of go-vernment, labor and business representatives. Among the six strategies devised, GTEDEO decided to disseminate experiences on diversity. In the following year, the Social Accountability International (SAI) launched the SA8000 Standard, aimed at companies willing to certify that their work environment and labor relations are in accordance with the ILO conventions, with the Universal Declaration of Human Rights, and with the UN Declaration of the Rights of the Child. In 1998, the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up⁵⁶ was adopted, reaffirming the fundamental principles and rights at work. Eight out of the 183 ILO conventions approved until June 2001 are considered fundamental and integrate this declaration. They refer to:

- Freedom of association and protection of the right to organize, and the right to collective bargaining (no. 87 and no. 98);
- Elimination of all forms of forced or compulsory labor (no. 29 and no. 105);
- Effective abolition of child labour (no. 138 and no. 182); and
- Elimination of discrimination in employment and occupation (no. 100 and no. 111).

As far as persons with disabilities are concerned, the 1990s start with UN Resolution no. 45/91, dated December 14th, 1990, which proposes the implementation of the

⁵¹ www.oitbrasil.org.br/node/518

⁵² <http://www.un.org/documents/ga/res/48/a48r104.htm>

⁵³ http://www2.mre.gov.br/dai/dhumanos_94.htm

⁵⁴ <http://www.dhnet.org.br/direitos/sip/onu/doc/pequim95.htm>

⁵⁵ http://www.mte.gov.br/seg_sau/grupos_gtedeo.asp

⁵⁶ www.oit.org.br/sites/default/files/topic/international_labour_standards/pub/declaracao_direitos_fundamentais_294.pdf

World Programme of Action concerning Disabled Persons (developed in 1982) and defines this as the United Nations Decade of Disabled Persons. In Brazil, Act no. 8213, dated 1991⁵⁷, established quotas for private companies with more than 100 employees to hire persons with disabilities. The enactment of this law did not ensure an immediate increase in the number of job openings for this group. The reasons for difficulty in meeting the quotas range from lack of qualified labor to impossibilities, to high cost, involving the adaptation of the infrastructure to the accessibility rules and norms. With a more effective inspection by the labor inspection offices, the setting of fines and compliance commitments (TACs) made, the number of people with disabilities inserted in the labor market has been increasing. However, the number of companies that meet the quotas integrating persons with disabilities into their operations instead of creating jobs for this purpose is still small. Also in Brazil in 1999, the National Policy for the Integration of Persons with Disabilities is launched; this policy is detailed in the Legal Frameworks table in the chapter entitled “Support for the Promotion of the Rights of Children, Adolescents and the Youth” (see page 91).

The Standard Rules on the Equalization of Opportunities for Persons with Disabilities⁵⁸, adopted by the UN in 1993, incorporated the ideas of the World Programme of Action Concerning Disabled Persons, previously launched in 1982, establishing implementation measures for equal participation by persons with disabilities in society. Altogether there are 22 rules showing the advances in the theme, leaving behind the concept of institutional segregation and adopting the concept of integration, which has been paramount to reach the current inclusive society model. In the text, the word “rehabilitation” refers to “a process aimed at enabling persons with disabilities to reach and maintain their optimal physical, sensory, intellectual, psychiatric and/or social functional levels, thus providing them with the tools to change their lives towards a higher level of independence. Rehabilitation may include measures to provide and/or restore functions, or compensate for the loss or absence of a function or for a functional limitation. The rehabilitation process does not involve initial medical care. It includes a wide range of measures and activities from more basic and general rehabilitation to goal oriented activities, for instance vocational rehabilitation.”

The Salamanca Statement, dated 1994, on Principles, Policy and Practices in Special Needs Education proclaims that “every child has unique characteristics, interests, abilities and learning needs.”

The Inter-American Convention on the Elimination of All Forms of Discrimination against Persons with Disabilities⁵⁹ (Guatemala Convention), dated 1999, defined discrimination as any distinction, exclusion, or restriction based on a disability, record of disability, condition resulting from a previous disability, or perception of disability, whether present or past, which has the effect or objective of impairing or nullifying the recognition, enjoyment,

⁵⁷ http://www.planalto.gov.br/ccivil_03/Leis/L8213cons.htm

⁵⁸ <http://www.entreamigos.com.br/node/269>

⁵⁹ http://www.mte.gov.br/fisca_trab/inclusao/legislacao_2_5.asp

or exercise by a person with a disability of his or her human rights and fundamental freedoms. In the same year Rehabilitation International published the Charter for the Third Millennium⁶⁰, which ends by stating that, in the third millennium, it must become the goal of all nations to evolve into societies that protect the rights of people with disabilities by supporting their full empowerment and inclusion in all aspects of life.”

As a response to the call made by the UN, Brazil formulated in 1999 the National Policy for the Integration of Persons with Disabilities in the labor market and in society (Executive Order no. 3.298⁶¹, regulating Act no. 7.853), focusing on the following themes that depend a lot on the support of business to a successful implementation:

- Equal opportunities in the labor market;
- Health, concerning both prevention and rehabilitation, and also providing technical help to overcome the limitations created by the disability;
- Education, including vocational education for a full professional qualification;
- Professional qualification and rehabilitation, aimed at integration and reintegration in the labor market;
- Access to work, which goes beyond meeting the quota, establishing equal opportunities in selection processes and defining three types of hiring: competitive hiring (regular hiring, according to the Brazilian labor code CLT); selective hiring, which is similar to the competitive hiring, except that it depends on the adoption of special procedures and supports for its completion; and the promotion of self-employment, translated into support to professionals that are self-employed, work in cooperatives or in the form of a family economy;
- Culture, sports, tourism and leisure.

As for racial equality, the first event of the decade takes place only in 1995, with the Zumbi dos Palmares March against Racism and for Citizenship and Life, a demonstration to honor the 300th anniversary of the death of Zumbi dos Palmares. The march brings visibility and fosters the public discussion of the unequal conditions of afro-descendants. A document with the main claims of the Black Movement, denouncing racism, defending the inclusion of afro-descendants in the Brazilian society and putting forward concrete proposals of public policy was delivered to the then President of the Republic Fernando Henrique Cardoso. In response to the pressure, the government set up the Interministerial Working Group to Value the Afro-Descendant Population⁶². Also in this decade there were some advances in the sense of correctly identifying the profile of the afro-descendant population in the country. In 1996, the government introduced the theme race/color as a guideline for the National Plan of Workers’ Training (Planfor) and, in 1998, did the same in the information and recording systems of the Annual Listing of Social Information (Rais) and the General Register of Employment and Unemployment (Caged).

⁶⁰ http://portal.mec.gov.br/seesp/arquivos/pdf/carta_milenio.pdf

⁶¹ <http://portal.mec.gov.br/seesp/arquivos/pdf/dec3298.pdf>

⁶² http://www.planalto.gov.br/publi_04/COLECAO/RACIAL2.HTM

The New Millennium

	2000	2001	2002	2003	2004
	2000 – Millennium Summit (UN), definition of the Millennium Development Goals (MDG), Earth Charter, National Conference on Human Rights (V in 2000, VI in 2001, VII in 2002, VIII in 2003 and IX in 2004) [BR], Ethos CSR Indicators ✳, How Companies Can (and Must) Value Diversity (Ethos Institute) ✳ and GRI Sustainability Reporting Guidelines ✳		2002 – II National Human Rights Program (PNDH2) [BR]	2003 – Marrakech Process (UNEP) and <i>Embedding Human Rights in Business Practice</i> (Global Compact – 2003, 2007 and 2009) ✳	2004 – Basic Principles of Social Responsibility (Ethos Institute and Abrapp) ✳ and NBR 16001 (ABNT) ✳
Gender		2003 – Special Secretariat for Women’s Policies [BR]			2004 – Tripartite Commission for Equal Gender and Race Opportunities at Work [BR], <i>Business Commitment to Valuing the Women</i> (Ethos Institute) ✳ and Calvert Women’s Principles (Calvert and Unifem) ✳
Race		2001 – III World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance (Durban, South Africa) and National Council for Combating Discrimination [BR]		2003 – National Council for the Promotion of Racial Equality (CNPPIR) [BR], Intergovernmental Forum for the Promotion of Racial Equality (Fipir) [BR], Secretariat for the Promotion of Racial Equality (Seppir) [BR] and National Policy for the Promotion of Racial Equality (PNPIR) [BR]	
Working conditions			2003 – National Plan for the Elimination of Slavery [BR]		2004 – Forced Labor Blacklist [BR]
Persons with Disabilities	2000 – Act no. 10098 and Act no. 10048 [BR]	2001 – The Montreal Declaration on Intellectual Disabilities (UN) and Normative Instruction 20/2001 [BR]	2002 – Declaration of Madrid (UN), Caracas Declaration (Ibero-American Network of Nongovernmental Organizations), Sapporo Declaration (UN) and <i>What Companies Can Do for the Inclusion of People with Disabilities</i> (Ethos Institute) ✳		2003 – Declaration of Quito
Children, Adolescents and the Youth	2000 – Act no. 10097 [BR] and <i>What Companies Can Do for the Children and the Adolescent</i> (Ethos Institute) ✳				2004 – Child Labor Eradication Program (Peti) [BR], National Youth Plan [BR] and National Plan for the Promotion, Protection and Defense of the Right of Children and Adolescents to Family and Community Life (PNCFC) [BR]

The first decade of this millennium is characterized by the development of human rights-related tools and publications. In 2000, the first version of the Global Reporting Initiative (GRI) Guidelines⁶³ is launched, setting out principles for defining content of business sustainability reports. Among the many indicators to be reported on, some allow for monitoring inequalities, such as the LA14, which requests “Ratio of average remuneration of men and women broken down by employee category.” In Brazil, in 2001, the Ethos Institute published the *Production Guide for Corporate Social Responsibility Annual Report and Statement*⁶⁴, which was updated until 2007⁶⁵, so as to incorporate the innovations in sustainability reporting.

Also in 2000, the Ethos Institute launched its main tool, the *Ethos Corporate Social Responsibility Indicators*⁶⁶, a self-assessment and learning tool for internal use. Distributed across seven themes, some of its 40 indicators are highly focused on equality and promotion of rights of certain groups. Other two important Ethos initiatives were developed in this period. The first one was the survey *Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions*⁶⁷, which since 2001 has investigated the state of diversity inside these companies. The other initiative was the tool *Diversity and Equity: Methodology for Business Census*⁶⁸, created in 2008, which enables the company to monitor its own staff.

In this decade, Ethos also launched many publications aimed at helping companies in their commitment to themes such as Diversity⁶⁹, Children and Adolescents⁷⁰ (2000), People with Disabilities⁷¹ (2002), Women⁷² (2004) and Racial Equality⁷³ (2006). With a broader focus, the publication⁷⁴ *Matrix of Essential CSR Criteria and their Induction Mechanism* was launched in 2006, presenting 29 social responsibility criteria companies should be aware of. Three years later, the *Handbook for Incorporating Essential Criteria for Corporate Social Responsibility*⁷⁵ was launched, complementing the previous publication by proposing ways to incorporate each essential criterion.

In 2004, the Ethos Institute, in partnership with the Brazilian Closed Pension Fund Association (Abrapp), launched the eleven socially responsible criteria for pension funds entitled *Basic Principles of Social Responsibility*⁷⁶. One of these principles – social inclusion

⁶³ <http://www.globalreporting.org/Home/LanguageBar/PortugueseLanguagePage.htm>

⁶⁴ http://www.uniethos.org.br/_Uniethos/Documents/relatorio_anual2001.pdf

⁶⁵ http://www.ethos.org.br/_Uniethos/documents/GuiaBalanco2007_PORTUGUES.pdf

⁶⁶ http://www.ethos.org.br/docs/conceitos_praticas/indicadores/default.asp

⁶⁷ http://www1.ethos.org.br/EthosWeb/arquivo/0-A-eb4Perfil_2010.pdf

⁶⁸ http://www.ethos.org.br/_Uniethos/Documents/Divers_Equidade_web.pdf

⁶⁹ http://www.ethos.org.br/_Uniethos/Documents/manual_diversidade.pdf

⁷⁰ http://www.ethos.org.br/_Uniethos/Documents/man_%20crian_adolesc_2ed.pdf

⁷¹ http://www.ethos.org.br/_Uniethos/Documents/manual_pessoas_deficientes.pdf

⁷² http://www.ethos.org.br/_Uniethos/Documents/valoriz_mulher.pdf

⁷³ http://www.ethos.org.br/_Uniethos/Documents/Inclusao_racial_empresas.pdf

⁷⁴ http://www.ethos.org.br/_Uniethos/Documents/criterios_essenciais_web.pdf

⁷⁵ http://www1.ethos.org.br/EthosWeb/arquivo/0-A-73dMICE_web.pdf

⁷⁶ http://www.ethos.org.br/_Uniethos/Documents/fundos_pensao.pdf

– determines that it be checked either in the Social Report or through information about the company “if there are clear nondiscrimination policy and affirmative actions regarding women, afro-descendants and people with special needs,” stating that “such policies increase the company value.”

In the same line of reasoning, the São Paulo Stock Exchange (Bovespa) launched in 2006 the Bovespa Corporate Sustainability Index (ISE)⁷⁷, which seeks in a more practical way to “reflect yield from a portfolio consisting of shares issued by companies with the best rating on all of the dimensions that measure corporate sustainability,” as well as to “encourage best practices in Brazilian business.”

In 2004, the Brazilian Association of Technical Standards (ABNT) would publish the NBR16001⁷⁸, the first national standard aimed at setting “minimum requirements for a Social Responsibility management system, enabling an organization to formulate and implement policy and objectives that take into account legal requirements, its ethical commitments and concern with the promotion of citizenship and sustainable development, besides the transparency in its activities.”

In this decade, the UN Global Compact published three documents entitled *Embedding Human Rights in Business Practice* (in 2003⁷⁹, 2007⁸⁰ and 2009⁸¹), which advocate a systems approach to value and respect human rights and show how this can be done by going deep into some business practices.

In 2000, the UN marks the beginning of the decade with the Millennium Summit, in which the Millennium Development Goals (MDG)⁸² were set. These goals seek to integrate the commitments made in the UN conferences into a comprehensive global development agenda, defining clear targets, deadlines for their accomplishment and indicators of the progress made by each region, country and community of the planet. Also in 2000, the Earth Charter⁸³ is launched in the Hague, Netherlands, being a statement of fundamental ethical principles to build democratic societies in the 21st Century that are just, participatory, sustainable and peaceful. Conceived by the UN in the World Commission on Environment and Development in 1987, this document ended up being developed and finalized as a global initiative of civil society, with the participation of more than 4,500 organizations. Given its development process, the Earth Charter is considered by some jurists as a soft law (morally binding) that, although not being legally binding, many times is the basis for the development of hard laws by countries that adopt it.

⁷⁷ <http://www.bmfbovespa.com.br/indices/ResumoIndice.aspx?Indice=ISE&idioma=pt-br>

⁷⁸ <http://portal.mj.gov.br/corde/arquivos/ABNT/nbr16001.pdf>

⁷⁹ http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/embedding.pdf

⁸⁰ http://www.unglobalcompact.org/docs/news_events/8.1/EHRBPII_Final.pdf

⁸¹ http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/EHRBIII.pdf

⁸² <http://www.pnud.org.br/odm/>

⁸³ <http://www.cartadaterrabrasil.org/prt/index.html>

Other global mobilization initiatives were launched in this period. With the slogan “Another world is possible”, the World Social Forum⁸⁴ was created in 2001 as a counterpoint to the World Economic Forum, held in Davos. Since then, it has been held every year in a different city in the world. It works as a forum for “democratic discussion of ideas, the formulation of proposals, the free exchange of experiences and the articulation of civil society organizations and movements that are opposed to neoliberal globalization and the domination of the world by capital and by any other form of imperialism.”

The Marrakech Process⁸⁵ is another initiative of this period. Coordinated by the United Nations Development Programme (UNDP)⁸⁶ and by the United Nations Department of Economic and Social Affairs (Undesa)⁸⁷, it was launched in 2003 with the overall purpose of accelerating the shift towards more sustainable consumption and production patterns. For this to occur, it is critical to consider both consumption relations and the processes and the links of the production chains, where we still come across degrading working conditions.

In 2005 the UN created the Human Rights Council⁸⁸ to replace the Commission on Human Rights, which, in the analysis of the then Secretary-General Kofi Annan, had “some notable strengths” and a “proud history”, but “its ability to perform its tasks has been overtaken by new needs and undermined by the politicization of its sessions and the selectivity of its work.” The Council was created to operate as a permanent body with regular sessions to proceed with a deep analysis of related issues in due time.

Also in 2005, the other landmark was the appointment by the UN Human Rights Council of a special representative to investigate a number of important issues related to human rights and companies. John Ruggie took over this position in 2005 and three years later presented the first report with practical recommendations and concrete guidance on how to respect human rights – *Protect, Respect and Remedy: a Framework for Business and Human Rights*⁸⁹. The Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work, tool proposed by this publication, derived from this guidance. Reports with further conclusions were presented in 2009⁹⁰ and in 2010⁹¹. In the following year, the Human Rights Council approved the final report: *Guiding Principles on Business and Human Rights*⁹².

⁸⁴ <http://www.forumsocialmundial.org.br/>

⁸⁵ <http://esa.un.org/marrakechprocess/>

⁸⁶ <http://www.pnuma.org.br/>

⁸⁷ <http://www.un.org/en/development/desa/index.html>

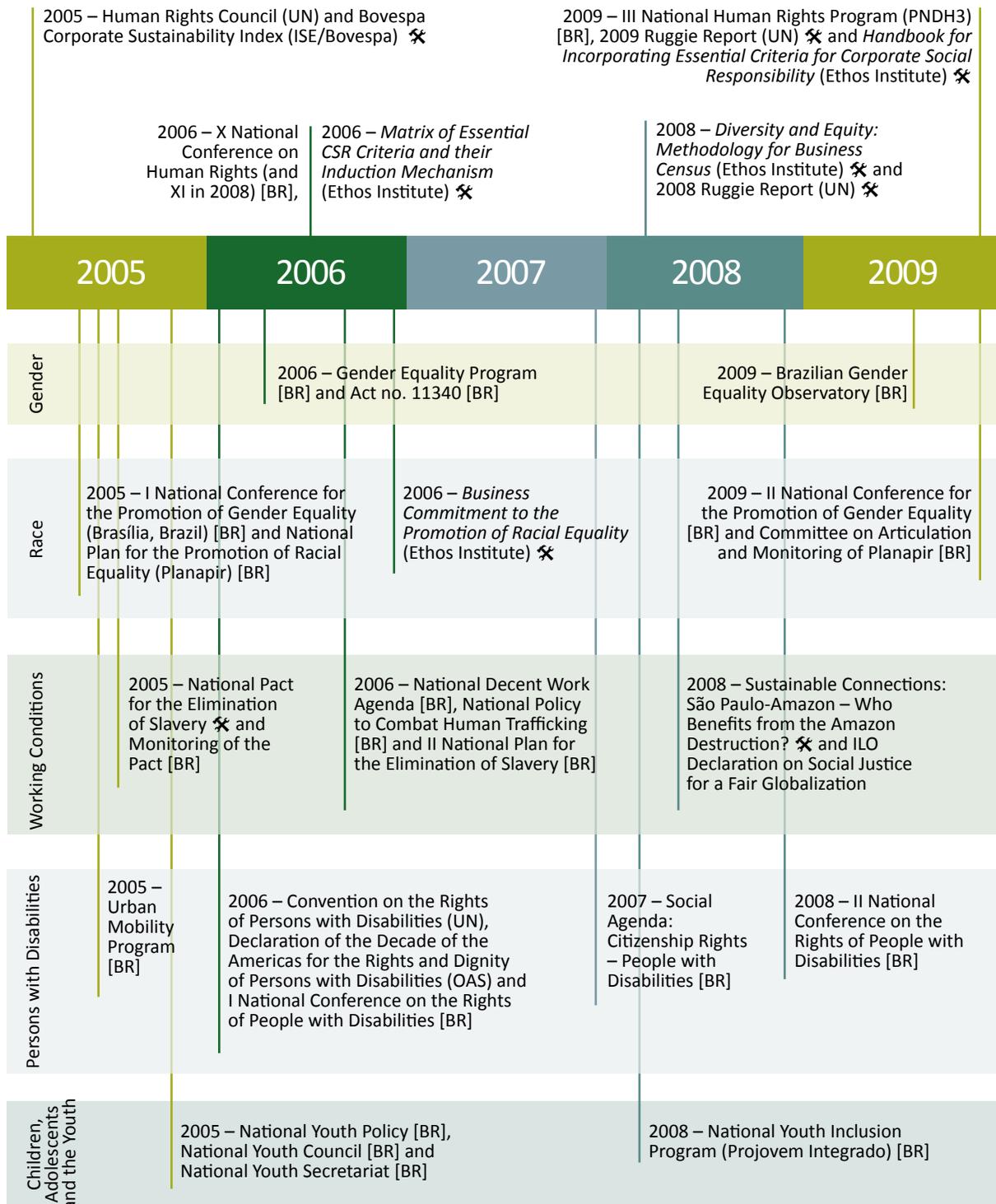
⁸⁸ <http://www2.ohchr.org/english/bodies/hrcouncil/>

⁸⁹ <http://www.reports-and-materials.org/Ruggie-report-7-Apr-2008.pdf>

⁹⁰ <http://www2.ohchr.org/english/bodies/hrcouncil/docs/11session/A.HRC.11.13.pdf>

⁹¹ <http://www.reports-and-materials.org/Ruggie-report-2010.pdf>

⁹² <http://www.ohchr.org/documents/issues/business/A.HRC.17.31.pdf>



Brazil contributed to this important decade with regular and continuous editions of the National Conference on Human Rights and the National Human Rights Program. The fifth National Conference⁹³, held in 2000 with the slogan “Brazil 500 years: Discover the Human Rights,” analyzed the violations that have systematically taken place in the last five centuries and their relations to exclusion, discrimination and prejudice. The sixth National Conference⁹⁴, held in the following year, addressed, through organized working groups, the themes as follows: “III World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance”; “Development of the national human rights protection system: pro citizenship strategies and instruments”; “Implementation of the PNDH”; “Impunity as human rights abuse”; “International human rights protection mechanisms”; and “Impact on human rights of actions taken by international financing and trade organizations”. The VII National Conference on Human Rights⁹⁵, held in 2002, focused on preventing and countering violence in the areas of economics, education, justice and public safety, culture, media and politics.

The eighth National Conference⁹⁶, dated 2003, discussed the National Human Rights Protection System through the following themes: “Unified Public Safety System (SUSP)”; “The human right to food”; “Development of the National Human Rights Council and the Human Rights Protection System”; “Budget and Human Rights”; “Human Rights Education”; “Monitoring of the project National Reporters on Economic, Social and Cultural Human Rights”; and “Strategy to build a proposal for a National Protection System”. The ninth National Conference⁹⁷, dated 2004, consolidated the proposals of the phases at state level and, followed up on the previous conference by working on the development of the National Human Rights Protection System. The X Conference, dated 2006, had two priorities: analyzing the relations between the economic model and human rights in order to make a proposal of a Social Responsibility Law that would connect the public administration to public policy implementation goals; and advancing in organizing the National Human Rights Protection System. The main purpose of the XI Conference⁹⁸, held in 2008, was to build the basis for a governmental public policy to address human rights in an integrated manner by revising and updating the National Human Rights Program (PNDH), which would have a new version launched in the following year. The enhanced scopes of the PNDH II, launched in 2002, and the PNDH III, launched in 2009, are described in the Legal Frameworks table of the “Thematic Chapters” (see page 42).

⁹³ http://www.dhnet.org.br/dados/conferencias/dh/br/relatorio_5conf.pdf

⁹⁴ <http://www.dhnet.org.br/4legis/br/cdhcf/vconfnac.html#5>

⁹⁵ <http://pfdc.pgr.mpf.gov.br/pfdc/informacao-e-comunicacao/eventos/direitos-humanos/conferencia-nacional-de-direitos-humanos/relatorios-das-conferencias-anteriores/VII%20CONFERENCIA%20NACIONAL%20DE%20DIREITOS%20HUMANOS.pdf>

⁹⁶ http://www.dhnet.org.br/dados/conferencias/nacionais/relatorio_08_conf_nac_dh_2003.pdf

⁹⁷ <http://portal.mj.gov.br/sedh/ct/conferenciadh/relatorio%20consolidado%20das%20confer%C3%Aancias%20estaduais.htm>

⁹⁸ http://www.dhnet.org.br/dados/conferencias/nacionais/caderno_11_conf_nac_dh_2008.pdf

The decade is positive for the women in Brazil. In 2003, the Special Secretariat for Women's Policies (SEPM)⁹⁹ is created to “work with women, for women and on behalf of women”, with the mission of establishing public policy, developing educational and non-discriminatory campaigns, and promoting gender equality by organizing programs aimed at cooperation and implementation of affirmative action regulations.”

Tripartite Commission for Equal Gender and Race Opportunities at Work¹⁰⁰, established in 2004, besides enhancing the measures taken by SEPM, seeks to support, encourage and contribute to legislative initiatives or those developed by organizations and entities, including civil society ones, and diffuse relevant legislation.

Launched in 2006, the Gender Equality Program, currently in its third version¹⁰¹, is a SEPM initiative. Another initiative of the secretariat was the creation in 2009 of the Brazilian Gender Equality Observatory¹⁰², which carries out its monitoring around five axes: indicators; public policy; legislation and legislature, communication and media; and international. The goals of the Gender Equality Program and the conclusions of the latest Brazilian Gender Equality Observatory can be seen in the Legal Frameworks table of the Chapter “Promotion of Gender Equality in the Workplace.”

Act no. 11.340¹⁰³, dated 2006, known as Maria da Penha Act, was developed with the purpose of curbing domestic and family violence against women. The great achievement of this Act was to acknowledge that, when violence against women happens at home or is used by people who have or have had an intimate relationship with the victim, such as current or former husbands, fiancés or boyfriends, a special approach and performance is needed from the police, Justice and government agencies.

To complement structuring actions in favor of gender equality, the United Nations Development Fund for Women (Unifem – currently UN Women)¹⁰⁴ and Calvert Investments, a socially responsible investment management company, launched in 2004 the *Calvert Women's Principles*¹⁰⁵, considered the first global code of corporate conduct focused exclusively on empowering, advancing, and investing in women worldwide. The Calvert Principles of promotion of gender equality and elimination of discrimination include the following indicators: employment and compensation, work-life balance and career development, health, safety and freedom from violence, management and governance, business, supply chain and marketing practices, civic and community engagement; and transparency and accountability.

⁹⁹ <http://www.sepm.gov.br/>

¹⁰⁰ http://portal.mte.gov.br/comissao_tripartite/

¹⁰¹ http://200.130.7.5/spmu/portal_pr/pro-equidade_2_edicao.htm

¹⁰² <http://www.observatoriodegenero.gov.br/>

¹⁰³ http://www.planalto.gov.br/ccivil_03/_ato2004-2006/2006/lei/111340.htm

¹⁰⁴ <http://www.unifem.org.br/>

¹⁰⁵ <http://www.calvert.com/nrc/literature/documents/8753.pdf?litID=8753>

In this decade, Brazil also improved its political and governmental structures to favor racial equality. In 2001, the III World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance¹⁰⁶, held by the UN in Durban, South Africa, was highly attended by Brazilians. The Pro-Durban Articulation of Afro-Brazilian Women's Organizations warned about the multiple forms of social exclusion suffered by Afro-Brazilian women due to racism plus sexism.

In the same year, Brazil created the National Council for Combating Discrimination (CNCD)¹⁰⁷, with the objective of "proposing, following and assessing affirmative public policy to promote equality and protect the rights of individuals and social/ethnic groups affected by racial discrimination and other forms of intolerance." In 2003, the National Council for the Promotion of Racial Equality (CNPir)¹⁰⁸ was created as an advisory body comprised of civil society entities and institutions committed to social justice, overcoming racial inequalities and the social control of public policy. It aims to put forward "racial equality promotion policies with special focus on the afro-descendant population and on other racial/ethnic segments of the Brazilian population." With these initiatives, the Brazilian government acted on two fronts: countering discrimination and promoting racial equality.

Also in 2003 the Secretariat for the Promotion of Racial Equality (Seppir)¹⁰⁹ was created with the mission of developing initiatives against racial inequalities in the country. In the same year, Seppir set up the Intergovernmental Forum for the Promotion of Racial Equality (Fipir)¹¹⁰ as a mechanism to promote continuous action among the three spheres of government (federal, state and local), with the purpose of "organizing, training, planning, developing and monitoring racial equality promotion actions" referred to in the National Policy for the Promotion of Racial Equality (PNPir)¹¹¹, which, in turn, has the core objective of reducing racial inequalities in Brazil, with special emphasis on the afro-descendant population.

Two years later the National Plan for the Promotion of Racial Equality (Planapir)¹¹² was presented, listing the affirmative actions and the targets to be beaten in relation to the proposals presented in the I National Conference for the Promotion of Gender Equality. In 2009, the Planapir Articulation and Monitoring Committee was set up to develop the plan's monitoring methodology, among other things. In the same year, the II National Conference for the Promotion of Gender Equality¹¹³ was held and its results were turned into proposals of public policy regarding the themes education, culture, social control, health, land, safety and justice, employment, national and international policies.

¹⁰⁶ http://www.inesc.org.br/biblioteca/legislacao/Declaracao_Durban.pdf

¹⁰⁷ <http://www.direitoshumanos.gov.br/conselho/cncd>

¹⁰⁸ <http://www.seppir.gov.br/apoioproj>

¹⁰⁹ <http://www.seppir.gov.br/>

¹¹⁰ <http://www.seppir.gov.br/fipir>

¹¹¹ <http://www.planalto.gov.br/seppir/pnpir/apresentacao.htm>

¹¹² <http://www.seppir.gov.br/planapir>

¹¹³ <http://www.seppir.gov.br/publicacoes/iiconapir.pdf>

The acknowledgement that there is racism in the country was critical for the development of the government policies described herein, even if this happened more than 100 years after the abolition of slavery.

Fipir, PNPIR and Planapir are also included in the Legal Frameworks table of the Chapter “Promotion of Gender Equality in the Workplace.” (see page 44).

As for the commitment to the eradication of forced labor in value chains, it is critical to highlight the advances made. The first National Plan for the Elimination of Slavery¹¹⁴, dated 2003, met the goals of the PNDH2 by establishing a permanent public policy, which stated that “facing this challenge requires political will, articulation, action planning and objective goals,” as declared by Nilmário Miranda, then minister of the Special Secretariat for Human Rights, and Jaques Wagner, then minister of Labor. What happened after that was the development of a structure including the institutionalization of the Forced Labor Blacklist (2004), by the adoption of the National Pact for the Elimination of Slavery and its monitoring mechanism (2005), and by the definition of the National Decent Work Agenda [BR], formulation of the National Policy to Combat Human Trafficking and the development of the 2nd National Plan for the Elimination of Slavery (2006).

All structuring items related to this theme can be found in the chapter “Eradication of Forced Labor in Value Chains”, in the Management Reference Tables (see page 64), and in the Legal Frameworks table (see page 70).

In 2008, the ILO Declaration on Social Justice for a Fair Globalization¹¹⁵ was launched. Considered one of the main declarations of principles and policies adopted by the International Labour Organization, the document reaffirms the ILO values, institutionalizes the concept of decent labor, developed since 1999, and places it at the core of the ILO performance as a way to speed up the implementation of the Decent Work Agenda, since all the members of the organization will have to develop policies based on the objectives of this agenda: employment creation, social protection, social dialogue and rights at work. The declaration goes beyond and conceives a holistic vision of these objectives, stating that they are inseparable, interrelated and mutually supportive.

As far as persons with disability are concerned, the decade was marked by some new UN declarations, whereas in Brazil the advance consisted of regulations. From the start, in 2000, two laws were enacted. Act no. 10.098¹¹⁶, which sets out general rules and basic criteria for the promotion of accessibility of persons with disability or reduced mobility, and Act no. 10.048¹¹⁷, on priority service to certain social groups, including persons with disability. In the following year, the Ministry of Labor would issue Normative Instruction no.

¹¹⁴ http://portal.mte.gov.br/trab_escravo/plano-nacional-para-erradicacao-do-trabalho-escravo.htm

¹¹⁵ http://www.ilo.org/public/portugue/region/eurpro/lisbon/pdf/resolucao_justicasocial.pdf

¹¹⁶ http://www.planalto.gov.br/ccivil_03/Leis/L10098.htm

¹¹⁷ http://www.planalto.gov.br/ccivil_03/Leis/L10048.htm

20¹¹⁸, which provides for procedures to be followed in the inspection of work performed by persons with disability. Also in 2001, the International Declaration of Montreal on Inclusion¹¹⁹ was adopted, acknowledging the need for additional accessibility assurance for certain groups.

2002 would be marked by three relevant documents related to inclusion. The Declaration of Madrid¹²⁰ sought to define conceptual parameters for the construction of an inclusive society by presenting a vision of the new approach, focused on rights of persons with disability, legal measures, changing attitudes and independent living, among other themes. The Caracas Declaration¹²¹ created the Ibero-American Network of Non-Governmental Organizations of Persons with Disabilities and their Families as an instrument to promote, organize and coordinate the necessary actions to convert the social struggles of the human rights and disability movements of Ibero-America into national policies toward full citizenship of Persons with Disabilities. In addition, it declared 2004 as Year of Persons with Disabilities. The Sapporo Declaration, approved in an assembly of Disabled Peoples' International (DPI)¹²² gathering some 3,000 participants from all over the world, most of whom people with disabilities, presented the challenges to be met and the organization's position on each one of them. One of the challenges concerns the concept of independent living. About this, the document states: "Self-determination and independent living is fundamental to our human rights. We must undertake a program of education of people with disabilities and civil society on the concept of independent living. We must consider our cultural differences in adapting independent living in some countries."

In 2003, the Declaration of Quito¹²³, developed in the Regional Seminar and Workshop of the Americas, would declare the commitment of governments to participate actively and constructively in the negotiation process to finalize and adopt an international convention within a reasonable period of time. It is the beginning of the development of the Convention on the Rights of Persons with Disabilities¹²⁴, adopted in 2006. Its purpose is to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity." This convention defines persons with disabilities as those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others." In the same year, the OAS declared the period of 2006-2016 as the Decade of the Americas for the Rights and Dignity of Persons with Disabilities¹²⁵, in view of the concern with persisting conditions of disadvantage, inequality and discrimination in this segment, and so that inclusion programs, plans and actions can be undertaken.

¹¹⁸ <http://portal.mte.gov.br/legislacao/instrucao-normativa-n-20-de-26-01-2001.htm>

¹¹⁹ http://portal.mec.gov.br/seesp/arquivos/pdf/dec_inclu.pdf

¹²⁰ <http://www.bancodeescola.com/madri.htm>

¹²¹ http://www.prefeitura.sp.gov.br/cidade/secretarias/upload/saude/arquivos/deficiencia/Declaracao_de_Caracas.pdf

¹²² <http://www.dpi.org/>

¹²³ http://www.prefeitura.sp.gov.br/cidade/secretarias/upload/saude/arquivos/deficiencia/Declaracao_de_Quito.pdf

¹²⁴ http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2009/decreto/d6949.htm

¹²⁵ <http://www.coe.sp.gov.br/noticias/MostraNoti.asp?par=132>

In 2005, Brazil launched the Urban Mobility Program¹²⁶, which aims to articulate transportation, traffic and accessibility policies to enable broad and democratic access to space in a safe, sustainable and socially inclusive manner.

In the following year, the I National Conference on the Rights of People with Disabilities¹²⁷ was held, coordinated by the National Council on the Rights of People with Disabilities (Conade) in partnership with the National Coordination Office for the Integration of People with Disabilities (Corde) and agencies of the Special Secretariat for Human Rights (SEDH). With the theme “Accessibility: You Have a Commitment, Too,” the conference worked on the following subthemes:

- General conditions for the implementation of accessibility;
- Implementation of architectural, urban planning and transportation accessibility;
- Information, communication and technical assistance accessibility.

The II National Conference on the Rights of People with Disabilities¹²⁸ would be held in 2008, with the theme “Inclusion, Participation and Development: a New Way to Move Forward”. Three new themes were discussed in this conference:

- Occupational health and rehabilitation;
- Education and work; and
- Accessibility.

One year before, the SEDH and Corde had launched the Social Agenda: Citizenship Rights – People with Disabilities¹²⁹ with the objective of fostering the full inclusion of this part of the population in the country’s development process, seeking to eliminate all forms of discrimination and ensure their access to the community’s goods and services, promoting and defending their rights.

For more information on the national conferences, the Urban Mobility Program and the Social Agenda, please check the Legal Frameworks table in the chapter “Inclusion of Persons with Disabilities” (see page 80).

As far as children, adolescents and the youth are concerned, the decade starts with Act no.10.097¹³⁰, dated 2000, which set rules for apprentices, defining apprenticeship agreement as “the special written labor agreement for a specified period of time, in which the employer shall be bound to provide the young person aged 14 to 18 enrolled in an apprenticeship program with methodic technical and vocational education compatible with his/her physical, moral and psychological development, and the apprentice shall zealously and diligently perform the tasks required.”

¹²⁶ http://www.cidades.gov.br/index.php?option=com_content&view=article&id=211:progmoburb&catid=68&Itemid=103

¹²⁷ <http://portal.mj.gov.br/conade/conferencia/index.htm>

¹²⁸ <http://conade.l2.com.br/>

¹²⁹ http://www.sjcdh.ba.gov.br/conferencia_def/Cartilha%20Agenda%20Social%20do%20PAC.pdf

¹³⁰ http://www.planalto.gov.br/ccivil_03/Leis/L10097.htm

In 2004, the National Youth Plan¹³¹ was approved, with a ten-year term, aimed at the teenager and young adult aged 15 to 29. Among the goals set is the proposition of public policy from juvenile codes, so as to fully incorporate the youth into the country's development. This plan may well have been one of the first steps to remove the philanthropic focus on young people, making them protagonists of their own development.

In the same year, the National Plan for the Promotion, Protection and Defense of the Right of Children and Adolescents to Family and Community Life (PNCFC)¹³² was launched, promoting a shift in the paradigm of dealing with the child and the adolescent, particularly by their right to live with the family and participate in the community.

Also in 2004, the Child Labor Eradication Program (Peti)¹³³ was launched with the purpose of coordinating activities and introducing new actions to ensure child labor eradication. This plan is an essential instrument to eliminate, by 2015, the worst forms of child labor (Executive Order no. 6.481/2008¹³⁴) and eradicate child labor altogether by 2020, targets accepted by Brazil and the other signatory countries of the document "Decent work in the Americas: An agenda for the Hemisphere, 2006-2015"¹³⁵.

In 2005, the National Youth Policy¹³⁶ was developed, being a cross-sector action that combines a set of structuring policies with specific programs for each of the challenges identified:

- Enhancing the access to education and the permanence in quality schools;
- Eradicating illiteracy among the youth;
- Preparing young people for the labor market;
- Creating employment and income;
- Promoting a healthy life;
- Providing universal access to sports, leisure, culture and information technology;
- Promoting human rights and affirmative policies;
- Encouraging citizenship and social participation;
- Improving the quality of life of young people in the rural area and in traditional communities.

Simultaneously, the National Youth Council (Conjuve)¹³⁷ and the National Youth Secretariat were created. Conjuve is responsible for "formulating and proposing guidelines for the governmental action aimed at promoting public policy for the youth, fostering stu-

¹³¹ http://www.dhnet.org.br/dados/pp/a_pdfdht/plano_nac_juventude.pdf

¹³² <http://www.mp.rs.gov.br/areas/infancia/arquivos/planonacional.pdf>

¹³³ http://www.fnpeti.org.br/publicacoes/parceiros/arquivos-das-publicacoes/plano_nacional.pdf

¹³⁴ http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2008/Decreto/D6481.htm

¹³⁵ http://www.oitbrasil.org.br/sites/default/files/topic/discrimination/pub/resumo_agenda_hemisferica_trabalho_decente_236.pdf

¹³⁶ <http://www.secretariageral.gov.br/Juventude/pol>

¹³⁷ <http://www.secretariageral.gov.br/Juventude/Cons>

dies and researches on the juvenile socioeconomic reality, and promoting the knowledge-sharing between national and international youth organizations.”

Launched in 2008, the National Youth Inclusion Program¹³⁸ (Projovem Integrado) is divided into four fronts: Projovem Adolescente – Serviço Socioeducativo (Adolescent Projovem – Social and Educational Service) aims to create conditions for the insertion, reinsertion and permanence of the young person at school; Projovem Urbano (Urban Projovem), which seeks to ensure a higher level of education and professional qualification; Projovem Campo (Rural Projovem), which provides young people working in family agriculture with a higher level of education and professional qualification and is offered according to the seasonal agricultural cycles; and Projovem Trabalhador (Worker Projovem), which prepares the young adult aged 18 to 29 for the labor market.

For more information on the national plans described above, please check the Legal Frameworks table in the chapter “Promotion of the Rights of children, adolescents and the youth” (see page 91).

2010 and the Future

	2010 – Amnesty International Report The State of the World’s Human Rights ✘, Human Development Report (UNDP) ✘, ISO 26000 Standard ✘ and Ruggie Report (UN) ✘	2011 – Human Development Report (UNDP)	2015 – MDG target date
	2010		FUTURO
Gender	2010 – Women’s Empowerment Principles (Unifem and Global Compact) ✘	2011 – UN Women	
Race	2010 – Statute of Racial Equality [BR] and Quilombola Seal [BR]		
Working Conditions			
Persons with Disabilities			
Children, Adolescents and the Youth	2010 – National Policy on the Rights of Children and Adolescents and 10-Year Plan for the Rights of Children and Adolescents [BR]		

¹³⁸ <http://www.projovemurbano.gov.br/site/>

The 20th Human Development Report¹³⁹ (PNUD) included in 2010 three new measurement tools:

- Inequality-Adjusted Human Development Index;
- Gender Inequality Index; and
- Multidimensional Poverty Index.

These indices were created as a result of increased inequalities within the countries and among them. However, it was possible to identify progress along the editions of the report, such as improvement in health and education, increase in income and greater ability of people to choose leaders, influence government decisions and share knowledge. *The Human Development Report* to be published in 2011¹⁴⁰ will focus on inequality relations and environmental risks.

In 2010, John Ruggie presented a new report – *Business and Human Rights: Further Steps Toward the Operationalization of the “Protect, Respect and Remedy” Framework*¹⁴¹, in which he introduces a working method to operationalize and promote protection of and respect for human rights. In 2011, the UN Human Rights Council approved its final report: *Guiding Principles on Business and Human Rights*¹⁴².

Information on the ISO26000 Standard are spread throughout this publication in the Management Reference tables.

Also in 2010, Unifem and the Global Compact launched the *Women’s Empowerment Principles*¹⁴³, providing companies with a tool that allows enhancing and valuing women’s leadership in the labor market. By adopting such principles, companies can take more concrete steps towards the promotion of equal opportunities and help achieve the Millennium Development Goals, especially MDG 3: Promote gender equality and empower women. The principles are presented in the Challenges table of the chapter “Gender Equality in the Workplace” (see page 44).

In 2010, the UN Women – United Nations Entity for Gender Equality and the Empowerment of Women¹⁴⁴ – was created. It is a merger of Unifem with three other UN organizations focused on women’s issues. The entity started to operate in 2011 and its initial mission is to carry out a public consultation in the 80 countries where UN specialists are based and review local proposals. The information gathered will support the organization’s strategic planning.

¹³⁹ [http://hdr.undp.org/en/reports/global/hdr2010/chapters/pt/=](http://hdr.undp.org/en/reports/global/hdr2010/chapters/pt/)

¹⁴⁰ <http://hdr.undp.org/es/>

¹⁴¹ <http://198.170.85.29/Ruggie-report-2010.pdf>

¹⁴² <http://www.ohchr.org/documents/issues/business/A.HRC.17.31.pdf>

¹⁴³ http://www.unglobalcompact.org/docs/issues_doc/human_rights/WEPS/WEPS_POR.pdf

¹⁴⁴ <http://www.onu.org.br/onu-no-brasil/onu-mulheres/>

Also in 2010, the Statute of Racial Equality¹⁴⁵ was passed in Brazil, introducing for the first time the concept of affirmative action into a law. Despite the changes in the original text, removing, for example, the quotas in universities, it is worth noting that the statute is an advance and a key tool to change the rights of afro-descendents in the country.

In the same year, Seppir introduced the Quilombola Seal, created to identify handicraft, agricultural and cultural products from *quilombola* (slave descendent) communities spread in the country. Its purpose is to protect these products and create sustainability for the production of this segment of the population. For more information on this seal, please check the Legal Frameworks table in the chapter “Racial Equality in the Workplace.”

In October 2010, the Brazilian government released for public consultation the 10-Year Plan for the Rights of Children and Adolescents (2011-2020) and the National Policy on the Rights of Children and Adolescents. The proposal for structuring this policy is divided into five guiding axes:

1. Promotion of the Rights;
2. Protection and Defense of the Rights;
3. Participation of Children and Adolescents;
4. Social Control of Rights Implementation; and
5. Policy Management.

¹⁴⁵ <http://www.seppir.gov.br/Lei%2012.288%20-%20Estatuto%20da%20Igualdade%20Racial.pdf>

Thematic Chapters

Each thematic chapter is organized as follows:

- Challenges;
- Management Reference Table;
- Legal Frameworks;
- Pathways and Reflections; and
- Relevant Websites and Information

Learn how the *Management Reference Table* and the *Legal Frameworks*, contained in each chapter, were developed.

Management Reference Table

Self-regulation mechanisms and tools aimed at the implementation and monitoring of socially responsible management. The management references were presented in each chapter in light of the human rights theme addressed in that chapter. In this way, an organization regularly reporting on the Ethos Indicators on Corporate Social Responsibility, for instance, can assess its performance in human rights through indicators related to each commitment, which are based on the decent work agenda.

Essential Criteria

The publication *Cr terios Essenciais de Responsabilidade Social e Seus Mecanismos de Indu o no Brasil* (Essential CSR Criteria and their Induction Mechanisms in Brazil), launched in 2006 by the Ethos Institute, developed 29 criteria that set the standard for the adoption of a minimum consensus on the current socioenvironmental demands made by key social and market actors. The sources studied that originated the criteria were handbooks, guidelines, indicators, report and questionnaire models for assessment and registration, among others. The publication clearly presents a wide range of references for each criterion, related legislation and management practices. The criteria can be regarded as qualitative indicators.

http://www.ethos.org.br/_Uniethos/Documents/criterios_essenciais_web.pdf

GRI Guidelines

The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, launched in 2000, comprise an international standard of economic, social and environmental reporting and a major tool for corporate social responsibility reporting implementation. GRI Guidelines present a combination of quantitative indicators, in which the reporting on amounts and percentages is required, and qualitative ones, such as explanations of policies and standpoints regarding the theme. GRI has a webpage in Portuguese that offers the Guidelines and other related publications. The G3 version, launched in 2003, was used in the Management Reference Table.

<http://www.globalreporting.org/Home/LanguageBar/PortugueseLanguagePage.htm>

Ethos Indicators on Corporate Social Responsibility

Developed in 2000, they are a tool used by companies for self-diagnosis, assessment and planning of corporate social responsibility integration into their business management. Through an online system, the company is able to extend to use of the tool to its value chain, thus providing a more accurate diagnosis of existing challenges. The Ethos Indicators gather a set of data for each indicator, combining qualitative information, represented by in-depth questions, and quantitative ones, in which many times a comparison with previous years is requested. The 2009 version of the Ethos Indicators was used in the Management Reference Table.

<http://indicadores.ethos.org.br/>

ISO 26000 Standard

The international standard launched in 2010 corroborates the vision of social responsibility as a means to contribute to sustainable social development. It can be applied to different types of organizations, such as companies, governments and NGOs, and it is not intended for certification purposes. It addresses themes, such as human rights, labor practices, the environment and governance, dealt with in “Guidance on social responsibility core subjects”. In this chapter, for each theme presented there are related issues and actions and expectations. Each company should decide how to implement them and monitor their evolution. Complete information about the ISO 26000 standard are available on the ISO social responsibility website and on a website developed by the Ethos Institute and UniEthos specifically to address this standard.

http://www.iso.org/iso/iso_catalogue/management_standards/social_responsibility.htm

<http://uniethos.tempsite.ws/iso26000/>

Business Pacts

Incorporating social and environmental objectives into business economic goals is indispensable to the socially sustainable development model. This model, which is under development, requires new dynamics among the State, the market and the civil society. For this purpose, the Ethos Institute has been working on public pacts and commitments that derived from discussions and alignments between stakeholders around themes such as anti-corruption actions and eradication of forced labor. The pacts provide elements for the development of quantitative and qualitative indicators. Refer to these initiatives on the Ethos Institute website, accessing the section “Pactos”, within “Participe”.

<http://www.ethos.org.br>

Global Compact Principles

Launched by the United Nations Organization (UN) in 1999, they are a set of principles addressing human rights, labor relations, the environment, anti-corruption actions that link business to sustainable development and can be used as a starting point for the engagement of different business sectors around these themes. They are based on the commitment to ten principles and aimed at encouraging companies to integrate them into their strategy and business management. Their content gathers internationally accepted standards, structured in a business commitment based on principles aimed at corporate citizenship. They present qualitative information and are strongly related with the Ethos Indicators and the GRI Guidelines.

<http://www.unglobalcompact.org/>

<http://www.pactoglobal.org.br/>

Legal Frameworks

A research was carried out into the content of the main Brazilian governmental plans, programs and policies related to the themes proposed herein to build the legal framework of each commitment. In some situations, the original text was slightly adapted to turn a government action into a business action. The Millennium Development Goals and the III National Program on Human Rights were two key sources for this research.

Millennium Development Goals (MDG)

A set of general goals and specific targets aimed at the solution of the most urgent and impactful global problems of environmental, social and economic nature. Launched by the UN in 2000, they should be achieved by the member states by 2015. Each goal is unfolded into targets and has specific indicators. Companies are able to cross and align governmental goals with their business programs.

<http://www.pnud.org.br/odm/>
<http://www.portalodm.com.br/>
<http://www.nospodemos.org.br/>

III National Program on Human Rights (Programa Nacional dos Direitos Humanos – PNDH3)

As an answer to the call made by the Vienna Conference, Brazil launched in 1996 its first National Program on Human Rights (PNDH1), showing its commitment while advancing towards its applicability by adopting a public policy aimed at meeting this commitment. The PNDHs have the tough mission of reconciling international commitments around the theme with the Brazilian socioeconomic reality. PNDH1 addressed political actions with short- medium- and long-term objectives, whereas PNDH2 sought to structure activities based on action plans. PNDH3, launched in late 2009, underwent a structural evolution by presenting a map in six guiding axes broken down into 25 guidelines, 82 strategic objectives and 521 actions. The “Legal Frameworks” table highlights the actions that can count on business engagement or inspire business initiatives. All actions not mentioned in the table can also serve as input for companies, for they are related with human rights.

<http://portal.mj.gov.br/sedh/pndh/pndh1.pdf><http://portal.mj.gov.br/sedh/pndh/pndh2.pdf>
<http://portal.mj.gov.br/sedh/pndh3/pndh3.pdf>

1st Commitment: Promotion of Gender Equality in the Workplace

Challenges in the Promotion of Gender Equality in the Workplace

The Millennium Summit established the third Millennium Development Goal (MDG) – “Promote gender equality and empower women” – aimed at promoting women autonomy worldwide focused on women empowerment, to enable them to bring about changes by themselves.

In Brazil, the goal “Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015” has shown good results. Women’s schooling level is already higher than men’s, 19% up in middle school and 33% up in higher education, according to the 4th National MDG Progress Report, launched in 2010¹. However, such difference does not translate into advantage in the labor market, where inequalities remain in **positions held**, **remuneration**, as well as in the level of **social protection**.

Regarding **positions held**, the Social, Racial and Gender Profile of the 500 Brazilian Largest Companies and Their Affirmative Actions – 2010 Survey, fifth edition of the series produced by the Ethos Institute since 2001, reported, for the 109 responding companies, the same reduction trend in the participation of women observed in previous editions as hierarchical levels go up: 33.1% in working staff, 26.8% in supervision, 22.1% in management, and only 13.7% in executive positions.

With respect to **remuneration**, it is astonishing to realize it has an inverse relationship with education level. According to the 4th National MDG Progress Report, remuneration of women with over 12 years of schooling accounts for 65.4% of that of men in similar condition.

As for **social protection**, the ISO-Quito Index², which measures women equality in Latin America, assesses countries in three dimensions:

- Political: addresses decision-making parity;
- Economic: addresses economic and labor parity; and
- Social: addresses women’s well-being.

¹ http://www.nospodemos.org.br/upload/tiny_mce/quarto_relatorio_acompanhamento.pdf

² The ISO-Quito Index is based on commitments made by Latin American countries at the Regional Conference on Women, held in Quito, Ecuador, in 2007.

In the economic dimension, Brazil ranks second among 22 countries measured. Regarding well-being, however, the country ranks eighth, in decision-making, 20th, which corroborates the Ethos Institute survey results. Considering the three dimensions, the country's average stood second to last, only ahead of Guatemala.

The survey “*Desafios para a Sustentabilidade e o Planejamento Estratégico das Empresas 2008/2009* (Challenges for Sustainability and Strategic Planning of Companies – 2008/2009)³”, made by the Dom Cabral Foundation, gathered 47 sustainability challenges based on the opinion of 54 companies. Each challenge was assessed in the light of three axes graded from 1 to 7. The challenge “Gender Inequality” shows imbalance between the axis related to its incorporation into the company's strategy and the axes related to its importance to the organization and how it is impacted by the business:

Level of incorporation into strategic planning	Level of importance of the challenge to the companies	Level of impact of the business on the challenge
1: no incorporation 7: totally incorporated (into goals, indicators and objectives)	1: no importance at all 7: highly important	1: totally negative 7: totally positive
3,93	4,9	4,7

The conclusion is that the main challenge is to ensure equal opportunities regarding differences in the companies' strategic planning. In fact, in 2010, the UN Women, in partnership with the United Nations Global Compact, proposed seven empowerment principles to guide companies in the promotion of gender equality in the workplace.

Women's Empowerment Principles⁴

Equality Means Business

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

³ http://www.fdc.org.br/hotsites/mail/nucleo_sustentabilidade/QEI_2009_Resultados_Pesquisa_FDC_Impresso.pdf

⁴ http://www.unifem.org.br/003/00301009.asp?ttCD_CHAVE=119216

Management Reference Table

In addition to the references listed in this table, the company should seek sector-specific management references, if any, which may shed more light on the challenges, dilemmas and indicators to be specifically monitored in its sector.

Reference	Quantitative and qualitative indicators
Essential Criteria	<p>1. Respecting and upholding the protection of human rights expressed in the Universal Declaration of Human Rights and other related documents.</p> <p>3. Ensuring equality of opportunity and treatment, aimed at eliminating all forms of negative discrimination based on, but not limited to, race, color, gender, age, religion, political affiliation, nationality, social origin, social condition and health status.</p> <p>29. Adopting good governance practices based on transparency, equity and accountability, involving the relationships among high management, shareholders, board members, auditors, employees and other stakeholders.</p>
GRI Guidelines	<p><i>Some of the indicators presented below do not directly show their relationship with the gender issue. However, the GRI publication <i>Embedding Gender in Sustainability Reporting - A Practitioner's Guide</i> suggests that, in the companies' sustainability reports, data regarding gender should be broken down by men and women so as to show how their practices contribute positively to gender equality.</i></p> <p>LA2. Total number and rate of employee turnover by age group, gender, and region.</p> <p>LA3. Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.</p> <p>LA4. Percentage of employees covered by collective bargaining agreements.</p> <p>LA6. Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.</p> <p>LA10. Average hours of training per year per employee by employee category.</p> <p>LA12. Percentage of employees receiving regular performance and career development reviews.</p> <p>LA13. Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.</p> <p>LA14. Ratio of basic salary of men to women by employee category.</p> <p>HR4. Total number of incidents of discrimination and actions taken.</p> <p>HR8. Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.</p> <p>SO5. Public policy positions and participation in public policy development and lobbying.</p>
Ethos Indicators	<p>3. Corporate Governance (Percentage of women in the board of directors or similar structure).</p> <p>11. Valuing Diversity.</p> <p>13. Commitment to Promoting Gender Equality.</p> <p>14. Relations with Outsourced Workers (Percentage of women in relation to total outsourced workers and women's average monthly salary).</p> <p>16. Concern for Health, Safety, and Working Conditions.</p> <p>17. Commitment to Professional Development and Employability.</p> <p>29. Business Communication Policy (Does the company have a formal policy against advertising that portrays women in discriminatory, embarrassing, disrespectful or risky situations?).</p>

⁵ <http://www.globalreporting.org/NR/rdonlyres/A98BDFC5-0984-45D1-A778-39405A81C1CD/4151/GENDERbxGRIPortugues.pdf>

SO 26000

CORE SUBJECT: ORGANIZATIONAL GOVERNANCE

- Promoting a fair opportunity for underrepresented groups (including women and racial and ethnic groups) to occupy senior positions in the organization.

CORE SUBJECT: HUMAN RIGHTS***Issue: Due Diligence***

- Structuring a human rights policy for the organization that gives meaningful guidance to those within the organization and those closely linked to the organization.
- Establishing means of assessing how existing and proposed activities may affect human rights.
- Establishing means of integrating the human rights policy throughout the organization.
- Establishing means of tracking performance over time, to be able to make necessary adjustments in priorities and approach.

Issue: Human Rights Risk Situations

- Being aware of conflicts or extreme political instability, failure of the democratic or judicial system, absence of political or civil rights.

Issue: Avoidance of Complicity

- Not providing goods or services to an entity that uses them to carry out human rights abuses.
- Not entering into a formal partnership with a partner that commits human rights abuses in the context of the partnership.
- Informing itself about the social and environmental conditions in which purchased goods and services are produced.
- Consider making public statements, or taking other action indicating that it does not condone human rights abuse, such as acts of discrimination, occurring in employment in the country concerned.

Issue: Resolving Grievances

- Establishing effective remedy mechanisms, ensuring they are legitimate, accessible, predictable (for instance, with clear and known processes and monitoring), equitable (allowing for a fair grievance process) rights-compatible (in accordance with internationally recognized norms) clear and transparent, based on dialogue and mediation.

Issue: Discrimination and Vulnerable Groups

- Examining the company's own operations and the operations of other parties within its sphere of influence to determine whether direct or indirect discrimination is present.
- Facilitating the raising of awareness of their rights among members of vulnerable groups.
- Contributing to redressing discrimination or the legacy of past discrimination, wherever practicable.

Issue: Fundamental Principles and Rights at Work

- Assessing the impact of its policies and activities on promotion of equal opportunities and non-discrimination and taking positive actions to provide for the protection and advancement of vulnerable groups.

CORE SUBJECT: LABOUR PRACTICES***Issue: Employment and Employment Relationships***

- Ensuring equal opportunities for all workers and not discriminate either directly or indirectly in any labor practice based on race, color, gender, age, nationality or national origin, ethnic or social origin, caste, marital or family status, personal relationships, disability, health status such as HIV/AIDS status or political affiliation.
- Eliminating any arbitrary or discriminatory dismissal practices.

Issue: Conditions of Work and Social Protection

- Ensuring that the conditions of work comply with national laws and regulations and are consistent with applicable international labor standards.
- Respecting higher levels of provision established through other applicable legally binding instruments such as collective agreements.

Reference	Quantitative and qualitative indicators
<p>ISO 26000</p>	<ul style="list-style-type: none"> • Observing at least those minimum provisions defined in international labor standards as established by the ILO, especially where national legislation has not yet been adopted. • Providing decent conditions of work with regard to wages, hours of work , weekly rest, holidays, health and safety, maternity protection and ability to combine work with family responsibilities . • Providing equal pay for work of equal value. <p>Issue: Health and Safety at Work</p> <ul style="list-style-type: none"> • Addressing the specific ways in which occupational safety and health (OSH) risks differently affect women and men. <p>Issue: Human Development and Training in the Workplace</p> <ul style="list-style-type: none"> • Providing all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis. • Respecting the family responsibilities of workers by providing reasonable working hours, parental leave and, when possible, childcare and other facilities that can help workers achieve a proper work-life balance. <p>CORE SUBJECT: FAIR OPERATING PRACTICES Issue: Promoting Social Responsibility in the Value Chain</p> <ul style="list-style-type: none"> • Integrating ethical, social, environmental and gender equality criteria, and health and safety, in its purchasing, distribution and contracting policies and practices to improve consistency with social responsibility objectives. <p>CORE SUBJECT: CONSUMER ISSUES Issue: Fair marketing, factual and unbiased information and fair contractual practices</p> <ul style="list-style-type: none"> • Not using text or images that perpetuate stereotyping in regard to, for example, gender. <p>Issue: Protecting Consumers’ Health and Safety</p> <ul style="list-style-type: none"> • Estimating and evaluating the risk to pregnant women arising from the hazards identified.
<p>Global Compact</p>	<p>Principle 1 - Supporting and respecting the protection of internationally proclaimed human rights. Principle 2 - Making sure that they are not complicit in human rights abuses. Principle 6 - Eliminating discrimination in respect of employment and occupation.</p>

Legal Frameworks

Reference	How companies can contribute to, engage with or benefit from the initiative						
<p>Millennium Development Goals (MDG)</p>	<p>MDG 3⁶: Promote gender equality & empower women</p> <ul style="list-style-type: none"> • Programs aimed at women’s capacity building and skills development; • Insertion of female labor in activities deemed as male ones; • Initiatives to promote education, cooperativism and self-sustainability; • Dissemination of knowledge about women’s rights; • Valuing diversity when setting up working groups; • Capacity building, quality of life improvement and social inclusion of at-risk women; • Encouragement to women’s participation in decision-making, control and access to public policy; • Discussion and working groups that address gender and equality issues; • Teenage pregnancy prevention programs and information about women’s health. <p>MDG 5⁷: Improve maternal health</p> <ul style="list-style-type: none"> • Support to community initiatives related to pregnancy care (pre and postnatal care) and improvement in women’s health (stationary or itinerant ones); • Support and promotion programs aimed at women’s health, enabling access to information about family planning, STD, breast cancer prevention, high risk pregnancy, delivery and maternal and neonatal nutrition, both in urban and rural areas; • Programs aimed at humanization, safety and quality in pregnancy care; • Community health services in gynecology, obstetrics and ultrasound to assist in prevention and early diagnosis of risks to the pregnant woman; • Programs aimed at improving the quality of care during pregnancy, delivery, puerperium and to the newborn; • Diffusion of knowledge about women’s rights; • Identification and follow-up programs specializing in high risk pregnancy. 						
<p>Brazil Gender Equality Observatory (Observatório Brasil da Igualdade de Gênero)</p>	<p><i>In its 2009/2010 report⁸, the Brazil Gender Equality Observatory, an arm of the <u>Secretaria Especial de Políticas para as Mulheres da Presidência da República (SPM/PR)</u> (President’s Special Secretariat for Women’s Policies), shows a survey on the key problems and suggests some actions. The actions that companies can contribute to are listed below.</i></p> <table border="1" data-bbox="400 1179 1330 1663"> <thead> <tr> <th data-bbox="400 1179 642 1219">PROBLEM</th> <th data-bbox="642 1179 1330 1219">ACTION</th> </tr> </thead> <tbody> <tr> <td data-bbox="400 1219 642 1380">Sexism in labor division and dissociation of women from power</td> <td data-bbox="642 1219 1330 1380"> <ul style="list-style-type: none"> • Extending paternity leave. • Changing legislation that provides for in-company day care. • Taking steps to face indecent working conditions. • Encouraging the sharing of tasks and care. • Discouraging excessively long working hours. • Providing in-company day care. </td> </tr> <tr> <td data-bbox="400 1380 642 1663">Institutional sexism and racism</td> <td data-bbox="642 1380 1330 1663"> <ul style="list-style-type: none"> • Strengthening the Gender Equality Program (SPM/PR). • Creating materials to inform about institutional sexism and racism. • Creating guidelines and guidance to the human resources area. • Creating and training ombudsmen. • Supporting women’s capacity-building for performing their work. • Carrying out campaigns against moral and sexual harassment. • Carrying out surveys and awareness-raising campaigns about women’s willingness and capacity to hold power and decision-making positions. </td> </tr> </tbody> </table>	PROBLEM	ACTION	Sexism in labor division and dissociation of women from power	<ul style="list-style-type: none"> • Extending paternity leave. • Changing legislation that provides for in-company day care. • Taking steps to face indecent working conditions. • Encouraging the sharing of tasks and care. • Discouraging excessively long working hours. • Providing in-company day care. 	Institutional sexism and racism	<ul style="list-style-type: none"> • Strengthening the Gender Equality Program (SPM/PR). • Creating materials to inform about institutional sexism and racism. • Creating guidelines and guidance to the human resources area. • Creating and training ombudsmen. • Supporting women’s capacity-building for performing their work. • Carrying out campaigns against moral and sexual harassment. • Carrying out surveys and awareness-raising campaigns about women’s willingness and capacity to hold power and decision-making positions.
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⁶ http://www.odmbrasil.org.br/sobre_odm3

⁷ http://www.odmbrasil.org.br/sobre_odm5

⁸ <http://www.observatoriodegenero.gov.br/menu/relatorio-anual-2009-2010>

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>II National Women's Policy Plan (Plano Nacional de Políticas para as Mulheres – PNPM II)⁹</p>	<p><i>Some of the PNPM principles are applicable not only to government actions, but also to business initiatives:</i></p> <ul style="list-style-type: none"> • Equality and respect to diversity. Aimed at overcoming gender inequalities, which requires respect and attention to “diversity of culture, ethnicity, race, social insertion, economic and regional condition, as well as the different stages of life”. • Equity. Sets forth specific and affirmative actions aimed at historically discriminated groups, being women one of them. “Treating the unequal in an unequal manner, seeking social justice, requires full knowledge of the particular needs of different female groups”. • Autonomy of women. Women should have the power to decide about their own lives and be able to positively influence events in their community and country. <p><i>PNPM II is structured around ten priority themes and areas of concern:</i></p> <ol style="list-style-type: none"> 1. Economic independence and equality in work-related matters, with social inclusion 2. Inclusive education, non-racist, non-sexist, with no prejudice against homosexuals and lesbians 3. Women's health and sexual and reproductive rights. 4. Addressing all forms of violence against women. 5. Women in positions of power and decision-making posts. 6. Sustainable development in rural, urban and woodland areas, with guarantee of environmental justice, sovereignty and food security; 7. The right to land, decent housing and social infrastructures in rural and urban areas, taking into account traditional communities. 8. Equalitarian, democratic and non-discriminatory culture, communication and media. 9. Addressing racism, sexism and prejudice against lesbians. 10. Addressing inequalities between age groups, paying special attention to young and older women. <p><i>With respect to the first theme, directly related to gender equality at work, the plan is integrated with the following programs that aim to strengthen this condition:</i></p> <ul style="list-style-type: none"> • Women's Work and Entrepreneurship Program (Programa Trabalho e Empreendedorismo das Mulheres); • Gender Equality Program (Programa Pró-Equidade de Gênero); • Decent Household Labor Plan (Plano Trabalho Doméstico Cidadão); • Incentive to Formalization of Household Labor (Incentivo à Formalização do Emprego Doméstico); • Work, Handicraft, Tourism and Autonomy of Women Program (Programa Trabalho, Artesanato, Turismo e Autonomia das Mulheres); • National Program to Promote Family Agriculture – Pronaf Women (Programa Nacional de Fortalecimento da Agricultura Familiar – Pronaf Mulher); • National Rural Women Worker's Documentation Program (Programa Nacional de Documentação da Trabalhadora Rural – PNDTR); • Rural Women Worker's Productive Organization Program (Programa Organização Produtiva de Mulheres Rurais); • Technical Support and Rural Extension for Rural Women Workers (Assistência Técnica e Extensão Rural para Trabalhadoras Rurais)
<p>III National Program on Human Rights</p>	<p><i>The actions scheduled for this commitment are:</i></p> <ul style="list-style-type: none"> • Reinforcing the criteria for equity and prevalence of human rights as a priority in assessing the budgetary allocation for action or expenditure authorization.

⁹ <http://www.sepm.gov.br/pnpm/livro-ii-pnpm-completo09.09.2009.pdf>

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>(Programa Nacional dos Direitos Humanos – PNDH3)¹⁰</p>	<ul style="list-style-type: none"> • Encouraging programs of total attention to women’s health. • Disseminating pre and neonatal health policy, including educational campaigns aimed at prevention of onset or worsening of disabilities. • Supporting and sponsoring research and actions aimed at maternal mortality, addressing ethnic-racial and regional peculiarities. • Carrying out awareness-raising campaigns about individual choices and access to tubal ligation and vasectomy or reversal of these procedures. • Countering wage inequalities based on gender. • Following the implementation of the National Program on Affirmative Actions, established by Executive Order no. 4.228/2002, to be enforced in direct and indirect federal public administration, aimed at reaching goals related to the percentage of posts held by women. • Carrying out campaigns involving the civil society on responsible parenting, as well as extending parental leave as a means to contribute to co-responsibility and to counter the prejudice against the insertion of women in the labor market. • Making diagnosis based on lawsuits involving moral, sexual and psychological harassment, including the investigation of reports on disrespect to women and men workers, aimed at guiding actions to counter discrimination and abuse in the workplace. • Supporting campaigns to promote wide diffusion of the right to vote and to political participation of men and women through information campaigns to ensure free and conscious choice. • Supporting actions aimed at political education of women within their ethnic-racial diversity, encouraging them to run for posts and vote in all levels. • Developing affirmative actions that enable women to fully participate in the country’s development process through the promotion of their economic autonomy and productive initiatives that ensure their independence. • Encouraging public policy and affirmative actions for equal, plural and multiracial participation of women in positions of power and decision-making posts. • Developing periodic follow-up reports on women’s policy addressing ethnic-racial peculiarities, including data on income, working hours and work environment, cases of moral, sexual and psychological harassment, cases of violence against women, total attention to women’s health, reproduction data, maternal mortality and schooling. • Supporting the diffusion of national and international legal instruments aimed at women protection, including their publication in accessible formats, such as Braille, audio CD and other assistive technologies. • Promoting educational campaigns and research aimed at violence against women prevention. • Supporting the implementation of the National Pact to Counter Violence Against Women, integrated into the state public safety plans and pursuant to the Maria da Penha Act (Act no. 11.340/2006).
<p>Gender Equality Program (Programa Pró-Equidade de Gênero)¹¹</p>	<p><i>The objectives of the Gender Equality Program that can be integrated into the organizations’ are as follows:</i></p> <ul style="list-style-type: none"> • Raising awareness and encouraging management practices to promote equal opportunities; • Building a good practices database; • Creating the pro-gender equity network; • Publicly acknowledging the commitment to equity. <p><i>Companies interested may implement the program according to the following stages:</i></p> <ol style="list-style-type: none"> 1. Accession. The company fills out and sends the agreement; 2. Commitment. The company fills out and sends the profile datasheet; 3. Assessment. After one year, companies are assessed by the Pro-Gender Equity Committee as for their fulfillment of the action plan regarding people management and organizational culture; 4. Seal. If the company fulfilled the agreement, it receives the Pro-Gender Equity Seal for the respective period.

¹⁰ Some actions’ wording was changed to adjust their applicability to private organizations.

¹¹ http://200.130.7.5/spmu/docs/folheto_pro-equidade.pdf

Pathways and Reflections

The organization Catalyst carried out in 2004 the survey *Women and Men in U.S. Corporate Leadership: Same Workplace, Different Realities*¹², which measures qualitative results of attitudes and experiences of 1,000 men and women immediately below the company’s CEO. This survey shows what is really different when we talk about gender. From the results shown and in view of the challenges pointed out, some pathways are proposed to face the inequalities identified.

Inequalities	Pathways
Position held, career and work environment	<ul style="list-style-type: none"> • Developing policy aimed at the promotion of equal opportunities for men and women at hiring, professional development and retention. • Establishing a dialogue with managers and leaders and groups of women to identify hindrances and difficulties in the advancement of women within the organization. • Monitoring the access to training and career development opportunities. • Monitoring barriers that prevent women’s hiring, professional development and work-life balance. • Monitoring positions held mainly by only one gender. • Monitoring the proportion of men and women in promotions and in hierarchical levels. • Identifying how to structure a mentoring program as a way to guide and follow the woman’s career. • Encouraging the creation of informal and formal professional networks of professional contacts. • Diffusing management practices that promote equal gender representation in the workplace.
Remuneration	<ul style="list-style-type: none"> • Linking targets set to the calculation of bonus for all executive levels. • Monitoring the percentage ranking by gender of the five best paid executives. • Monitoring remuneration inequalities between men and women who perform similar jobs and hold similar positions.
Social Protection	<ul style="list-style-type: none"> • Entering into medical care contracts that fully cover the needs of specific and periodic exams, differentiated according to women’s age and stage of life. • Setting reporting mechanisms through which women can share their problems, doubts and complaints with other women. • Monitoring employees’ dismissal according to gender. • Monitoring terminations or dismissals by reason of marriage, pregnancy, maternity or paternity. • Encouraging responsible paternity in all hierarchical levels. • Monitoring cases of sexual harassment by gender. • Monitoring the main women’s rights violations in the organization’s business sector, in the State and cities where it operates. • Monitoring employee turnover by gender. • Identifying the possibility of extending maternity leave and likely flexitime afterwards.
<p>Monitoring through established and renowned indicators, organizing them in the most disaggregated way. Refer to Management Reference Table (see page) and Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work (see page)</p>	

¹² Catalyst is a non-profit organization focused on the creation of women-inclusive workplaces. For the full survey, access <http://www.catalyst.org>. Filling out a form is required. There are other studies, surveys and tools available.

The key measure is to set a policy as a guideline for gender equality. According to the survey Social, Racial and Gender Profile of the 500 Brazilian Largest Companies and Their Affirmative Actions – 2010, 63% of the responding companies said they currently have some policy in place aimed at promoting equal opportunities for men and women among employees. However, the same survey showed that having the policy does not guarantee equity.

Therefore, the actions listed in this document may and should be combined with quantitative and qualitative indicators highlighted in the *Management Reference Table*, with Legal Frameworks actions and initiatives, following the sets of measures and actions proposed in the *Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work*, described latter in this publication. The permanent monitoring of indicators allows assessing whether the company's policies and practices are actually promoting gender equity.

Relevant websites and information regarding gender issues:

- Agência Patrícia Galvão:
Patrícia Galvão Agency: <http://www.agenciapatriciagalvao.org.br/>
- Women's Assistance Call Center – Call 180
- UN Women:
<http://www.unifem.org.br/>
- Pagu Center for Gender Studies:
<http://www.pagu.unicamp.br/>
- Brazil Gender Equality Observatory:
<http://www.observatoriodegenero.gov.br/>
- President's Special Secretariat for Women's Policies:
<http://www.sepm.gov.br/sobre>
- Social Watch – Poverty Eradication and Gender Justice:
<http://www.socialwatch.org/>
- UN Women Watch:
<http://www.un.org/womenwatch/>
- Wiki Gender, project developed by the OECD Development Centre to increase knowledge and information sharing about gender equality (<http://www.wikigender.org>) and corporate social responsibility focused on the gender issue (http://www.wikigender.org/index.php/Corporate_Social_Responsibility).

2nd Commitment: Promotion of Racial Equality in the Workplace

Challenges in the Promotion of Racial Equality in the Workplace

*The Human Development Report – Brazil 2005*¹³, commissioned by the United Nations Development Programme (UNDP), which addressed exclusively racism, poverty and violence, showed that afro-descendants face unequal conditions in all spheres of political, social and economic life. Barriers are both institutional, driven by inadequate and often discriminatory public policy, and socioeconomic, resulting from the social inequality that segregates part of the population in the poorest areas of the country. One of the myths diffused in some levels of the Brazilian society is that there is no racial problem in the country and that the disadvantages and discriminatory situations mentioned are unreal.

The survey *Desafios para a Sustentabilidade e o Planejamento Estratégico das Empresas 2008/2009* (Challenges for Sustainability and Strategic Planning of Companies – 2008/2009)¹⁴, made by the Dom Cabral Foundation, identified as one of the challenges “Discrimination and Racial Inequality”, with the following results:

Level of incorporation into strategic planning	Level of importance of the challenge to the companies	Level of impact of the business on the challenge
1: no incorporation 7: totally incorporated (into goals, indicators and objectives)	1: no importance at all 7: highly important	1: totally negative 7: totally positive
4,02	4,85	4,65

The little racial diversity in the labor market was commented by Hélio Santos¹⁵, from the Brazilian Institute of Diversity (IBD), who says it results from three types of discrimination: occupational, wage and image. Santos demystifies lack of racism in our society showing how it occurs in the workplace:

*“There are three basic types of discrimination faced by afro-descendants in the labor market, with some variations. The first type is related to difficulties to get a job for the best paid and valued positions. This is the **occupational discrimination**, which seems to*

¹³ <http://www.pnud.org.br/rdh>

¹⁴ http://www.fdc.org.br/hotsites/mail/nucleo_sustentabilidade/QEI_2009_Resultados_Pesquisa_FDC_Impresso.pdf

¹⁵ Chapter “A Baixa Diversidade Étnico-Racial no Mercado de Trabalho” (Low Ethnic-Racial Diversity in the Labor Market), of publication *O Compromisso das Empresas com a Promoção da Igualdade Racial* (Business Commitment to the Promotion of Racial Equality), by Ethos Institute (http://www.ethos.org.br/_Uniethos/Documents/Inclusao_racial_empresas.pdf).

question the capacity a black person has to perform certain more complex tasks. In this case, despite being as qualified as the others, the black person is rejected. The second type is related to wage differences when performing similar duties. This is the so-called **wage discrimination**, which besides being useful, deep down underlies the idea that a black person's work is not as worthy as other persons'. The third and last type of discrimination, as outdated as the others, is phobia about the presence of a black person. This can take place in a simple suburban bakery or in a luxurious law firm. This is the image **discrimination**. The company seeks to keep what it considers its ideal image. If we look closely, the three types of discrimination occurring in the labor market – occupational, wage and image – we will see they have one underlying 'reason'. It is about what the society affirms that it never uses: the old, Iberian and dissimulated Brazilian racism”.

Such evidence is even stronger when we observe that 50.7% of the Brazilian population is comprised of afro-descendants, according to the 2010 Census. This proportion is far from being translated into positions held in organizations, thus unveiling the occupational discrimination. Blacks' participation is less unequal only in lower ranks. When the company realizes it is part of the problem, as the other links of the social chain, it can build pathways and affirmative actions to become part of the solution.

The 2010 edition of the survey *Social, Racial and Gender Profile of the 500 Brazilian Largest Companies and Their Affirmative Actions* showed an improvement in almost all hierarchical levels, except for the management level, which showed a reduction in the presence of afro-descendants as compared to the previous survey carried out in 2007.

	Working Staff	Supervision	Management	Executives
Afro-descendants (men and women, blacks and mulattos)	31,1%	25,6%	13,2%	5,3%
Afro-descendant women (blacks and mulattos)	9,3%	5,6%	2,1%	0,5%

The proportion of black women in the hierarchical levels reproduces and stresses the gender issue, showing there is an inequality process within the inequality already faced by women. In absolute figures, a 0.5% participation in the executive level accounts for six black women out of 119 women or the 1,162 officers, whether or not black¹⁶, of both sexes, whose color or race was informed by the responding companies. This means there must be affirmative actions for afro-descendant women within the existing affirmative actions for afro-descendants.

¹⁶ Afro-descendants are black and mullato individuals and non afro-descendants are white, Asian and indigenous individuals.

Image discrimination can be broken down into two subtypes. One of the most dangerous and embarrassing situations is the phobia that occurs in the sheer presence of an afro-descendant person in a certain place. Recently, some companies have faced prejudiced attitudes on the part of their employees or outsourced workers, which can be identified by the way they treat afro-descendants, often their clients or business partners. The other subtype can be seen in discriminatory attitudes not always directly driven by prejudice. Although the companies may not have restrictive policies on hiring afro-descendants, when the requirements for a position include ideal characteristics (such as age between 25-40, top higher education background, proficiency in languages, etc.) coupled with a specific ideal image, older, disabled, obese and afro-descendant professionals are left out.

Wage discrimination is evidenced in the *Human Development Report – Brazil 2005* mentioned in the beginning of this chapter. Differences between the human development of the white and afro-descendant populations in Brazil is linked to income. This situation shows the inequality in the labor market, in which white men earn, on average, 113% more than afro-descendants holding similar positions and white women earn 84% more than their afro-descendant counterparts. Such inequality cannot be explained by schooling differences because when the wage/hour for individuals with the same years of schooling is compared, the discrepancy remains. The table below compares people with over 15 years of schooling, which covers higher education level.

	White Man	Afro-Descendant Man	White Woman	Afro-Descendant Woman
Wage/hour for people with 15+ years of schooling	R\$ 18,20	R\$ 12,40	R\$ 11,00	R\$ 7,80

Source: UNDP Human Development Report – Brazil 2005.

According to the report, the 2000 Municipal Human Development Index (IDH-M)¹⁷ of the Brazilian white population stood at 0.814, placing it 44th in the world ranking if it were a country on its own. On the other hand, the afro-descendant population’s IDH-M stood at 0.703, placing it 105th in the same ranking.

The report concludes it is urgent that the Government and the Brazilian society take political measures to discuss and implement public policy that can break the racial inequality paradigm. The role of affirmative action policies is, precisely, to shorten the duration of inequalities and, in this sense, companies must address their own affirmative actions to promote equity within an expected period of time so they can measure and assess its evolution.

¹⁷ Average value in all cities considering income, education and longevity.

Management Reference Table

In addition to the references listed in this table, the company should seek sector-specific management references, if any, which may shed more light on the challenges, dilemmas and indicators to be specifically monitored in its sector.

Reference	Quantitative and qualitative indicators
Essential Criteria	<ol style="list-style-type: none"> 1. Respecting and upholding the protection of human rights expressed in the Universal Declaration of Human Rights and other related documents. 3. Ensuring equality of opportunity and treatment, aimed at eliminating all forms of negative discrimination based on, but not limited to, race, color, gender, age, religion, political affiliation, nationality, social origin, social condition and health status. 29. Adopting good governance practices based on transparency, equity and accountability, involving the relationships among high management, shareholders, board members, auditors, employees and other stakeholders.
GRI Guidelines	<p><i>LA13. Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.</i></p> <p><i>HR4. Total number of incidents of discrimination and actions taken.</i></p> <p><i>HR8. Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.</i></p>
Ethos Indicators	<ol style="list-style-type: none"> 3. Corporate Governance (percentage of afro-descendants in the board of directors or similar structure). 11. Valuing Diversity. 12. Commitment to Non-Discrimination and Promoting Racial Equality. 14. Relations with Outsourced Workers (percentage of afro-descendant men and women in relation to total outsourced workers and average monthly salary of afro-descendant men and women - in reals) 29. Business Communication Policy (Does the company have a formal policy against advertising that portrays afro-descendants in discriminatory, embarrassing, disrespectful or risky situations?).
ISO 26000	<p>CORE SUBJECT: ORGANIZATIONAL GOVERNANCE</p> <ul style="list-style-type: none"> • Promoting a fair opportunity for underrepresented groups (including women and racial and ethnic groups) to occupy senior positions in the organization. <p>CORE SUBJECT: HUMAN RIGHTS</p> <p>Issue: Due Diligence</p> <ul style="list-style-type: none"> • Structuring a human rights policy for the organization that gives meaningful guidance to those within the organization and those closely linked to the organization. • Establishing means of assessing how existing and proposed activities may affect human rights. • Establishing means of integrating the human rights policy throughout the organization. • Establishing means of tracking performance over time, to be able to make necessary adjustments in priorities and approach. <p>Issue: Human Rights Risk Situations</p> <ul style="list-style-type: none"> • Being aware of conflicts or extreme political instability, failure of the democratic or judicial system, absence of political or civil rights. <p>Issue: Avoidance of Complicity</p> <ul style="list-style-type: none"> • Not providing goods or services to an entity that uses them to carry out human rights abuses. • Not entering into a formal partnership with a partner that commits human rights abuses in the context of the partnership.

Referências	Indicadores quantitativos e qualitativos
<p>ISO 26000</p>	<ul style="list-style-type: none"> • Informing itself about the social and environmental conditions in which purchased goods and services are produced. • Considering making public statements, or taking other action indicating that it does not condone human rights abuse, such as acts of discrimination, occurring in employment in the country concerned. <p>Issue: Resolving Grievances</p> <ul style="list-style-type: none"> • Establishing effective remedy mechanisms, ensuring they are legitimate, accessible, predictable (for instance, with clear and known processes and monitoring), equitable (allowing for a fair grievance process), rights-compatible (in accordance with internationally recognized norms), clear and transparent, based on dialogue and mediation. <p>Issue: Discrimination and Vulnerable Groups</p> <ul style="list-style-type: none"> • Examining the company’s own operations and the operations of other parties within its sphere of influence to determine whether direct or indirect discrimination is present. • Facilitating the raising of awareness of their rights among members of vulnerable groups. • Contributing to redressing discrimination or the legacy of past discrimination, wherever practicable. <p>Issue: Fundamental Principles and Rights at Work</p> <ul style="list-style-type: none"> • Assessing the impact of its policies and activities on promotion of equal opportunities and non-discrimination and taking positive actions to provide for the protection and advancement of vulnerable groups. <p>CORE SUBJECT: LABOUR PRACTICES</p> <p>Issue: Employment and employment relationships</p> <ul style="list-style-type: none"> • Ensuring equal opportunities for all workers and not discriminate either directly or indirectly in any labor practice based on race, color, gender, age, nationality or national origin, ethnic or social origin, caste, marital or family status, personal relationships, disability, health status such as HIV/AIDS status or political affiliation. • Eliminating any arbitrary or discriminatory dismissal practices. <p>Issue: Conditions of Work and Social Protection</p> <ul style="list-style-type: none"> • Ensuring that the conditions of work comply with national laws and regulations and are consistent with applicable international labor standards. • Respecting higher levels of provision established through other applicable legally binding instruments such as collective agreements. • Observing at least those minimum provisions defined in international labour standards as established by the ILO, especially where national legislation has not yet been adopted. • Providing decent conditions of work with regard to wages, hours of work , weekly rest, holidays, health and safety, maternity protection and ability to combine work with family responsibilities. • Providing equal pay for work of equal value. <p>Issue: Health and Safety at Work</p> <ul style="list-style-type: none"> • Addressing the specific ways in which occupational safety and health (OSH) risks differently affect women and men. <p>Issue: Human development and training in the workplace</p> <ul style="list-style-type: none"> • Providing all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis.

Referências	Indicadores quantitativos e qualitativos
ISO 26000	<p>CORE SUBJECT: CONSUMER ISSUES <i>Issue: Fair marketing, factual and unbiased information and fair contractual practices</i></p> <ul style="list-style-type: none"> Not using text or images that perpetuate stereotyping in regard to, for example, race.
Global Compact	<p>Principle 1 - Supporting and respecting the protection of internationally proclaimed human rights. Principle 2 - Making sure that they are not complicit in human rights abuses. Principle 6 - Eliminating discrimination in respect of employment and occupation.</p>

Legal Frameworks

Reference	How companies can contribute to, engage with or benefit from the initiative
Racial Equality Statute ¹⁸	<p>Section 4 of the Racial Equality Statute (Act 12.288/10, dated July 20, 2010) determines that the afro-descendants' participation under equal opportunities condition in the economic, social, political and cultural life of the country shall be promoted mainly through:</p> <p>I – inclusion in economic and social development public policy; II – adoption of affirmative action measures, programs and policies; III – changes in the government's institutional structures to more adequately face and overcome ethnic inequalities deriving from prejudice and ethnic discrimination; IV – promotion of regulatory adjustments to better combat ethnic discrimination and ethnic inequalities in all their individual, institutional and structural forms; V – elimination of historical, social, cultural and institutional obstacles that hinder ethnic diversity representation in public and private spheres; VI - encouragement, support and strengthening of initiatives developed by the civil society aimed at promoting equal opportunities and countering ethnic inequalities, including the implementation of incentives and criteria for conditioning and prioritizing access to public resources; VII – implementation of affirmative action programs to face ethnic inequalities regarding education, culture, sports and leisure, health, safety, work, housing, mass media, public financing, access to land, to justice, etc.</p> <p>Section 5 establishes the National System for the Promotion of Racial Equality (Sinapir) as a means to meet the Act's objectives. Sinapir's purposes are:</p> <p>I – promoting ethnic equality and countering social inequalities resulting from racism, including through the adoption of affirmative actions; II – developing policy to counter marginalization factors and promoting social integration of the afro-descendant population; III – decentralizing the implementation of affirmative actions by state, district and local governments; IV - developing plans, actions and mechanisms aimed at the promotion of ethnic equality; V – ensuring the effectiveness of means and instruments developed for the implementation of affirmative actions and the achievement of objectives set.</p>
Intergovernmental Forum for the Promotion of Racial Equality (Fipir) ¹⁹	<p>Its main challenge is to make social agents (business included) adopt racial equality promotion programs by:</p> <ul style="list-style-type: none"> Articulating; Training; Planning; Putting into action; and Monitoring promotion actions.

¹⁸ <http://www.njobs.com.br/seppir/pt/>

¹⁹ <http://www.portaldaignaldade.gov.br/fipir>

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>National Plan for the Promotion of Racial Equality (Planapir)²⁰</p>	<p>The plan is organized around 12 axes and their respective actions. The actions of the first axis “Employment and Economic Development”, are highlighted below for being almost entirely applicable to companies:</p> <ul style="list-style-type: none"> • Promoting inclusion and equal opportunities and remuneration, with special attention to the youth; • Promoting equality in employment relationships and countering discrimination to access and in employment, work and occupation relationships; • Countering racism, strengthening inspection mechanisms regarding discriminatory practices in the labor market; • Promoting distinguished skills development of and technical support to afro-descendant communities; • Enhancing partnerships among centers that fight discrimination and promote equal opportunities, of regional labor superintendencies with black movement entities and associations and with governmental organizations; • Enhancing the support to popular and solidary economy projects in afro-descendant’s organized production groups.
<p>National Policy for the Promotion of Racial Equality (PNPIR)²¹</p>	<p>Based on principles of transversality, decentralization and democratic management, PNPIR proposes a set of actions that may inspire private sector initiatives:</p> <ul style="list-style-type: none"> • Implementation of a racial equality promotion management model that comprises a set of actions related to the skills development of civil servants and public managers, state and local public agents and civil society leaders (in the case of companies, the target public is employees and business partners, besides the civil society). • Adopting quotas policy in the labor market. • Providing training to young female afro-descendants aimed at the services sector. • Adopting racial diversity programs in companies. • Identifying afro-descendant population’s HDI (in the case of companies, disaggregating its own indicators).
<p>Racial Equality Project²²</p>	<p>The project follows the agreement entered between the Brazilian government and the ILO for the promotion of a decent labor agenda in the country that contributes to:</p> <ul style="list-style-type: none"> • Fighting poverty; • Reducing social inequalities; • Integrating employment and social protection policies; • Respecting fundamental rights; and • Strengthening social dialogue.
<p>III National Human Rights Program (PNDH3)</p>	<p>Actions related to this theme are:</p> <ul style="list-style-type: none"> • Reinforcing the criteria for equity and prevalence of human rights as a priority in assessing the budgetary allocation for actions or expenditure authorizations. • Encouraging total attention to women’s health programs, taking into account their ethnic-racial specificities. • Supporting and sponsoring research and actions aimed at maternal mortality, addressing ethnic-racial peculiarities. • Fostering affirmative actions for afro-descendants’ admission in higher education. • Countering wage inequalities based on racial differences.

²⁰ http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6872.htm

²¹ http://www.planalto.gov.br/ccivil_03/decreto/2003/D4886.htm

²² http://www.oitbrasil.org.br/prgatv/prg_esp/discriminacao.php

Reference	How companies can contribute to, engage with or benefit from the initiative
III National Human Rights Program (PNDH3)	<ul style="list-style-type: none"> • Monitoring the implementation of the National Program on Affirmative Actions, established by Executive Order no. 4.228/2002, to be enforced in direct and indirect federal public administrations, so that the percentage targets of posts held by afro-descendants can be reached. • Promoting integrated actions between policies related to education, culture, health and employment and income creation to directly impact on the quality of life of the afro-descendant population and on countering racial violence. • Developing programs to better combat institutional and structural racism. • Periodically reviewing inequality-related indicators to develop and implement public and affirmative action policy that value the promotion of racial equality. • Carrying out educational campaigns and actions to deconstruct stereotypes related to ethnic-racial differences. • Promoting educational campaigns and researches aimed at preventing violence against afro-descendants. • Strengthening strategic actions to prevent violence against young afro-descendants.
Quilombola Seal²³	<p>It is a certificate of origin with the purpose of providing quilombola-made products (made by slave descendents) with cultural identity, developed from a revival of historical means of production and community relations with a specific production activity. It is aimed at production centers, association members, cooperatives and legal entities with enterprises operating in territories of quilombola communities certified by the Palmares Cultural Foundation.</p>

Pathways and Reflections

Companies should foresee two types of policies for promotion of racial equity in the labor market: universal ones, applied with no difference or privilege to the beneficiary group, and affirmative ones, aimed at the inclusion of afro-descendants in the different spheres of power and positions within the organization.

Affirmative action policies are necessary positive discriminations in view of racial differences in Brazil that have persisted along decades and also because, despite the progress in promoting equality, we still have different results in indicators for whites and afro-descendants, to the detriment of the latter. Organizations with a deficit of afro-descendant staff should renew their practices and conduct to face this challenge as well as remove existing barriers.

Considering the situation presented in this chapter, we propose some pathways to face the inequalities identified.

²³ <http://www.portaldaignaldade.gov.br/.arquivos/Portaria%20Selo%20Quilombola%20Publicada.pdf>

Inequalities	Pathways
Occupation	<ul style="list-style-type: none"> • Developing policy aimed at the promotion of equal opportunities for afro-descendants and whites at hiring, professional development and retention. • Encouraging afro-descendant professionals to apply to positions, advertizing the openings in media that targets ethnic-racial groups and in areas where such groups are prevalent. • Establishing a dialogue with managers and leaders and groups of afro-descendants to identify hindrances and difficulties in the advancement of afro-descendants within the organization. • Developing internships and student-focused training for minority groups. • Monitoring the access to training and career development opportunities, structuring skills and competencies development programs to increase promotion levels. • Monitoring positions held mainly by only one race. • Monitoring the racial proportion in promotions and in hierarchical levels. • Diffusing management practices that promote equal racial representation in the workplace. • Encouraging the creation of informal and formal professional networks of professional contacts.
Remuneration	<ul style="list-style-type: none"> • Linking targets set to the calculation of bonus for all executive levels. • Monitoring the percentage ranking by race of the five best paid executives. • Monitoring remuneration inequalities between different races who perform similar jobs and hold similar positions.
Image	<ul style="list-style-type: none"> • Setting reporting mechanisms through which afro-descendants can share their problems, doubts and complaints. • Monitoring employees' dismissal according to race. • Developing forums, capacity-building programs and other mechanisms to value and promote afro-descendants in partnership with organizations that promote racial equality and human rights. • Establishing a dialogue with the beneficiary group to define and implement affirmative actions together to avoid stigmatization as much as possible. • Developing internal and external communication campaigns addressing diversity representation, not only in terms of images used but also the language, linking different groups' expectations with the theme proposed and exploring the various cultural aspects. The strategy is to value the image of different groups, including afro-descendants.
<p>Monitoring through established and renowned indicators, organizing them in the most disaggregated way. Refer to Management Reference Table (see page) and Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work (see page)</p>	

Relevant websites and information regarding racial issues:

- “Diálogos contra o Racismo” (dialogues against racism), a campaign 40 organizations have engaged with: <http://www.dialogoscontraoracismo.org.br/>
- Geledés – Instituto da Mulher Negra (Black Woman Institute): <http://www.geledes.org.br/>
- Interagency Program for the Promotion of Gender, Racial and Ethnic Equality: <http://www.generoracaetnia.org.br>
- Secretariat for the Promotion of Racial Equality: <http://www.seppir.gov.br/>

3rd Commitment: Eradication of Forced Labor in Value Chains

Challenges to Eradicate Forced Labor in Value Chains

Places with higher prevalence of poverty are those where there is forced labor or where workers are hired. The reason is because people below the poverty line or located in extremely vulnerable areas or with scarce resources take on degrading jobs and indecent housing in far away areas to earn a salary that, despite being minute, can feed their families. According to researcher Patrícia Trindade Maranhão Costa, these workers have a determined race and geographic origin. The vast majority of rural forced labor victims are afro-descendants and come from the States of Maranhão, Piauí and Tocantins.

As pointed out by Gulnara Shahinian, UN Special Rapporteur on Contemporary Forms of Slavery²⁴, in order to eradicate forced labor, **poverty** must be faced: “In this context, both in rural and urban areas, comprehensive and sustainable programs should be adopted in order to ensure that those most vulnerable to perform forced labor enjoy basic human rights such as food, water, health and education and to ensure the sustainable rehabilitation of victims and their integration into economic life and social protection networks”.

Obstacles for the eradication of forced labor in Brazil include corruption coupled with the absence of legislation and law enforcement. In addition, inspection is insufficient considering the continental size of our country. In fact, such obstacles are linked only to the consequence of the problem, in other words, they are obstacles to countering forced labor, not preventing it.

The global pursuit of constant reduction in labor costs that has led to increased outsourcing – a key element of production chains – has made it increasingly hard for companies to remain aware of and manage all links involved in obtaining their final product. The lowest costs are agreed with in contracts and passed on to the companies belonging to the chain. In this cost “optimization”, factors such as environmental and social issues are always left aside, for they would probably raise costs and reduce profits. This is the seed that feeds forced labor, and no one would doubt it requires engagement and organization, given it is the way to high profitability. We are talking about an economic crime, driven by profit.

The occurrence of work similar to slavery is often related to environmental issues like

²⁴ http://www2.ohchr.org/english/bodies/hrcouncil/docs/15session/A.HRC.15.20..Add.4_en.pdf – Report of the Special Rapporteur on Contemporary Forms of Slavery, Including Its Causes and Consequences

deforestation. The connection between forced labor and deforestation was identified by the NGO Repórter Brasil by linking data provided by the Ministry of Labor and Employment (MTE) and the Ministry of Environment (MMA), which resulted in the publication *Sustainable Connections: São Paulo–Amazon*²⁵, that shows the need for combining actions to counter both crimes (deforestation and forced labor) in an integrated manner. Understanding the connections is key to an effective action.

No one should believe either that forced labor occurs only in rural areas, away from big urban centers. In São Paulo, there are around 100 thousand Bolivians, half of whom entered the country and remain here illegally. They are mainly hired to work in small sewing workshops that provide products for companies in the textile retail sector’s supply chain. Their situation is similar to that of Brazilian slave workers, with aggravating factors such as difficulty to communicate in Portuguese, lack of knowledge about labor rights set out by the Brazilian legislation, as well as how to legalize their status in the country, not to mention the fear of being found by the police. In other words, those who could free them are the same who can make them go back to the undesirable life conditions they had in their home country.

No one wants to be responsible for the contemporary slavery. However, we are all tied up to it through the products we buy every day, such as food, furniture, clothes and many other things we consume in our everyday life. The question we must answer is if we are willing to live in a world with slavery and contribute to it by purchasing products whose production processes are neither concerned with people and their rights nor with the environment.

Management Reference Table

In addition to the references listed in this table, the company should seek sector-specific management references, if any, which may shed more light on the challenges, dilemmas and indicators to be specifically monitored in its sector.

Reference	Quantitative and qualitative indicators
Essential Criteria	<ol style="list-style-type: none"> 1. Respecting and upholding the protection of human rights expressed in the Universal Declaration of Human Rights and other related documents. 2. Respecting and upholding freedom of association and effective recognition of the right to collective bargaining. 4. Upholding effective eradication of all forms of forced or compulsory labor, both in its direct activities and in its production chain.

²⁵ <http://www.pactonacional.com.br/>

Reference	Quantitative and qualitative indicators
Essential Criteria	7. Ensuring to workers remuneration that can provide them and their families with appropriate life conditions. 8. Ensuring safe and healthy work environment. 28. Encouraging and, whenever applicable, requiring the adoption of corporate social responsibility criteria by business partners, including suppliers and subcontractors.
GRI Guidelines	HR1. Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. HR2. Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. HR3. Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. HR4. Total number of incidents of discrimination and actions taken. HR7. Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. SO8. Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations
Ethos Indicators	25. Criteria Used in Selection and Assessment of Suppliers. 27. Forced Labor (or Similar to Slavery) in the Production Chain. 28. Support to Supplier Development. 40. Participation in Government Social Projects (Does the company adopt or establish partnership with government agencies aiming to eliminate forced labor?).
ISO 26000	<p style="text-align: center;">CORE SUBJECT: HUMAN RIGHTS</p> <p>Issue: Due Diligence</p> <ul style="list-style-type: none"> • Structuring a human rights policy for the organization that gives meaningful guidance to those within the organization and those closely linked to the organization. • Establishing means of assessing how existing and proposed activities may affect human rights. • Establishing means of integrating the human rights policy throughout the organization. • Establishing means of tracking performance over time, to be able to make necessary adjustments in priorities and approach. <p>Issue: Human Rights Risk Situations</p> <ul style="list-style-type: none"> • Being aware of conflicts or extreme political instability, failure of the democratic or judicial system, absence of political or civil rights. • Monitoring complex value chains that involve work performed on an informal basis without legal protection. <p>Issue: Avoidance of Complicity</p> <ul style="list-style-type: none"> • Not providing goods or services to an entity that uses them to carry out human rights abuses. • Not entering into a formal partnership with a partner that commits human rights abuses in the context of the partnership. • Informing itself about the social and environmental conditions in which purchased goods and services are produced. • Considering making public statements, or taking other action indicating that it does not condone human rights abuse, such as acts of discrimination, occurring in employment in the country concerned.

Reference	Quantitative and qualitative indicators
<p>ISO 26000</p>	<p>Issue: Resolving Grievances</p> <ul style="list-style-type: none"> Establishing effective remedy mechanisms, ensuring they are legitimate, accessible, predictable (for instance, with clear and known processes and monitoring), equitable (allowing for a fair grievance process) rights-compatible (in accordance with internationally recognized norms) clear and transparent, based on dialogue and mediation. <p>Issue: Discrimination and Vulnerable Groups</p> <ul style="list-style-type: none"> Examining the company’s own operations and the operations of other parties within its sphere of influence to determine whether direct or indirect discrimination is present. Facilitating the raising of awareness of their rights among members of vulnerable groups. <p>Issue: Civil and Political Rights</p> <ul style="list-style-type: none"> Respecting freedom of peaceful assembly and of association. Ensuring access to due process and the right to a fair hearing before any internal disciplinary measure is taken. Any disciplinary measure should be proportionate and not involve physical punishment or inhuman or degrading treatment. <p>Issue: Fundamental Principles and Rights at Work</p> <ul style="list-style-type: none"> Ensuring freedom of association and collective bargaining. Representative organizations formed or joined by workers should be recognized for purposes of collective bargaining. Terms and conditions of employment may be fixed by voluntary collective negotiation where workers so choose. Workers’ representatives should be given appropriate facilities that will enable them to do their work effectively and allow them to perform their role without interference. Collective agreements should include provisions for the settlement of disputes. Workers’ representatives should be provided with information required for meaningful negotiations. Combating and restraining forced labor. An organization should not engage in or benefit from any use of forced or compulsory labor. No work or service should be exacted from any person under the threat of any penalty or when the work is not conducted voluntarily. An organization should not engage or benefit from prison labor, unless the prisoners have been convicted in a court of law and their labor is under the supervision and control of a public authority. Further, prison labor should not be used by private organizations unless performed on a voluntary basis, as evidenced by, among other things, fair and decent conditions of employment. <p>CORE SUBJECT: LABOUR PRACTICES</p> <p>Issue: Employment and employment relationships</p> <ul style="list-style-type: none"> Being confident that all work is performed by women and men who are legally recognized as employees or who are legally recognized as being self-employed. Not seeking to avoid the obligation that the law places on the employer by disguising relationships that would otherwise be recognized as an employment relationship under the law. Taking steps to ensure that work is contracted or sub-contracted only to organizations that are legally recognized or are otherwise able and willing to assume the responsibilities of an employer and to provide decent working conditions. An organization should use only those labor intermediaries who are legally recognized and where other arrangements for the performance of work confer legal rights on those performing the work.

ISO 26000

- Not benefitting from unfair, exploitative or abusive labor practices of its partners, suppliers or subcontractors, including home workers. An organization should make reasonable efforts to encourage organizations in its sphere of influence to follow responsible labor practices, recognizing that a high level of influence is likely to correspond to a high level of responsibility to exercise that influence. Depending upon the situation and influence, reasonable efforts could include: establishing contractual obligations on suppliers and subcontractors; making unannounced visits and inspections; and exercising due diligence in supervising contractors and intermediaries. Where suppliers and subcontractors are expected to comply with a code of labor practice, the code should be consistent with the Universal Declaration of Human Rights and the principles underlying applicable ILO labor standards.

Issue: Conditions of Work and Social Protection

- Ensuring that the conditions of work comply with national laws and regulations and are consistent with applicable international labor standards.
- Respecting higher levels of provision established through other applicable legally binding instruments such as collective agreements.
- Observing at least those minimum provisions defined in international labor standards as established by the ILO, especially where national legislation has not yet been adopted.
- Providing decent conditions of work with regard to wages, hours of work, weekly rest, holidays, health and safety, maternity protection and ability to combine work with family responsibilities.
- Providing equal pay for work of equal value.
- Paying wages directly to the workers concerned, subject only to any restriction or deduction permitted by laws, regulations or collective agreements.
- Complying with any obligation concerning the provision of social protection for workers in the country of operation.
- Respecting the right of workers to adhere to normal or agreed working hours established in laws, regulations or collective agreements. In addition, providing workers with weekly rest and paid annual leave.
- Compensating workers for overtime in accordance with laws, regulations or collective agreements. When requesting workers to work overtime, an organization should take into account the interests, safety and well-being of the workers concerned and any hazard inherent in the work. An organization should comply with laws and regulations prohibiting mandatory and non-compensated overtime and always respect the basic human rights of workers concerning forced labor.

Issue: Social Dialogue

- Respecting at all times the right of workers to form or join their own organizations to advance their interests or to bargain collectively.
- Not obstructing workers who seek to form or join their own organizations and to bargain collectively, for instance by dismissing or discriminating against them, through reprisals or by making any direct or indirect threat so as to create an atmosphere of intimidation or fear.

Issue: Health and Safety at Work

- Developing, implementing and maintaining an occupational health and safety policy based on the principle that strong safety and health standards and organizational performance are mutually supportive and reinforcing.
- Providing equal health and safety protection for part-time and temporary workers, as well as subcontracted workers.
- Basing its health, safety and environment systems on the participation of the workers concerned and recognizing and respecting the rights of workers to:

Reference	Quantitative and qualitative indicators
<p>ISO 26000</p>	<ul style="list-style-type: none"> - obtaining timely, full and accurate information concerning health and safety risks and the best practices used to address these risks; - freely inquiring into and being consulted on all aspects of their health and safety related to their work; - refusing work that is reasonably considered to pose an imminent or serious danger to their life or health or to the lives and health of others; - seeking outside advice from workers' and employers' organizations and others who have expertise; - reporting health and safety matters to the appropriate authorities; - participating in health and safety decisions and activities, including investigation of incidents and accidents; and - being free of the threat of reprisals for doing any of these things. <p>Issue: Human Development and Training in the Workplace</p> <ul style="list-style-type: none"> • Providing all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis. • Respecting the family responsibilities of workers by providing reasonable working hours, parental leave and, when possible, childcare and other facilities that can help workers achieve a proper work-life balance. <p>CORE SUBJECT: FAIR OPERATING PRACTICES Issue: Promoting Social Responsibility in the Value Chain</p> <ul style="list-style-type: none"> • Integrating ethical, social, environmental and gender equality criteria, and health and safety, in its purchasing, distribution and contracting policies and practices to improve consistency with social responsibility objectives.
<p>Global Compact</p>	<p>Principle 1 - Supporting and respecting the protection of internationally proclaimed human rights. Principle 2 - Making sure that they are not complicit in human rights abuses. Principle 3 - Upholding the freedom of association and the effective recognition of the right to collective bargaining. Principle 4 - Upholding the elimination of all forms of forced and compulsory labor.</p>

Reference	Quantitative and qualitative indicators
<p>National Pact for the Elimination of Slavery²⁶ and Monitoring of the Pact²⁷</p>	<p>The signatory companies commit to:</p> <ul style="list-style-type: none"> • Defining goals to regulate labor relations; • Defining commercial restrictions in case degrading conditions are identified in the production chain; • Supporting social and productive reintegration of workers found in degrading or indecent situations; • Supporting initiatives to inform vulnerable workers and forced labor prevention campaigns; • Supporting training and professional improvement actions aimed at workers freed from forced labor; • Supporting actions to counter tax evasion and piracy; • Supporting and discussing proposals for actions foreseen in the National Plan for the Elimination of Slavery; • Monitoring the implementation of the actions described above and the reach of the goals proposed, publicizing the results of this joint effort; • Systematizing and diffusing the experiences; • Assessing, one year after of signing the pact, the results of policies and actions implemented. <p>Whenever applicable, companies should also assess their compliance with the sector-specific pacts of timber, soybeans and cattle raising²⁸.</p> <p>The National Pact for the Elimination of Slavery Monitoring Committee is comprised by ILO, the Ethos Institute, Repórter Brasil and the Social Observatory Institute (IOS). There is a pattern script²⁹ used by IOS in the monitoring interviews and, more recently, the Monitoring Platform was launched. The proposal of the platform, which can be fed by the companies themselves, is to gather institutional information and actions promoted by the pact's signatory companies, as well as to keep a historical record of the monitoring.</p>

²⁶ <http://www.pactonacional.com.br/>

²⁷ <http://www.os.org.br/pacto/>

²⁸ <http://www.conexoessustentaveis.org.br/>

²⁹ http://www.observatoriosocial.org.br/portal/images/stories/documentos/roteiro_padrao.pdf

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>National Decent Work Agenda³⁰</p>	<p>Some lines of action are highlighted below, within three priorities, for being strongly connected with what companies can do.</p> <p>Priority 1: <i>Generating more and better jobs, with equal opportunities and treatment.</i></p> <ul style="list-style-type: none"> • Promoting local development, production networks or chains and local production structures, focused on the strengthening of SMEs, solidary economy programs and cooperatives. • Improving migrant workers' working conditions. • Identifying mechanisms and developing actions aimed at ensuring a safe and healthy work environment. <p>Priority 2: <i>Eradicating forced labor and eliminating child labor, especially in its worst forms.</i></p> <ul style="list-style-type: none"> • Consolidating a knowledge base on forced labor through the development and diffusion of research, studies and assessments, especially regarding gender and race. • Institutionalizing a methodology to identify and rescue workers in slavery conditions. • Integrating policies and programs aimed at the eradication of forced labor into policies and programs aimed at capacity-building and employment, employment and income creation. • Defining competencies to face forced labor; • Establishing typification and criminal liability for cases of forced labor exploitation. <p>Priority 3: <i>Strengthening tripartite actors and the social dialogue as a democratic governability tool.</i></p> <ul style="list-style-type: none"> • Fostering the incorporation of the equal opportunities and treatment theme into the social dialogue, with special focus on gender and racial issues, as well as the development of mechanisms to promote the participation of women and afro-descendants in this dialogue. • Fostering the implementation of partnerships in the workplace to promote a risk prevention culture and occupational health and safety for male and female workers. • Promoting the incorporation of equal opportunities and treatment provisions in collective bargaining processes, especially regarding gender and race.
<p>Blacklist³¹</p>	<p>List fed by the Ministry of Labor and Employment (MTE) containing the names of natural persons and legal entities that keep workers in situation similar to slavery in Brazil. The list has the employer's name, CNPJ (Corporate Taxpayer Register of the Ministry of Finance number), CPF (Individual Taxpayer Identification Number) or CEI (National Institute of Social Security File), name of the company, number of workers rescued, and month and year of inclusion in the list.</p> <p>The inclusion in the list follows the steps below:</p> <ol style="list-style-type: none"> 1. The Mobile Inspection Team (MTE's) carries out an on-site inspection, following a report. 2. If workers in situation similar to slavery are found, the owner of the property receives a notice of violation and the violation is recorded. 3. MTE files an administrative proceeding.

³⁰ <http://www.oit.org.br/node/298>

³¹ <http://www.reporterbrasil.org.br/listasuja/>

Reference	How companies can contribute to, engage with or benefit from the initiative
Blacklist	<p>4. If the violation is confirmed, the owner will pay a fine and the data above will be included in the Blacklist.</p> <p>The owner will be monitored for two years and only after that, if no problem arises in the period, is his/her name removed from the list.</p> <p>Companies committed to forced labor should systematically refer to the Blacklist, integrating this action in their hiring processes.</p>
Regulating Standard no. 31 (NR31)³²	<p>Regulating Standard regarding Occupational Health and Safety in Agriculture, Animal Husbandry, Forestry and Aquaculture, aimed at establishing precepts to be followed by organizations and in the work environment so as to make the planning and development of agriculture, animal husbandry, forestry and aquaculture activities compatible with occupational health and safety. The employer should:</p> <ol style="list-style-type: none"> a) ensure adequate work, hygiene and comfort conditions, as defined in this Regulating Standard to all workers according to each activity's specificity; b) carry out occupational health and safety risk assessment and, based on the results, take prevention and protection measures to ensure that all activities, places of work, machines, equipment, tools and production processes are safe and in compliance with health and safety standards; c) promote improvement in work environments and conditions so as to preserve workers' health and safety level; d) comply with and enforce laws on and rules of occupational health and safety; e) review, together with the Rural Work Internal Commission for Accident Prevention (CIPATR), causes of occupational accidents and diseases, seeking to prevent and eliminate the potential for new cases; f) ensure the diffusion of rights, duties and obligations workers should know about occupational health and safety; g) adopt the necessary procedures in the event of occupational accidents and diseases; h) make sure workers receive clear instructions regarding health and safety, as well as all the necessary guidance about and supervision over safe work; i) make sure workers participate, through CIPATR, in the discussions about risk control in the work environment; j) inform workers about: risks and protection measures implemented and results of medical exams and environmental assessments; k) allow a duly appointed workers' representative to follow the inspection of legal precepts and rules regarding occupational health and safety; l) adopt risk assessment and management measures, according to the following priority: 1. risk elimination; 2. risk control at the source; 3. risk reduction to a minimum through the introduction of technical or organizational measures and safety practices, including through training; 4. adoption of personal protection measures, with no additional expenses to the worker, as a supplement or in case temporary risk factors persist.
II National Plan for the Elimination of Slavery³³	<p>This plan is structured in five lines of action. The actions applicable to companies are listed below. The wording was slightly adapted to ease its application.</p> <p>General Actions</p> <ul style="list-style-type: none"> • Keeping the eradication of contemporary forced labor as a priority.

³² [http://portal.mte.gov.br/data/files/8A7C812D2E7318C8012F53EC9BF67FC5/NR-31%20\(atualizada\).pdf](http://portal.mte.gov.br/data/files/8A7C812D2E7318C8012F53EC9BF67FC5/NR-31%20(atualizada).pdf)

³³ <http://www.reporterbrasil.org.br/documentos/novoplanonacional.pdf>

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>II National Plan for the Elimination of Slavery</p>	<ul style="list-style-type: none"> • Establishing operating strategies integrated into preventive actions. • Keeping the eradication of forced labor as strategic and priority, as well as defining enough allocation of resources for the implementation of defined actions. • Systematizing the exchange of information relevant to forced labor. • Make a diagnosis of the status of contemporary forced labor in its sector and region of operation. • Defining and monitoring indicators of fulfillment of commitments to countering forced labor, such as those of the National Pact. <p>Actions to Combat and Suppress Forced Labor</p> <ul style="list-style-type: none"> • Expanding early inspection, with no need of report, to places with high incidence of forced labor. • Investing in education/capacity-building of auditors. • Developing an action to eliminate illegal labor intermediation – mainly the action of contractors (the so-called “gatos”) and service providers who perform the same role –, as forced labor prevention. <p>Reinsertion and Prevention Measures</p> <ul style="list-style-type: none"> • Implementing a social reinsertion policy to ensure that workers rescued within the sphere of influence of the company will not be enslaved again, by adopting specific actions aimed at employment and income creation, land reform, vocational education and worker’s reintegration. • Prioritizing the support to employment and income creation-related initiatives in regions with high rates of illegal recruiting to forced labor. • Ensuring the issuance of basic civil documentation to every person rescued within the sphere of influence of the company, as the first stage of a social insertion policy. Civil documentation include: birth certificate, identity card, employment book and CPF (Individual Taxpayer Register of the Ministry of Finance). • Supporting and encouraging the signing of collective pacts between the company’s suppliers and subcontractors. • Promoting social and economic inclusion actions for forced labor victims, including rural workers, communities, and extractivist and traditional peoples. <p>Information and Capacity-Building Actions</p> <ul style="list-style-type: none"> • Setting up an awareness-raising, sensitization and capacity-building campaign to eradicate forced labor by promoting debates on the theme. • Informing workers about their rights and risks of becoming slaves through governmental and civil society information campaigns that reach directly the population at risk or through the media in local and community outlets. • Promoting awareness-raising and capacity-building of all managers involved in the eradication of forced labor or that have an interface with suppliers and subcontractors. <p>Specific Actions Aimed at Economic Repression</p> <ul style="list-style-type: none"> • Acting to eradicate forced labor from the Brazilian economy through actions aimed at suppliers and clients. • Promoting the development of the National Pact for the Elimination of Slavery, by helping its monitoring.
<p>III National Human Rights Program (PNDH3)</p>	<p>The actions related to the commitment to countering forced labor are:</p> <ul style="list-style-type: none"> • Promoting the implementation of the National Plan for the Elimination of Slavery. • Supporting the coordination and implementation of state, district and local plans aimed at the eradication of forced labor. • Monitoring the work of state, district and local commissions on the eradication of forced labor.

Reference	How companies can contribute to, engage with or benefit from the initiative
III National Human Rights Program (PNDH3)	<ul style="list-style-type: none"> • Supporting a Constitution amendment so that it provides for the expropriation of rural and urban land in which workers in situation similar to slavery are found (Constitutional Amendment Proposal no. 438). • Identifying periodically the production activities where adult and child forced labor is used. • Supporting the proposition of a legal framework and suppression actions to eradicate illegal intermediation of labor. • Promoting the allocation of resources to technical capacity-building and implementation of social reinsertion of those rescued from forced labor. • Referring every half year to the blacklist of employers who deployed forced labor and informing those in charge of the list when a company in your supply chain commits this violation.
National Policy to Combat Human Trafficking³⁴	<p>It proposes specific guidelines for the prevention and suppression of human trafficking and assistance to victims. Many actions described in this policy were developed in the II National Plan for the Elimination of Slavery and were, therefore, described above.</p>

Pathways and Reflections

The central pathway to countering forced labor in Brazil must necessarily go towards a convergence of actions, unifying the various existing work fronts and widening the scope of action. Considering the five commitments presented in this document, the eradication of forced labor in the value chains may be the one with the most integrated and available initiatives, both for societal control and for business use.

The Ministry of Labor and Employment’s Mobile Inspection Team started its activities in 1996 by rescuing 84 workers. Until 2010, the total number of workers rescued was more than 37 thousand.

The National Pact for the Elimination of Slavery, an Ethos Institute initiative in partnership with the Social Observatory Institute (IOS), ILO and Repórter Brasil, started in 2005 a joint work with the business sector. With this document, the signatory companies committed to creating their own mechanisms, besides using the existing ones, to prevent and eradicate forced labor in their production chains.

A little earlier, in 2003, the memorandum of understanding between the Brazilian Government and ILO for the promotion of the National Decent Work Agenda³⁵ set out four priority cooperation areas:

³⁴ http://www.reporterbrasil.com.br/documentos/cartilha_trafico_pessoas.pdf

³⁵ <http://portal.mte.gov.br/data/files/8A7C812D2E7318C8012EC3EF73143FEA/Memorando%20de%20Entendimento%20Portugues.pdf>

- a) employment creation, microfinance and human resources capacity-building, with emphasis on youth employability;
- b) social security system feasibility and enhancement;
- c) strengthening of tripartism and social dialogue;
- d) countering child labor and sexual exploitation of children and adolescents, forced labor and discrimination in respect of employment and occupation.

ILO highlights key commitments not only for governmental action, but also as measures to be adopted by companies. As described in the ILO publication *Combatendo o Trabalho Escravo Contemporâneo: o Exemplo do Brasil (Fighting Forced Labor: The Example of Brazil)*³⁶, the commitments are as follows:

Country's commitments	Ways of business action
Public acknowledgement of responsibility for rights' violations	<ul style="list-style-type: none"> • Signing the National Pact for the Elimination of Slavery and, when applicable, the existing sectoral pacts. • Diffusing its policies and procedures to counter work similar to slavery, making it clear it is committed to countering and, in the case of a violation, to acting.
Financial measures to redress damages incurred by victims	<ul style="list-style-type: none"> • Include the redress costs in its risk management (labor-, social security-and indemnification-related) to workers in situation similar to slavery, regardless of being direct workers or linked to a company belonging to the supply chain (co-responsibility for its sphere of influence). • Developing an action plan to review its processes, aimed at avoiding recurrence (including inspection and verification procedures). • Reinserting rescued workers in society by training, offering formal employment, and, if the victim is willing, their return to the place of origin. The main idea is to make the worker slavery-proof.
Commitment to seeing the violators brought to trial and punished	<ul style="list-style-type: none"> • Developing and following an action plan implementation with the company in its chain that is responsible for cases of work similar to slavery. • Terminating all business relations with companies involved in work similar to slavery (even if temporarily, until the full implementation of the action plan). • Foreseeing situations when reporting to the competent authorities the identification of work similar to slavery in outsourced companies or others in its supply chain is necessary.
Prevention measures that imply legislation changes, forced labor inspection and suppression measures	<ul style="list-style-type: none"> • Devising programs for the supply chain that address awareness-raising in the theme (what forced labor is, ways it occurs, legal sanctions, successful cases in its combat, etc.), not leaving aside the presentation and discussion of measures and criteria the organization has to restrain it in its own chain. It will be often necessary to provide specific training to qualify suppliers. • Reviewing its selection, hiring and purchasing processes (by defining specific criteria), assessment and, in some situations, audits for monitoring. • Foreseeing in its procedures specific criteria for contract termination in view of forced labor evidence while the contract is in force. • Sensitizing and training contract and supply managers on policies and procedures to be followed to restrain work similar to slavery in both outsourced companies and in its supply chain. • Establishing links between targets set (no case of forced labor) and the calculation of bonuses for executive levels and for contract and supply managers.

³⁶ <http://www.oit.org.br/node/307>

Country's commitments	Ways of business action
Measures to sensitize and inform society about the problem	<ul style="list-style-type: none"> • Recording the initiatives carried out and making them public in the Monitoring Platform of the National Pact for the Elimination of Slavery. • Sensitizing and sharing good practices with companies in its supply chain. • Informing customers and consumers about the business measures adopted to prevent forced labor in its operation and supply chain. • Developing educational programs on human rights for its employees and its suppliers' employees, mainly for those in charge of the supply area, who will contract subsuppliers in their chain.

In a tripartite workshop carried out by ILO in 2009³⁷, a set of decent work indicators for Brazil was discussed, aimed at monitoring and assessing the country's advances. These indicators can show the actual role of decent work in poverty reduction and economic development. This initiative integrates the Monitoring and Assessing Progress Towards Decent Work (MAP) project, implemented by ILO. The indicators proposed are built around the ten decent work fundamental elements: 1) employment opportunities; 2) adequate earnings and productive work; 3) decent hours; 4) combining work and family life; 5) work that should be abolished; 6) stability and security of work; 7) equal opportunity and treatment in employment; 8) safe work environment; 9) social security; and 10) social dialogue and workers representation.

It is important to follow the evolution of this work so that, when indicators are ready and available, the company will be able to carry out a review of its processes and improve its management.

Relevant websites and information regarding eradication of forced labor:

- News Agency Repórter Brasil: <http://www.reporterbrasil.org.br/agencia/>
- Sustainable Connections: São Paulo–Amazon: <http://www.conexoessustentaveis.org.br/>
- Carvão Cidadão Institute, pilot program of rescued workers' reinsertion: <http://www.carvaocidadao.org.br/>
- Monitoring of the National Pact for the Elimination of Slavery: <http://www.observatoriosocial.org.br/pacto/>
- National Pact for the Elimination of Slavery's portal: <http://www.pactonacional.com.br/>
- "Escravo Nem Pensar!" (Slave, no way!) Program, working on forced labor prevention and education and development of local leadership on the theme: http://www.reporterbrasil.org.br/documentos/almanaque_alfabetizador.pdf e <http://www.reporterbrasil.org.br/conteudo.php?id=45>
- O Custo da Coerção (The Cost of Coercion), global report on the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up: http://www.ilo.org/public/portugue/region/eurpro/lisbon/pdf/relatorioglobal_2009.pdf

¹⁴ <http://www.oit.org.br/node/300>

4th Commitment: Inclusion of People with Disabilities

Challenges of Including People with Disabilities

Without a deep thought about the differences between the terms “inclusion” and “integration”, we can mistakenly affirm that it is fundamental to promote integration of people with disabilities in social and work environments. However, the search for integration can lead to exclusion, moving us away from our objective. To better understand the subtle differences between these concepts, the publication *Mídia e Deficiência*³⁸ (Media and Disability), by Agência de Notícias dos Direitos da Infância – Andi (News Agency for Children’s Rights), presents the table below:

Integration	Inclusion
Accepts superficial changes.	Demands deep changes.
Requests concessions from systems.	Demands breakdown in systems.
People with disabilities adapt to the realities of existing social models, which make minor adjustments.	Society adapts to meet disabled people’s needs, becoming more aware of everyone’s needs.

The 2007 ILO report *The Right to Decent Work of Person with Disabilities*³⁹, written by Arthur O’Reilly, highlights the challenges faced by people with disabilities in the workplace:

- Low level employment and low income;
- Lack of representation in the higher levels;
- Difficulty in accessing the place of work, in transportation and in housing;
- Risk of losing benefits if they get a job; and
- Exposure to prejudice from colleagues, employers and the general public.

The report also points out that there is a link between disability and poverty. There are other links, though. In the chapters about gender and race, this publication has already addressed the inequality imposed on afro-descendant women. Once again the exclusion factors overlap. According to the 2000 Census, there are more disabled women than men (54% vs. 46%) and the most prevalent disability is visual impairment. The previous chapters also showed the differences regarding income in each segment. Once more, the problem

³⁸ <http://www.andi.org.br/inclusao-e-sustentabilidade/publicacao/midia-e-deficiencia>

³⁹ <http://www.ilo.org/public/english/region/ampro/cinterfor/news/rightto.pdf>

is the same, with a worsening factor: the rate of women with disabilities and no income is over twofold the rate of men in similar conditions. As for race, disabilities are much more common among afro-descendants.

According to the UN World Programme of Action concerning Disabled Persons, countries with higher risk of presenting a large number of disabled persons are those with:

- High proportion of illiteracy and little awareness of health prevention measures;
- High rates of infectious/contagious diseases and inadequate programs of primary health care;
- Unhealthy living conditions, including a lack of resources for sanitation, water treatment, food and housing;
- Pollution of the physical environment and deterioration of survival conditions;
- Imprudent use of medication, the misuse of therapeutic substances and agrochemicals;
- Geographical distance that make it impossible for many people to take advantage of available services;
- Excessive centralization of decisions and activities in urban areas;
- Traffic violence in demographically dense areas and rural areas;
- Absence of medium- and long-term social policy;
- High rate of occupational accidents;
- Stagnant labor market and unskilled labor;
- Intense social inequality due to the concentration of means of production.

As for the labor market, the 2010 survey *Perfil Social, Racial e de Gênero das 500 Maiores Empresas do Brasil e Suas Ações Afirmativas* (Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions) found out that the participation of disabled persons worsened in almost all hierarchical levels, except for the top management.

Working Staff	Low Management	Middle Management	Top Management
1,5%	0,6%	0,4%	1,3%

Although 73% of the responding companies said they have a policy to promote equal opportunities for disabled persons, percentages are very low, considering that 14.5% of the Brazilian population has some type of disability, according to the 2000 Census. This shows how difficult it is for this segment to reach professional inclusion, which would naturally increase its social inclusion.

The survey *“Desafios para a Sustentabilidade e o Planejamento Estratégico das Empresas 2008/2009 (Challenges for Sustainability and Strategic Planning of Companies – 2008/2009)”*, made by the Dom Cabral Foundation, could not correlate any of the 47 challenges with this theme. It is a surprising finding for only 17% of the 54 responding companies have less than 100 employees, not being subject to compliance with the Quotas Act.

The reason companies give for the difficulty in inserting people with disabilities in their staff is the lack of people in this segment with minimum skills to meet the requirements. The result is that the majority of people with disabilities are excluded from the labor market, with unemployment rates higher than the rest of the population.

This should not be an excuse for companies not developing inclusion policies and practices for people with disabilities. Organizations that fulfill their commitments to social responsibility should endeavor to offer skills development to people with disabilities, as well as discuss with the government to ensure this segment’s rights to access to education, taking into account their needs for locomotion, physical space adaptation and training of teachers to meet all students’ specific needs.

Some of the constraints companies should face are:

- accessibility and architectural barriers;
- functional barriers;
- discrimination; and
- prejudice and myths.

In fact, we are all different. It is improper to think we accommodate, make exceptions and provide support only to people with disabilities. A more comprehensive look might help us see that our differences will always require accommodations, considering the barriers in our society.

Management Reference Table

In addition to the references listed in this table, the company should seek sector-specific management references, if any, which may shed more light on the challenges, dilemmas and indicators to be specifically monitored in its sector.

Reference	Quantitative and Qualitative Indicators
Essential Criteria	1. Respecting and upholding the protection of human rights expressed in the Universal Declaration of Human Rights and other related documents. 3. Ensuring equality of opportunity and treatment, aimed at eliminating all forms of negative discrimination based on health status.
GRI Guidelines	LA13. Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity. HR8. Percentage of security personnel trained in the organization’s policies or procedures concerning aspects of human rights that are relevant to operations. SO8. Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.
Ethos Indicators	11. Valuing Diversity. 14. Relations with Outsourced Workers (percentage of people with disabilities within the total number of outsourced workers). 28. Support to Supplier Development (include among its suppliers organizations with income creation projects for usually excluded groups such as people with disabilities, etc.) 29. Business Communication Policy.

ISO 26000

CORE SUBJECT: ORGANIZATIONAL GOVERNANCE

- Promoting a fair opportunity for underrepresented groups (including women and racial and ethnic groups) to occupy senior positions in the organization.

CORE SUBJECT: HUMAN RIGHTS***Issue: Due Diligence***

- Structuring a human rights policy for the organization that gives meaningful guidance to those within the organization and those closely linked to the organization.
- Establishing means of assessing how existing and proposed activities may affect human rights.
- Establishing means of integrating the human rights policy throughout the organization.
- Establishing means of tracking performance over time, to be able to make necessary adjustments in priorities and approach.

Issue: Human Rights Risk Situations

- Being aware of conflicts or extreme political instability, failure of the democratic or judicial system, absence of political or civil rights.

Issue: Avoidance of Complicity

- Not providing goods or services to an entity that uses them to carry out human rights abuses.
- Not entering into a formal partnership with a partner that commits human rights abuses in the context of the partnership.
- Informing itself about the social and environmental conditions in which purchased goods and services are produced.
- Considering making public statements, or taking other action indicating that it does not condone human rights abuse, such as acts of discrimination, occurring in employment in the country concerned.

Issue: Resolving Grievances

- Establishing effective remedy mechanisms, ensuring they are legitimate, accessible, predictable (for instance, with clear and known processes and monitoring), equitable (allowing for a fair grievance process) rights-compatible (in accordance with internationally recognized norms) clear and transparent, based on dialogue and mediation.

Issue: Discrimination and Vulnerable Groups

- Examining the company's own operations and the operations of other parties within its sphere of influence to determine whether direct or indirect discrimination is present.
- Facilitating the raising of awareness of their rights among members of vulnerable groups.
- Contributing to redressing discrimination or the legacy of past discrimination, wherever practicable.

Issue: Fundamental Principles and Rights at Work

- Assessing the impact of its policies and activities on promotion of equal opportunities and non-discrimination and taking positive actions to provide for the protection and advancement of vulnerable groups.

CORE SUBJECT: LABOR PRACTICES***Issue: Employment and Employment Relationships***

- Ensuring equal opportunities for all workers and not discriminate either directly or indirectly in any labor practice based on race, color, gender, age, nationality or national origin, ethnic or social origin, caste, marital or family status, personal relationships, disability, health status such as HIV/AIDS status or political affiliation.
- Eliminating any arbitrary or discriminatory dismissal practices.

Issue: Conditions of Work and Social Protection

- Ensuring that the conditions of work comply with national laws and regulations and are consistent with applicable international labor standards.
- Respecting higher levels of provision established through other applicable legally binding instruments such as collective agreements.

Reference	Quantitative and Qualitative Indicators
ISO 26000	<ul style="list-style-type: none"> Observing at least those minimum provisions defined in international labor standards as established by the ILO, especially where national legislation has not yet been adopted. <p>Issue: Health and Safety at Work</p> <ul style="list-style-type: none"> Addressing the specific ways in which occupational safety and health (OSH) risks differently affect people with disability. <p>Issue: Human Development and Training in the Workplace</p> <ul style="list-style-type: none"> Providing all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis. <p>CORE SUBJECT: CONSUMER ISSUES</p> <p>Issue: Fair Marketing, Factual and Unbiased Information and Fair Contractual Practices</p> <ul style="list-style-type: none"> Not engaging in activities that are detrimental to the interests of vulnerable groups. Providing information regarding accessibility of products and services. <p>Issue: Protecting Consumers' Health and Safety</p> <ul style="list-style-type: none"> Minimizing risks in the design of products by identifying the likely user group(s) and paying special attention to vulnerable groups.
Global Compact	<p>Principle 1 - Supporting and respecting the protection of internationally proclaimed human rights.</p> <p>Principle 2 - Making sure that they are not complicit in human rights abuses.</p> <p>Principle 6 - Eliminating discrimination in respect of employment and occupation.</p>

Legal Frameworks

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>Agenda Social: Direito de Cidadania – Pessoas com Deficiência⁴⁰</p> <p>(Social Agenda: Right to Citizenship – People with disabilities)</p>	<p>The priority public is people with disabilities who are entitled to Benefício de Prestação Continuada (continuous assistance benefit), those enrolled in the Bolsa Família (family Grant) program, basic education students, people with disabilities derived from Hansen's Disease, and elderly with reduced mobility.</p> <p>According to the UN World Programme of Action concerning Disabled Persons, governmental measures aimed at improving the situation of people with disabilities must necessarily be connected to:</p> <ul style="list-style-type: none"> Prevention (from onset to evolution); Rehabilitation; and Equalization of opportunities.

⁴⁰ http://www.sjcdh.ba.gov.br/conferencia_def/Cartilha%20Agenda%20Social%20do%20PAC.pdf

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>Agenda Social: Direito de Cidadania – Pessoas com Deficiência (Social Agenda: Right to Citizenship – People with disabilities)</p>	<p>Some actions comprising this agenda, which the private sector can support or incorporate as practices are:</p> <ul style="list-style-type: none"> • Accessible public schools and implementation of inclusive education – accessible building structure for disabled students and equipment and educational materials that allow access to information and communication for all, as well as skilled staff and teachers to meet the specific needs of all students. <ul style="list-style-type: none"> - Including in the rules for funding inspection mechanisms regarding accessibility in building, remodeling and transportation projects. - Seeking partners to support and strength efforts for the development of projects for building accommodations and multifunctional facilities and, in its turn, receiving from state and local administrations skills development of teachers and staff, rooms and cabling for the multifunctional facilities. • Accessible transportation. <ul style="list-style-type: none"> - Supporting accessibility projects. - Supporting projects for nonmotorized mobility systems. • Housing. <ul style="list-style-type: none"> - Ensuring that accessibility is one of the criteria for Caixa Econômica Federal to fund projects in public housing programs. - Creating credit lines aimed at the accommodation of homes of people with disabilities and reduced mobility, focused on low income population. • Inserting people with disabilities in the labor market. <ul style="list-style-type: none"> - Identifying vacancies in the labor market to comply with the legal quota provided for in Act 8.213/91 – Section 93. - Partnering with the S System, vocational schools and non-profit institutions to provide apprenticeship courses. - Including young people with disabilities in programs aimed at youth preparation for the labor market. - Providing apprenticeship courses. - Hiring apprentices with disabilities. - Creating differentiated conditions in credit lines aimed at workplace accommodation to receive people with disabilities.
<p>Convention on the Rights of Persons with Disabilities⁴¹</p>	<p>Among the 50 articles of this convention, it is important to highlight:</p> <ul style="list-style-type: none"> • <i>Art. 2 – Definitions:</i> <ul style="list-style-type: none"> - “Communication” includes languages, display of text, Braille, tactile communication, large print, accessible multimedia as well as written, audio, plain-language, human-reader and augmentative and alternative modes, means and formats of communication, including accessible information and communication technology; - “Language” includes spoken and signed languages and other forms of non-spoken languages; - “Discrimination on the basis of disability” means any distinction, exclusion or restriction on the basis of disability which has the purpose or effect of impairing or nullifying the recognition, enjoyment or exercise, on an equal basis with others, of all human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field. It includes all forms of discrimination, including denial of reasonable accommodation; - “Reasonable accommodation” means necessary and appropriate modification and adjustments not imposing a disproportionate or undue burden, where needed in a particular case, to ensure to persons with disabilities the enjoyment or exercise on an equal basis with others of all human rights and fundamental freedoms; - “Universal design” means the design of products, environments, programs and services to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design. “Universal design” shall not exclude assistive devices for particular groups of persons with disabilities where this is needed. • <i>Art. 5 – Equality and non-discrimination.</i> Highlights that specific measures which are necessary to accelerate or achieve de facto equality of persons with disabilities shall not be considered discrimination under the terms of the present Convention. • <i>Art. 6 – Women with disabilities.</i> Recognizes that women and girls with disabilities are subject to multiple discrimination, and in this regard shall take measures to ensure the full and equal enjoyment by them of all human rights and fundamental freedoms. • <i>Art. 7 – Children with disabilities.</i> Ensures that children with disabilities have the right to express their views freely on all matters affecting them, their views being given due weight in accordance with their age and maturity, on an equal basis with other children, and to be provided with disability and age-appropriate assistance to realize that right.

⁴¹ http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2009/decreto/d6949.htm

Reference	How companies can contribute to, engage with or benefit from the initiative
<p>Convention on the Rights of Persons with Disabilities</p>	<ul style="list-style-type: none"> • <i>Art. 8 – Awareness-raising.</i> Awareness should be raised throughout society, including at the family level, to combat stereotypes to promote awareness of the capabilities and contributions of persons with disabilities. • <i>Art. 9 – Accessibility.</i> Persons with disabilities should be enabled to live independently and participate fully in all aspects of life on an equal basis with others, to the physical environment, to transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in public and private entities. Shall also promote the design, development, production and distribution of accessible information and communications technologies and systems at an early stage, so that these technologies and systems become accessible at minimum cost. • <i>Art. 27 – Work and employment.</i> Provides for appropriate steps to: <ol style="list-style-type: none"> a) Prohibit discrimination on the basis of disability with regard to all matters concerning all forms of employment, including conditions of recruitment, hiring and employment, continuance of employment, career advancement and safe and healthy working conditions; b) Protect the rights of persons with disabilities, on an equal basis with others, to just and favorable conditions of work, including equal opportunities and equal remuneration for work of equal value, safe and healthy working conditions, including protection from harassment, and the redress of grievances; c) Ensure that persons with disabilities are able to exercise their labor and trade union rights on an equal basis with others; d) Enable persons with disabilities to have effective access to general technical and vocational guidance programs, placement services and vocational and continuing training; e) Promote employment opportunities and career advancement for persons with disabilities in the labor market, as well as assistance in finding, obtaining, maintaining and returning to employment; f) Promote opportunities for self-employment, entrepreneurship, the development of cooperatives and starting one’s own business; g) Employ persons with disabilities in the public sector; h) Promote the employment of persons with disabilities in the private sector through appropriate policies and measures, which may include affirmative action programs, incentives and other measures; i) Ensure that reasonable accommodation is provided to persons with disabilities in the workplace; j) Promote the acquisition by persons with disabilities of work experience in the open labor market; k) Promote vocational and professional rehabilitation, job retention and return-to-work programs for persons with disabilities.
<p>III National Human Rights Program (PNDH3)</p>	<p>The actions scheduled for this commitment are:</p> <ul style="list-style-type: none"> • Developing campaigns and technical, instructional and educational materials about reproductive planning that respect sexual and reproductive rights, including the development of specific materials for people with disabilities. • Encouraging programs of total attention to women’s health, taking into account their disability specificities. • Countering wage inequalities based on differences of people with disabilities. • Following the implementation of the National Program on Affirmative Actions, established by Executive Order no. 4.228/2002, to be enforced in direct and indirect federal public administration, aimed at reaching goals related to the percentage of posts held by people with disabilities. • Ensuring the right of people with physical or mental disabilities to participate in the cultural life on an equal basis with others and to develop and use their creative, artistic and intellectual potential. • Encouraging people with disabilities to fully participate in political and public life, whether by voting or by being a candidate, ensuring all voting procedures, facilities and materials are accessible, including the assistive voting devices.

Reference	How companies can contribute to, engage with or benefit from the initiative
III National Human Rights Program (PNDH3)	<ul style="list-style-type: none"> • Carrying out educational campaigns and actions to deconstruct stereotypes related to differences of people with disabilities. • Ensuring people with disabilities are provided with equal and effective legal protection against discrimination. • Ensuring appropriate and effective safeguards to prevent abuse against people with disabilities. • Promoting educational campaigns and research aimed at prevention of violence against people with disabilities.
National Policy for the Integration of Persons with Disabilities⁴²	<p>The guiding principles for this policy are:</p> <ul style="list-style-type: none"> I – Developing a joint action between the State and civil society to ensure full integration of the person with disability into the socioeconomic and cultural context; II – Establishing legal and operational mechanisms and instruments to ensure people with disabilities can exercise their full basic rights which, based on the Constitution and legislation, foster their personal, social e economic well-being; III - Respecting people with disabilities, who shall enjoy equal opportunities in society as a result of their recognized rights, with neither privileges nor patronizing. <p>The instruments provided for by this policy that can be incorporated by companies are as follows:</p> <ul style="list-style-type: none"> I – Integration between governmental and non-governmental institutions aimed at ensuring the effectiveness of prevention, specialized assistance and social integration programs, as well as the service provided, avoiding parallel actions and waste of efforts and resources; II – Fostering the development of human resources so that people with disabilities can be appropriately and effectively assisted; III – Enforcement of specific legislation that governs labor market affirmative actions in the private sector; IV - Fostering the improvement of technology for assistive devices used by people with disabilities.
Programa Mobilidade Urbana⁴³ (Urban Mobility Program)	<p>The Ministry of the Cities⁴⁴ acknowledges there is a mobility crisis and, in this sense, the National Secretariat for Transport and Urban Mobility (SeMob) developed the concept “sustainable urban mobility”, focusing on people’s motion rather than vehicles’, prioritizing those with impaired mobility.</p> <p>One of the program’s actions is the support to accessibility projects aimed at people with impaired mobility and people with physical or sensory disabilities through the implementation of infrastructure that ensures their mobility around the city by the integration of comfortable and safe collective and nonmotorized systems. This fundamental measure would help people with disabilities commute from home to work.</p>

⁴² http://www.planalto.gov.br/ccivil_03/decreto/d0914.htm

⁴³ <http://www.cidades.gov.br/images/stories/ArquivosSEMOB/Biblioteca/LivroPlanoMobilidade.pdf>
<http://www.cidades.gov.br/secretarias-nacionais/transporte-e-mobilidade/programas-e-acoes/programa-mobilidade-urbana/Manual%20do%20Programa%20Mobilidade%20Urbana.pdf>

⁴⁴ <http://www.cidades.gov.br/>

Pathways and Reflections

Limitations can always be overcome when adequate environments are provided. This is not different to people with disabilities.

Barriers	Pathways to inclusion
Accessibility	<p>Accessibility is key to overcoming architectural barriers and requires investment. We all need appropriate access and that is not different to people with disabilities.</p> <p>What matters:</p> <ul style="list-style-type: none"> • Comfort, independence and safety when using working facilities, equipment and resources. • Functionality of spaces used, with sound, visual and tactile identification. • Accessible and standardized entry and exit routes; • Access through public and private transportation, taking sidewalks into account. <p>There are standards defining the implementation of environment changes to remove architectural barriers. Through a Compliance Commitment entered in 2004 among the Public Prosecutor's Office, the Brazilian Association of Technical Standards (ABNT) and Target Engenharia e Consultoria, the accessibility technical standards were made available on a government website.</p> <p>Another type of accessibility to be improved is the way to communicate and the available means of communications. Companies already make use of several means of communications, including with their clients, by telephone, chat, letter, email, voice mail, social networks and, of course, face-to-face dialogue. However, the Brazilian sign language (libras) is still little used and known by the majority as well as the Braille. Offering libras courses to employees is a means to encouraging social links.</p>
Functional	<p>It may sound unnecessary, but it is always worth remembering that every professional has a function, with responsibilities and attributions, targets and performance to be assessed. For every function, training and skills development are provided to promote both professional equalization and updating. Good assessments can lead to promotion, salary increase and bonus. Naturally, the same goes to people with disabilities. It is worth highlighting that there are no functions or activities more suitable for professionals with disabilities. However, surely there are activities that pose risks or even impose limitations depending on the type of disability. It is fundamental that a functional risk mapping analyzes the most critical types of disability and the necessary safety measures.</p> <p>Another key initiative companies should adopt is providing skills development to people with disabilities for the company or for the labor market. Since the lack of qualified people with disabilities is one of the problems mentioned in hiring, this action is one option for companies to work on.</p>
Discrimination	<p>The search for people with disabilities should be focused on the professional rather than on the disability. Hiring practices focused on "light" disabilities or those requiring minor architectural accommodations are considered discriminatory.</p> <p>The recruiting stage is important, because it is the gateway to the company. However, it is necessary to pay special attention to the career and professional development of people with disabilities.</p> <p>As mentioned in the chapters regarding gender and race, disaggregated indicators should also be used in this case, mapping professionals with or without disabilities to monitor potential biases in the equivalence of results measured.</p>
Prejudices and myths	<p>The persistence of prejudices and myths tends to be inversely proportional to the amount of information provided. Working on cultural and attitudinal barriers of managers and staff is a previous condition to receiving a professional with some type of disability.</p>

⁸ http://portal.mj.gov.br/corde/normas_abnt.asp

Barreiras	Caminhos para a inclusão
Prejudices and myths	Considering a more comprehensive program, one of the priority actions is a combination of sensitization of internal stakeholders, information and clarification. Many employees may never have had the opportunity to study, work, share tasks or even have friends with disabilities. Relationship difficulties may be caused by both lack of basic information and fear of not knowing how to deal with the unknown.

The challenge of inclusion goes beyond the workplace. Challenges and solutions are also in the surrounding environment. Employees have children with disabilities. Suppliers, who are links in the production process or service providers, also employ people with disabilities. Your customers and consumers can also be people with disabilities and have a lot to say about how your products or services could be improved to ease inclusion. The support of partners and specialized organizations can also be of great help in your company's evolution, as well as listen to and engage with people with disabilities to understand how their rights are violated.

According to the publication *O Que as Empresas Podem Fazer pela Inclusão das Pessoas com Deficiência*⁴⁶ (What Companies Can Do for the Inclusion of People with Disabilities), by the Ethos Institute, "a good company for workers with disabilities will be good for all workers. A society with good companies for people with disabilities will be a healthy society, because it will respect all human beings and their differences."

Relevant websites and information regarding inclusion of people with disabilities:

- Carpe Diem Association: www.carpediem.com.br.
- Febraban's Coleção de Inclusão Social de Pessoas com Deficiência (Social Inclusion of People with Disabilities Series). The handbook *Ação de Recursos Humanos e a Inclusão de Pessoas com Deficiência* (Human Resources Action and the Inclusion of People with Disabilities) presents a good list of assistive technologies for use in the workplace, besides other detailed information about each type of disability: http://www.febraban.org.br/Acervo1.asp?id_texto=476&id_pagina=85&palavra.
- National Council on the Rights of People with Disabilities (Conade): <http://portal.mj.gov.br/conade/>
- Guia Brasil para Todos (Brazil for All Guidebook): <http://www.brasilparatodos.com.br/>.
- Instituto Brasileiro dos Direitos da Pessoa com Deficiência (Brazilian Institute for the Rights of People with Disability): <http://www.ibdd.org.br/>.
- Programa Brasil Acessível (Accessible Brazil Program), with related content: http://www.cidades.gov.br/index.php?option=com_content&view=article&id=187:brasaccess&catid=68&Itemid=103
- Saci Network, produced by the University of São Paulo (USP) to encourage social and digital inclusion of people with disabilities: <http://saci.org.br>.
- National System of Information about Disabilities (Sicorde) and National Board for Integrating People with Disabilities (Corde): <http://portal.mj.gov.br/corde/>.

⁴⁶ http://www.ethos.org.br/_Uniethos/Documents/manual_pessoas_deficientes.pdf

5th Commitment: Support for the Promotion of the Rights of Children, Adolescents and the Youth

Challenges in the Promotion of the Rights of Children, Adolescents and the Youth

With respect to the business environment, the challenges and opportunities of this commitment have three axes:

- Countering sexual exploitation of children and adolescents;
- Eradicating child labor; and
- Promoting the development of the young apprentice.

Classification	Related ages
Child	The Statute of Children and Adolescents considers a child someone under 12 years of age (Art. 2). As for ILO Convention no. 182, “the term child shall apply to all persons under the age of 18” (Art. 2).
Adolescent	The Statute of Children and Adolescents considers adolescent someone between 12 and 18 years of age (Art. 2).
Youth	Unesco defines youth as people between 15 and 24 years of age.
Apprentice	According to the Federal Constitution, the young person may only enter the labor market from 16 years of age, except if hired as an apprentice, from 14 to 24 years of age. In the case of unhealthy, hazardous or painful activities, the apprentice’s age shall be between 18 and 24 years.
Child Labor	The Child Labor Eradication Program (Peti) aims to remove children and adolescents below 16 years of age from employment, except as apprentices, from 14 years of age.

It is worth noting that both child labor and sexual exploitation are illegal and commercially-driven activities, which are considered undue economic exploitation.

Sexual exploitation translates into prostitution and dissemination of pornography, as well as sexual tourism and trafficking. It is committed by adults and the remuneration in kind is received by a third person, also an adult. The main situations leaving a child or adolescent under the threat of sexual exploitation are poverty, social exclusion, domestic violence, the family’s vulnerability, drug abuse and school dropout.

According to the publication *Exploração Sexual de Crianças e Adolescentes*⁴⁷ (Sexual Exploitation of Children and Adolescents), by Agência de Notícias dos Direitos da Infância

– Andi (News Agency for Children’s Rights), places where the practice or offer of sexual exploitation is most common are massage spas, modeling agencies, brothels, bars and night clubs, boarding houses and inns, hotels, squares, bus stations, airports, tourist spots, mining areas, roads, gas stations and seaports / river ports. Companies should be alert within their sphere of influence to potential cases within their business partners. One of the most vulnerable areas regarding sexual exploitation is logistics and transportation.

A survey carried out by the Ceará State University of and the United Nations Children’s Fund (Unicef) described the victims profile:

- 78.5% of them are between 15 and 18 years of age;
- 89.4% are girls;
- 71.5% are afro-descendants;
- 77.3% did not complete middle school; and
- 50.3% have a family monthly income of one minimum salary, at the most.

Sexual exploitation is a human rights violation and is characterized as a form of gender violence – given most victims are girls – and as a major public health problem, because it causes harm to the physical, mental and emotional sanity of the victims, as well as risks related to drug abuse, undesired pregnancy and sexually transmitted diseases.

Child labor is used mainly on the streets, landfills, drug trafficking and, directly or indirectly, in other economic activities, usually outsourced and unsafe. Most of the times, the families are unaware of the risks of labor at an early age and try to believe the child can reconcile its development in school life and work, usually motivated by their socioeconomic situation. However, it is through activities classified as the worst forms of child labor that children and adolescents suffer harmful effects in their development.

The publication *Piores Formas de Trabalho Infantil – um Guia para Jornalistas*⁴⁸ (Worst Forms of Child Labour – a Handbook for Journalists), by Andi, highlights some of these effects in children’s development:

- Physical, by the possibility of being injured or acquiring diseases;
- Emotional, by bad treatment to which they are exposed or by the ambiguous labor relation;
- Social, by the lack of relationship with other children and activities suitable for their age;
- Educational, by the evidence of higher fail and dropout rates among children who work; and
- Democratic – with neither education nor information, children lose access to their rights.

⁴⁷ <http://www.andi.org.br/infancia-e-juventude/publicacao/exploracao-sexual-de-criancas-e-adolescentes-guia-de-referencia-para>

⁴⁸ http://www.andi.org.br/_pdfs/guia_jornalistas.pdf

Child labor in the country

According to the 2004 National Research by Household Sampling Survey, by IBGE, there were in 2003 5.1 million children and adolescents working in the country. Out of this total, 4.1% were between 5 and 9 years of age, 33.3% between 10 and 14 years of age, and 62.6% were between 15 and 17 years of age.

Almost half of the working children live in families with a family income of up to half a minimum salary and the children's income is an important part of the family's. However, a drop in the percentage of child labor was identified in the last decade, with likely positive impacts of the Child Labor Eradication Program (Peti) policies and of the family' support programs.

Adapted from the National Plan for the Promotion, Protection and Defense of the Rights of Children and Adolescents to Family and Community Life⁴⁹.

Regarding the **apprenticeship program**, companies shall comply with the apprentices' quota, set between a minimum of 5% and a maximum of 15%, per business, calculated on the total number of employees whose functions demand professional qualification.

In the 2010 survey *Perfil Social, Racial e de Gênero das 500 Maiores Empresas do Brasil e Suas Ações Afirmativas* (Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions), although 93% of the companies hire apprentices, 43% do not comply with the minimum 5% and only 3% of them achieve a hiring percentage above 15%. The results shown in the table below indicate some major difficulties.

Question	YES	NO
Does your company find it difficult to comply with the Apprentices Act?	30%	70%
Among the apprentices working in your company, are there people with disabilities?	22%	78%
Does your company have a hiring policy for those apprentices who complete the apprenticeship contract?	56%	44%

We can see here that, even among the younger persons, those with disabilities face more difficulty in entering the labor market, exactly at a stage of life when professional experience requirements are not a barrier. The Apprentices Act determines that people with disabilities may be hired as apprentices at any age. Exclusion occurs again in hiring women and afro-descendants as apprentices. Women account for only 37% and afro-descendants for only 35.6% of the total apprentices.

⁴⁹ <http://www.direitoshumanos.gov.br/spdca/publicacoes/.arquivos/.spdca/pncfc.pdf>

Among the companies that do not comply with the minimum apprentices quota, the reasons given are broken down as follows:

- 41% claim it is due to the company’s lack of knowledge or experience to deal with the matter;
- 36% claim it is due to lack of qualified apprentices; and
- 23% claim it is due to lack of apprentices’ interest in the company.

Management Reference Table

In addition to the references listed in this table, the company should seek sector-specific management references, which may shed more light on the challenges, dilemmas and indicators to be specifically monitored in its sector.

Reference	Quantitative and qualitative indicators
Essential Criteria	<p>1. Respecting and upholding the protection of human rights expressed in the Universal Declaration of Human Rights and other related documents.</p> <p>5. Upholding the eradication of child labor both in the company’s direct activities and in its production chain.</p>
GRI Guidelines	<p>HR1. Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.</p> <p>HR6. Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.</p> <p>SO8. Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.</p> <p>PR7. Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.</p>
Ethos Indicators	<p>9. Commitment to children’s future.</p> <p>10. Commitment to child development.</p> <p>17. Commitment to professional development and employability (does the company provide trainees with good working, learning, and professional/personal development conditions in their respective study areas, with due monitoring; when the internship program period is over, does it seek to hire trainees in the company?; in case it is not possible, does it seek outplacement in partner companies or organizations?).</p> <p>25. Criteria Used in Selection and Assessment of Suppliers (related to child labor).</p> <p>26. Child Labor in the Production Chain (related to child labor).</p> <p>28. Support to Supplier Development (related to child labor).</p> <p>29. Business Communication Policy (does the company have a formal policy against advertising that portrays children in discriminatory, embarrassing, disrespectful or risky situations?).</p> <p>40. Participation in Government Social Projects (does the company adopt or establish partnership with government agencies aiming to abolish child labor?).</p>
ISO 26000	<p>CORE SUBJECT: HUMAN RIGHTS Issue: Due Diligence</p> <ul style="list-style-type: none"> • Structuring a human rights policy for the organization that gives meaningful guidance to those within the organization and those closely linked to the organization. • Establishing means of assessing how existing and proposed activities may affect human rights. • Establishing means of integrating the human rights policy throughout the organization. • Establishing means of tracking performance over time, to be able to make necessary adjustments in priorities and approach.

Reference	Quantitative and qualitative indicators
<p>ISO 26000</p>	<p>Issue: Human Rights Risk Situations</p> <ul style="list-style-type: none"> • Being aware of conflicts or extreme political instability, failure of the democratic or judicial system, absence of political or civil rights. <p>Issue: Avoidance of Complicity</p> <ul style="list-style-type: none"> • Not providing goods or services to an entity that uses them to carry out human rights abuses. • Not entering into a formal partnership with a partner that commits human rights abuses in the context of the partnership. • Informing itself about the social and environmental conditions in which purchased goods and services are produced. • Considering making public statements, or taking other action indicating that it does not condone human rights abuse, such as acts of discrimination, occurring in employment in the country concerned. <p>Issue: Resolving Grievances</p> <ul style="list-style-type: none"> • Establishing effective remedy mechanisms, ensuring they are legitimate, accessible, predictable (for instance, with clear and known processes and monitoring), equitable (allowing for a fair grievance process) rights-compatible (in accordance with internationally recognized norms) clear and transparent, based on dialogue and mediation. <p>Issue: Discrimination and Vulnerable Groups</p> <ul style="list-style-type: none"> • Examining the company's own operations and the operations of other parties within its sphere of influence to determine whether direct or indirect discrimination is present. • Facilitating the raising of awareness of their rights among members of vulnerable groups. • Contributing to redressing discrimination or the legacy of past discrimination, wherever practicable. <p>Issue: Fundamental Principles and Rights at Work</p> <ul style="list-style-type: none"> • Assessing the impact of its policies and activities on promotion of equal opportunities and non-discrimination and taking positive actions to provide for the protection and advancement of vulnerable groups. • The minimum age for employment is determined through international instruments. Organizations should not engage in or benefit from any use of child labor. If an organization has child labor in its operations or within its sphere of influence, it should, as far as possible, ensure not only that the children are removed from work, but also that they are provided with appropriate alternatives, in particular, education. Light work that does not harm a child or interfere with school attendance or with other activities necessary to a child's full development (such as recreational activities) is not considered child labor. <p>Issue: Conditions of Work and Social Protection</p> <ul style="list-style-type: none"> • Ensuring that the conditions of work comply with national laws and regulations and are consistent with applicable international labor standards. • Respecting higher levels of provision established through other applicable legally binding instruments such as collective agreements. • Observing at least those minimum provisions defined in international labor standards as established by the ILO, especially where national legislation has not yet been adopted. <p>Issue: Health and Safety at Work</p> <ul style="list-style-type: none"> • Addressing the specific ways in which occupational safety and health (OSH) risks differently affect workers under 18 years of age. <p>Issue: Human Development and Training in the Workplace</p> <ul style="list-style-type: none"> • Providing all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis.

Reference	Quantitative and qualitative indicators
ISO 26000	<p>CORE SUBJECT: CONSUMER ISSUES</p> <p>Issue: Fair marketing, factual and unbiased information and fair contractual practices</p> <ul style="list-style-type: none"> • Not engaging in activities that are detrimental to the interests of vulnerable groups. • Providing information regarding accessibility of products and services. <p>Issue: Protecting Consumers' Health and Safety</p> <p>Minimizing risks in the design of products by identifying the likely user group(s) and paying special attention to vulnerable groups.</p>
Business Pact for the Eradication of Sexual Exploitation of Children and Adolescents on Brazilian Roads (Pacto Empresarial contra a Exploração Sexual de Crianças e Adolescentes nas Rodovias Brasileiras) ⁵⁰	<p>A partnership between Childhood and Ethos Institute, Business Pact for the Eradication of Sexual Exploitation of Children and Adolescents on Brazilian Roads presents seven commitments monitored by indicators⁵¹:</p> <ol style="list-style-type: none"> 1. Intervening with actions and procedures aimed at the cargo transport chain and service providers connected to the transportation sector to make truckers act as protection agents with the purpose of eradicating sexual exploitation of children and adolescents on Brazilian roads 2. Participating, as a signatory of this pact, in campaigns to counter sexual exploitation of children and adolescents on Brazilian roads continuously and definitively. 3. Creating mechanisms in business relations that set commitments with suppliers, mainly those directly involved in the transportation sector's production chain, so that they also comply with the principles and commitments of this pact. 4. Informing and encouraging all the people that comprise the company's or entity's structures to participate in actions to counter sexual exploitation of children and adolescents on Brazilian roads. 5. Supporting, either with own resources or through the Children and Adolescent's Rights Fund (FIA), projects aimed at the social reintegration of children and adolescents vulnerable to or victims of sexual exploitation or thereby, providing them with opportunities to overcome this social exclusion status. Such projects may be implemented in partnership with different government spheres and non-profit organizations to enhance its effectiveness. 6. Monitoring the implementation of the actions described above and the reach of proposed goals, publicizing the results of this joint effort. 7. In the case of federations and business associations, given they cannot inspect, the commitment is limited to recommending that their associates comply with the practices set out in this pact.
Global Compact	<p>Principle 1 - Supporting and respecting the protection of internationally proclaimed human rights.</p> <p>Principle 2 - Making sure that they are not complicit in human rights abuses.</p> <p>Principle 5 - Upholding the effective abolition of child labor.</p>

Legal Frameworks

Reference	Description
National Decent Work Agenda ⁵²	<p>Some lines of action are highlighted below, within three priorities.</p> <p>Priority 1: Generating more and better jobs, with equal opportunities and treatment.</p> <ul style="list-style-type: none"> • Strengthening policies and programs aimed at the promotion of youth employment in tune with the Youth Employment Network – YEN recommendations, as well as with the Resolution Concerning Youth Employment adopted by the International Labour Conference in June 2005. • Implementing programs and actions to counter discrimination in the workplace, paying special attention to the young people.

⁵⁰ <http://www.namaocerta.org.br/pacto.php>

⁵¹ http://www.namaocerta.org.br/pdf/Manual_Indicadores.pdf

⁵² <http://www.oit.org.br/node/298>

Reference	Description
National Decent Work Agenda	<p>Priority 2: Eradicating forced labor and eliminating child labor, especially in its worst forms.</p> <ul style="list-style-type: none"> • Consolidating a knowledge base on child labor through the development and diffusion of research, studies and assessments, especially regarding gender and race. • Institutionalizing a methodology to identify and remove children from the labor market. • Integrating policies and programs aimed at the elimination of child labor. • Defining competencies to face child labor. • Establishing typification and criminal liability for cases of child labor exploitation. <p>Priority 3: Strengthening tripartite actors and the social dialogue as a democratic governability tool.</p>
Statute of Children and Adolescents (ECA)⁵³	<p>It strengthens the role of the family in the lives of children and adolescents as an indispensable element in integral protection. ECA considers the following fundamental rights as fundamental:</p> <ul style="list-style-type: none"> • To life and health; • To freedom, respect and dignity; • To family and community life; • To education, culture, sports and leisure; • To professionalization and protection in the workplace. <p>In 2010, ECA's 20th anniversary, 11 companies signed a letter of intent, <i>Juntos pelo ECA</i>⁵⁴ (Together for ECA), containing 10 essential commitments to defend the rights of children and adolescents.</p>
III National Human Rights Program (PNDH3)	<p>The actions scheduled for the commitment to promoting of the rights of children, adolescents and the youth are:</p> <ul style="list-style-type: none"> • Eradicating child labor, as well as all forms of violence and sexual exploitation of children and adolescents in production chains, based on codes of conduct and the Statute of Children and Adolescents. • Supporting a national mobilization aimed at reducing the number of people without birth certificate and basic documentation. • Developing campaigns and technical, instructional and educational materials about reproductive planning that respect sexual and reproductive rights, including the development of specific materials for the young and adolescent population. • Supporting enhanced access to basic education, continuance at school and elementary education universalization. • Supporting programs aimed at restructuring schools as centers for integration of educational, cultural, sports and leisure policies. • Supporting projects for and experiences in school-community integration that make use of the alternate (sandwich) system. • Encouraging and funding university extension programs as a means to integrate the student into the social reality. • Supporting the development and implementation of methodologies for monitoring and assessing national policies and plans regarding the rights of children and adolescents. • Supporting the development and implementation of the coordination system of the policy on rights of children and adolescents in all governmental spheres to comply with the Recommendations of the UN Committee on the Rights of the Child, the UN Special Rapporteurs, and the UN International Committee on Economic, Social and Cultural Rights. • Supporting the development of a national data collection and monitoring system covering local administrations, States and the Federal District in respect of compliance with the UN Convention of the Rights of the Child. • Ensuring the opinion of children and adolescents that are able to make their own judgment, as set out in Article 12 of the Convention of the Rights of the Child, in the development of public policy aimed at these segments, ensuring their participation in conferences on rights of children and adolescents.

⁵³ http://www.planalto.gov.br/ccivil_03/Leis/L8069.htm

⁵⁴ <http://site.gife.org.br/artigo-instituicoes-empresariais-assinam-compromisso-pelo-eca-13928.asp>

Reference	Description
III National Human Rights Program (PNDH3)	<ul style="list-style-type: none"> • Supporting the universalization of Child Protection Councils in all cities and in the Federal District, and establishing national parameters to guide their operations. • Supporting the development of mechanisms that allow the participation of children and adolescents conferences on rights, in rights councils, as well as in schools, courts and in legal and administrative proceedings they are affected by. • Encouraging the provision of information to children and adolescents about their rights through joint efforts made by schools, the press, television, radio and the Internet. • Promoting educational actions aimed at the eradication of violence against children in the home and family, in schools, in care and justice institutions and in the community as a whole, by implementing the recommendations set out by the UN World Report on Violence against Children. • Supporting community initiatives for the mobilization of children and adolescents in preventive strategies aimed at minimizing their vulnerability in violent settings. • Strengthening family support policies to reduce abandonment and institutionalization rates, prioritizing family groups with disabled children. • Supporting legal adoption through educational campaigns, consistent with ECA and international agreements. • Supporting and participating in channels (hotlines like Disque-Denúncia) to report violence against children and adolescents, integrated to Child Protection Councils. • When integrating projects funded by the federal government, demanding the adoption of strategies that are not discriminatory against children and adolescents based on social class, race, ethnicity, creed, gender, sexual orientation, gender identity, disability, involvement in crime and origin. • Supporting the review of the National Plan to Combat Sexual Violence Against Children and Adolescents pursuant to the recommendations of the III World Congress on this theme. • Encouraging corporate social responsibility actions to counter sexual exploitation and child labor in organizations and production chains. • Supporting the fight against children and adolescents exposure to online pornography by strengthening the Federal Hotline and diffusing safe navigation procedures for children, adolescents, families and educators. • Eliminating child labor through federal government's intersectoral actions focused on support to families and full-time education. • Implementing the Apprentice Act (Act no. 10.097/2000). • Supporting the development of research, campaigns and periodic reports on child labor focused on themes and groups that require specific approaches, such as family agriculture, housework and street labor. • Supporting the expansion of local juvenile offender programs. • Promoting educational campaigns and research aimed at the prevention of violence against children and adolescents. • Supporting studies and research on people trafficking, including sexual exploitation of children and adolescents.
National Youth Plan (Plano Nacional de Juventude)⁵⁵	<p>The goals and targets below were selected among the themes addressed in this plan, but, first of all, it is worth mentioning a cross-cutting goal that pervades all themes:</p> <ul style="list-style-type: none"> • Ensuring the participation of young people in the development of public policy in areas of their interest or that impact on them. <p>Youth Emancipation Career education and guarantee of employment and income:</p> <ul style="list-style-type: none"> • Providing the young person with work scholarship programs, in which pedagogic requirements regarding the beneficiary's social development prevail over the productivity; • Establishing a continuous education plan through short-, medium- and long-term courses, organized in sequential and flexible modules with content covering different specialties or occupations from several economic or business sectors; • Prioritizing progressive and continuous professional education aimed at a comprehensive education of the youth regarding schooling, qualification and citizenship in order to ensure their effective access to the labor world, in local and regional markets; • Including in the professional education initiatives youth participating in juvenile offender programs; • Diagnosing different youth qualification experiences to replicate successful initiatives and integrate actions;

⁵⁵ http://www.dhnet.org.br/dados/pp/a_pdfdht/plano_nac_juventude.pdf

Reference	Description
<p>National Youth Plan (Plano Nacional de Juventude)</p>	<ul style="list-style-type: none"> • Ensuring professional education for the youth in rural areas, with participatory management of social actors involved so as to enable the organization of production in rural areas from the perspective of sustainable development and access to culture; • Making professional education courses available to youth with disabilities; • Encouraging remunerated social work in rural areas. <p>Youth Well-being Promoting youth overall health:</p> <ul style="list-style-type: none"> • Raising youth awareness about their sexuality; • Developing programs to support youth victims of sexual abuse. <p>Development of Youth Citizenship and Organization Citizenship development:</p> <ul style="list-style-type: none"> • Countering all types of discrimination; • Linking to programs and initiatives the three pillars that create values and principles: family, youth and school; <p>Equal Opportunities for the Excluded Youth Indigenous youth and afro-descendent youth:</p> <ul style="list-style-type: none"> • Adopting measures to promote racial equality, taking into account the racial and cultural diversity criterion. <p>Given its relevance for the future of the youth in our country, a set of priorities of this plan is highlighted in the section “Pathways and Reflections”.</p>
<p>National Plan for the Promotion, Protection and Defense of the Rights of Children and Adolescents to Family and Community Life (Plano Nacional de Promoção, Proteção e Defesa do Direito de Crianças e Adolescentes à Convivência Familiar e Comunitária – PNCF) ⁵⁶</p>	<p>The guidelines for this plan, which are strongly linked to this commitment and can be also followed by the business sector, are as follows:</p> <ul style="list-style-type: none"> • Respecting ethnic-cultural diversity, identity and sexual orientation, gender equality and the specificities of physical, sensory and mental conditions; • Strengthening the autonomy of children, adolescents and youth in the development of their life projects; • Social control of public policy (encouraging society’s participation in the debates on public policy aimed at children and the youth; mobilizing public opinion towards the indispensable participation of the various society segments in this theme, among others). <p>Actions in the different axes of this plan were selected according to their correlation with the business sector:</p> <ul style="list-style-type: none"> • Enhancing assistance programs and services to children and adolescents victims of violence and their families in all Brazilian cities; • Enhancing programs and services of pedagogic, sociocultural, sports and leisure support to children and adolescents in vulnerable situation; • Enhancing and strengthening chemical dependency prevention and treatment programs aimed at children, adolescents and their families; • Promoting the integration of public policy and related programs and services with the Program to Protect Children and Adolescents at Risk of Death and implementing actions to ensure the preservation of family bonds and family life of these children and adolescents; • Developing educational actions aimed at raising awareness of families about care and education of their children; • Enhancing programs and services to prepare adolescents and young people for their autonomy; • Surveying, developing and encouraging the use of methodologies to replicate social technologies;

⁵⁶ http://www.direitoshumanos.gov.br/spdca/sgd/convivencia_familiar

Reference	Description
<p>National Plan for the Promotion, Protection and Defense of the Rights of Children and Adolescents to Family and Community Life</p>	<ul style="list-style-type: none"> • Carrying out/supporting educational campaigns in the media to diffuse issues on the rights of children and adolescents, mainly the right to family and community life, as well as mobilizing the society around the prevention of children and adolescents' rights violation and trafficking of children and adolescents; • Carrying out/supporting joint workshops including professionals from the media, specially television (journalists, artists, directors, producers) and the social area; • Supporting campaigns so that personal and legal entities allocate resources from their income tax to the Children and Adolescent's Rights Fund, in the three government spheres, aimed at funding programs and actions addressed in this plan.
<p>Millennium Development Goals (MDG)</p>	<p>Examples of actions and projects in favor of the following objectives:</p> <p>MDG 2⁵⁷: Achieve Universal Primary Education</p> <ul style="list-style-type: none"> • Creation of opportunities for and encouragement to primary education. • Improvement in education quality. • Actions to prevent and eliminate child labor. • Improvement in basic schools' equipment and supply of educational and reading materials. • Building capacity and valuing primary school teachers. • Supplementary and remedial educational projects. • Digital inclusion projects. • Sports, cultural and educational projects that require staying at school. • Encouragement to the education of children and adolescents with disability or under medical care. • Encouragement to education in rural areas. • Actions aimed at reducing dropout rates. • Training of indigenous teachers. • Initiatives to correct schooling gaps (age/grade) and decrease fail rates. • Promotion of intellectual autonomy and critical thinking. • Enhancement of knowledge, arts, culture and leisure centers. • Reduction in cultural gaps and promotion of notions of ethics and citizenship. • Family-community integration projects. <p>MDG 4⁵⁸: Reduce child mortality</p> <ul style="list-style-type: none"> • Support to basic sanitation and drinking water supply programs. • Educational programs, in deprived communities, about personal and sanitary hygiene, breast feeding and child nutrition. • Immunization. • Early diagnosis and assistance to sick children and their families. • Food and nutrition security programs aimed at families. • Enhancement of prenatal care and follow-up. • Promotion of breast feeding. • Diffusion of information about newborn care. • Encouragement to the action of mães sociais (social mothers) and padrinhos sociais (social godparents or sponsors). <p>MDG 8⁵⁹: Develop a global partnership for development</p> <ul style="list-style-type: none"> • Training and capacity-building programs to young professionals aimed at their inclusion in the labor market. • Employment opportunities for young people in small and medium-sized companies.
<p>Program to Eradicate Child Labor (Programa de Erradicação do Trabalho Infantil – Peti)⁶⁰</p>	<p>The Program to Eradicate Child Labor (Peti) integrates a set of actions aimed at removing children and adolescents up to 16 years of age from child labor, except for those in apprentice programs from 14 years of age. Despite its focus on the removal of children from child labor, Peti is centered around the family and converges with other governmental programs.</p>

⁵⁷ http://www.odmbrasil.org.br/sobre_odm2

⁵⁸ http://www.odmbrasil.org.br/sobre_odm4

⁵⁹ http://www.odmbrasil.org.br/sobre_odm8

⁶⁰ http://www.mte.gov.br/delegacias/sp/sp_prog_peti.asp

Pathways and Reflections

The commitment to eradicating child labor and countering sexual exploitation shall be extended to the company's entire value chain. By coupling its influence on suppliers with the use of sensitization campaigns, the company will take a step forward by making its suppliers co-responsible for the assessment and inspection of potential cases throughout the chain and by having a contractual provision replicated by the entire supply chain. In this way, if a chain link is caught with child labor or involved in sexual exploitation, the entire supply chain will be committed to terminating contracts.

Therefore, besides preventing the hiring of child labor and forbidding any connection with sexual exploitation by a direct supplier, the supplier will become truly interested in inspecting outsourced services and production.

However, more than proposing pathways to prevention of children, adolescents and the youth rights abuse, a new vision for the future is required. The National Youth Plan lists a set of priority actions:

1. Eradicating youth illiteracy in the next five years, aligning the country with the United Nations Literacy Decade (2003-2012);
2. Ensuring public and free universal high school, with an increasing offer of vacancies and opportunities in supplementary vocational education;
3. Offering scholarships and funding alternatives for young people in financial difficulties to enter, pay for and remain in a higher education institution;
4. Encouraging youth entrepreneurship;
5. Enhancing the coverage of first employment programs;
6. Promoting health-related preventive activities;
7. Creating leisure areas and encouraging participation in sports activities;
8. Encouraging cultural projects developed by young people;
9. Ensuring digital inclusion, providing schools and universities with computers, courses and Internet access.

In addition to the National Youth Plan, companies can share programs, actions, achievements and challenges regarding their apprenticeship programs, and set the target of hiring 100% of apprentices that complete their apprenticeship, thus ensuring their insertion in the labor market.

**Relevant websites and information for the promotion
of children and adolescents' rights:**

- Agência de Notícias dos Direitos da Infância – Andi (News Agency for Children’s Rights): <http://www.andi.org.br>
- “For a Childhood Free from Racism” Campaign, by Unicef: http://www.unicef.org/brazil/pt/media_19299.htm
- National Council on the Rights of the Child and Adolescent (Conanda): <http://www.direitosdacrianca.org.br/>
- Disque-Denúncia (wrongdoing reporting hotline): 100
- Educação, Comunicação e Arte na Defesa dos Direitos da Criança e Adolescente – Ecoar (Supporting Children’s Rights through Education, Arts and Media): <http://www.promenino.org.br/Ferramentas/Conteudo/tabid/77/ConteudoId/07c8dcdf-d6c0-4543-bac8-3709c5387303/Default.aspx>
- Campaign against sexual exploitation of children and adolescents: <http://www.empresascontraexploracao.com.br/>
- United Nations Children’s Fund (Unicef): <http://www.unicef.org.br/>
- Pró-Criança Institute, to counter child labor in the city of Franca (State of São Paulo): <http://www.institutoprocrianca.com.br>
- Worst Forms of Child Labor List (TIP List): http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2008/Decreto/D6481.htm
- Na Mão Certa (On the Right Track) Program, to fight sexual exploitation of children and adolescents on brazilian roads: <http://www.namaocerta.org.br/>
- International Programme on the Elimination of Child Labour (IPEC) – good practices: <http://www.fnpeti.org.br/boas-praticas/ipec.pdf/view>

Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work

This matrix was inspired in the frame of measures and actions proposed by John Ruggie, Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, and it takes one step forward by further detailing the actions and proposing a management tool as a business performance assessment method, both for mapping main human rights violation-related risks and for promoting the commitments set out in the National Decent Work Agenda¹.

The research and consultations carried out by John Ruggie resulted in three core principles regarding corporate responsibility for human rights, which are described in his 2008 report²:

- **Protect** – The State duty to **protect** against human rights abuses by third parties, including business.
- **Respect** – The corporate responsibility to **respect** human rights.
- **Remedy** – The need for more effective access to **remedies**.

This matrix addresses the aspect **Respect**, which in the report results in a frame of measures and actions that correspond to the specific responsibilities of companies and are related to all rights that may be violated by their operations. It also addresses grievance mechanisms that should be made available and used as a means to remedy, as described later in this publication.

The content presented below was developed based on the publication *How to Do Business with Respect for Human Right: a Guidance Tool for Companies*, a guide developed by the Global Compact Network in the Netherlands, the planning and management tool Ethos Indicators on Corporate Social Responsibility and the ISO 26000 standard, by the International Organization for Standardization.

The objective of this matrix is to serve as a tool to help companies in their management assessment and planning regarding respect to human rights, mainly in respect to the five commitments addressed in this matrix, as follows:

- Promotion of gender equality in the workplace;
- Promotion of racial equality in the workplace;
- Inclusion of people with disabilities;

¹ <http://www.oit.org.br/node/298>

² <http://www.reports-and-materials.org/Ruggie-report-7-Apr-2008.pdf>

- Eradication of forced labor in value chains;
- Support for the promotion of the rights of children, adolescents and the youth.

Matrix Framework/Tool

The framework of the Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work is organized in:

- ❶ Measures
- ❷ Actions
- ❸ Commitments/Key themes
- ❹ Yes/No Answers
- ❺ Stages

MEASURES AND RELATED EXPECTED ACTIONS (summary version)					
	Gender	Race	Forced labor	People with disabilities	Children adolescents and youth
<i>Policies</i>					
P1. Engaging and obtaining authorization from the top management					
P2. Engaging internal and external stakeholders in the process					
P3. Previously identifying risks					
P4. Identifying and assessing existing commitments and policies					
P5. Developing policy statements					
<i>Impact/Risk Assessment</i>					
A1. Understanding direct and indirect, positive and negative impacts					
A2. Sorting out and defining the different impact assessment processes					
A3. Drawing a risk map					
A4. Engaging the company's risk management area					
A5. Identifying risks					
A6. Prioritizing actions to mitigate risks					
A7. Feeding assessment results into the business operation					
<i>Integration</i>					
I1. Delegating					
I2. Getting leaders to commit themselves from the top down					

Set of measures³

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**
- **Grievance Mechanisms**

Each measure is comprised of actions that represent the company's specific responsibilities, as shown below.

Actions

The expected actions are a summary and are shown in the *Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work*.

POLICIES

P1 Engaging and obtaining authorization from the top management.

P2 Engaging internal and external stakeholders in the process.

P3 Previously identifying risks .

P4 Identifying and assessing existing commitments and policies.

P5 Developing policy statements.

IMPACT/RISK ASSESSMENT

A1 Understanding direct and indirect, positive and negative impacts.

A2 Sorting out and defining the different impact assessment processes.

A3 Drawing a risk map.

A4 Engaging the company's risk management area.

A5 Identifying risks.

A6 Prioritizing actions to mitigate risks .

A7 Feeding assessment results into the business operation.

INTEGRATION

I1 Delegating.

I2 Getting leaders to commit themselves from the top down.

I3 Including human rights in recruiting and hiring processes.

I4 Embedding human rights in the company's culture.

I5 Training managers and employees.

I6 Developing incentives and disincentives.

I7 Developing the ability to respond to dilemmas and unexpected circumstances.

³ Proposals in John Ruggie's 2008 Report
<http://www.reports-and-materials.org/Ruggie-report-7-Apr-2008.pdf>

MONITORING MEASURES

M1 Considering the different types of indicators.

M2 Developing key performance indicators.

M3 Starting monitoring and developing performance reports.

M4 Monitoring the performance of suppliers and other stakeholders.

M5 Checking performance with different tools.

M6 Publicizing the performance report.

M7 Monitoring and improving the organization's performance.

GRIEVANCE MECHANISMS

R1 Collecting as much information as possible from grievance mechanisms.

R2 Drawing comparisons between different grievance mechanisms.

R3 Adopting grievance mechanisms consistent with Ruggie's principles.

R4 Considering how to contribute to external stakeholders' mechanisms.

R5 Integrating grievance mechanisms into stakeholder management.

R6 Improving grievance mechanisms' performance.

Expected Actions in Detail

The actions proposed above will be presented in detail based on the Ethos Indicators, the Global Compact and the ISO 26000, in a correlation effort to enable companies to deepen and apply Ruggie's set of measures. The detailed expected actions should be used when filling out the matrix, which will provide a company's diagnosis regarding human rights and will enable the development of a gradual plan for advances in the company's management around this theme.

Policies

Companies should adopt a policy and instruments aimed at human rights that are related to their business. Next, the policy should be unfolded into guidelines and more detailed instruments down to functional levels showing how to be implemented and put into practice.

P1. Engaging and obtaining authorization from the top management:

- Including respect for human rights as a formal criterion in its investment or acquisition decisions;
- Incorporating human rights criteria in the business definition and management and in established practices to listen, assess and consider concerns, criticisms and suggestions from different stakeholders, providing for their representation in matters that affect them; and
- Carrying out its operations in accordance with the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the ILO

Conventions, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the Global Compact principles and the support for the Millennium Development Goals (MDG).

Note: For each theme, specific legal frameworks should be identified, such as the National Plan for the Elimination of Slavery, the UN Convention on the Rights of Persons with Disabilities and the National Plan for the Promotion of Racial Equality (Planapir), among others.

P2. Engaging internal and external stakeholders in the process of development, validation and/or review of the organization's main formal documents (code of conduct, values statement, ethical commitments translated into policies or procedures) to:

- Get to know specific dilemmas through periodic mapping;
- Establish mechanisms of dialogue with stakeholders and stakeholder engagement to mitigate social and environmental impacts caused by its activities; and
- Besides prioritizing the constant dialogue with stakeholders and stakeholder engagement, develop information and knowledge management strategy to “internalize the negative social and environmental externalities” caused by its activities, and use it as a basis to redefine policies and processes of management or production, commercialization and involvement with the society.

Note: Main results of consultations already made and reports on grievances and proceedings (such as the “Blacklist”, in the case of forced labor), can also help in the development of a set of policies and instruments focused on the support for and promotion of human rights.

P3. Previously identifying risks of the organization becoming involved, directly or indirectly, with human rights violation, mainly in situations such as:

- Political and civil rights at risk in the country;
- Complicity in purchase contracts;
- Events within its sphere of influence;
- Events within complex value chains that involve work performed on an informal basis without legal protection.

As well as regarding:

- Commitments established in **P1**;
- Political and civil rights;
- Fundamental rights at work;
- Employment and employment relationships;
- Conditions of work and social protection;
- Social dialogue;
- Health and safety at work;
- Human development and training in the workplace; and
- Promotion of social responsibility in the sphere of influence.

P4. Identifying and assessing existing commitments and policies regarding respect for human rights, mainly around the most critical themes for the company and the five

commitments described herein, by analyzing if:

- Respect for human rights is included in the organization's code of conduct and/or values statement;
- Formal processes fully comply with the law;
- The company also demands that its suppliers and customers (in case of contractual relationship) comply with the law;
- The company expressly prohibits human rights violations through a specific provision on human rights violation in its contracts with suppliers, and uses it as a criterion in the selection or acceptance of customers;
- The company develops specific procedures to periodically check compliance with the law;
- The company has formal mechanisms enabling its values and principles to be transferred to the value chain, such as good working conditions, absence of child and forced labor, environment protection, gender and racial equality, inclusion of people with disabilities, transparency, participation and accountability;
- One of the dimensions of the business communication policy is based on the premise of not using stereotypes;
- Provides outsourced workers and those workers who regularly render services and issue an invoice with the same benefits offered to its formally employed workers; and
- The company publicly discloses to all its stakeholders a clear stance against any type of human rights violation.

Note: For each commitment, it is possible to identify aspects in the Ethos CSR Indicators to deepen the assessment

P5. Developing policy statements on human rights with procedures and instruments for the promotion of rights related to the main risks mapped and the five commitments, based on the analysis carried out in **P4**. Developing policy that includes clear, formal mechanisms and channels for accusations, direction, analysis and finding of facts involving potential cases of rights violation.

Policies and guidelines should make sense for those inside and directly related to the organization. Defining the levels they belong to:

- Highest reference: reference to human rights in the mission statement, values statement or any document about the business principles.
- Policy statement: human rights-specific policy, referring to human rights in the policy or sustainability statement or working on the theme in the code of conduct.
- Functional Instructions: detailed guidelines in which the commitments made should be clear in order to be followed even by the working staff.

Policies will be more meaningful and effective if they include human rights-specific areas that can be affected by the company's operations (one of the concern areas of IT companies is, for instance, the right to privacy). Therefore, it is fundamental to incorporate the items identified in **P3**.

Some references for policy development:

- Business & Human Rights Resource Centre: Company Policy Statements on Human Rights: <http://www.business-humanrights.org/Documents/Policies>;
- Global Compact: Guide on How to Develop a Human Rights Policy: www.unglobalcompact.org/Issues/human_rights/Tools_and_Guidance_Materials.html;
- Business Pacts (can replace the company's policy in a specific topic): <http://www1.ethos.org.br/EthosWeb/pt/396/participe/pactos/pactos.aspx>.

Impact/Risk Assessment

Many human rights violations occur because companies do not previously assess potential impacts of their activities. Companies should adopt intensive measures to understand how their current and future activities can negatively influence human rights. The impact assessment scale depends to a great extent on the sector, region and context of the country where it operates. From the information gathered, the company should refine its plans to coherently respond to the negative effects on human rights so as to avoid violations.

There is a great difference between assessing the past to plan corrective actions and using mechanisms to understand the present and future to plan preventive actions. The assessment also allows identifying how the company's formal practices and processes influence and impact positively.

A1. Understanding direct and indirect, positive and negative impacts, caused by the operations and their potential consequences on human rights. Actions are proactive and develop further. Some examples of risk assessment actions:

- Periodical internal census to evaluate needs, critical situations or areas. Such information is used in the planning of affirmative actions, to reinforce awareness-raising campaigns and in the adoption of positive measures to promote protection of rights (redressing discrimination or the legacy of past discrimination, wherever practicable);
- Formal mechanisms to enable the company's values and principles regarding respect for human rights to be transferred to the value chain (such as commitment to decent work, valuing diversity and gender and racial equality, transparency, participation and accountability);
- Knowledge of the source of raw materials, inputs and products used in its production or daily operations, being sure that the human rights are respected in such sources;
- Periodical monitoring of compliance with the laws and inclusion of a specific provision on forced labor prohibition in its contracts with suppliers, using it as criteria in the selection or acceptance of customers;
- Awareness-raising campaigns, openly rejecting human rights violation;
- Dialogue with other companies about proposals, practices and integration of business programs aimed at promoting human rights and countering violations.

A2. Sorting out and defining the different impact assessment processes, which can be derived from:

- Legislation (general, sector-specific, human rights' support and promotion or to counter violations);
- Certifiable or non-certifiable self-regulations (idem); and
- Management practices (existing or expected by the market or sector), such as:
Carrying out periodical surveys, verifications, and reports on its production chain, performing in loco inspections and requiring evidence that there is no child or forced labor;
Partnering to educate and qualify people with disabilities for the labor market;
Providing decent conditions of work with regard to wages, hours of work, weekly rest, holidays, health and safety, maternity protection and ability to combine work with family responsibilities, equality and access; providing equal pay for work of equal value.

When assessing impacts, it is important to take into account:

- The involvement of representatives of stakeholders and civil society organizations;
- The organization's sphere of influence;
- Transparency regarding liability.

A3. Drawing a risk map of the organization's potential for becoming implicated, directly or indirectly, in human rights violation, mainly in the following situations:

- Political and civil rights at risk in the country;
- Complicity in purchase contracts;
- Events within its sphere of influence;
- Events within complex value chains that involve work performed on an informal basis without legal protection.

As well as regarding:

- Political and civil rights;
- Fundamental rights at work;
- Employment and employment relationships;
- Conditions of work and social protection;
- Social dialogue;
- Health and safety at work;
- Human development and training in the workplace; and
- Promotion of social responsibility in the sphere of influence.

Note: *The map must identify the company's main risks of involvement in human rights violation within its operations, along its value chain, as well as the specific risks to each theme analyzed in order to avoid a broad generalization.*

A4. Engaging the company's risk management area in the analysis and assessment of how the mapped risks will be managed, also analyzing potential impacts on the business:

- Stakeholders' boycotts, pressure or protests;
- Shareholders' pressure or protests;
- Lawsuits or investigations by committees connected to the theme;
- Legal impacts, such as loss of social license to operate; and
- Impacts on financing or credit.

A5. Identifying risks risks to human rights, from the perspective of the society and the company's operations:

- In situations of conflict or extreme political instability, failure of the democratic or judicial system, absence of political or civil rights;
- In the provision of goods or services to an entity;
- In the production of purchased goods and services;
- In the accessibility of products and services;
- In the accessibility to the workplace;
- In the context of a formal partnership;
- In its own operations and in the operations of other parties within its sphere of influence to determine whether direct or indirect discrimination or human rights violation is present;
- In the use of text, audio or images that perpetuate stereotyping in regard to negative discrimination;
- In working conditions, freedom of association and collective bargaining.

Note: The company should also refer to research and studies on the sector, country and region where it operates⁴ and consolidate them with data from internal reports, follow-up systems and grievance mechanisms. Consultation with stakeholders and those whose rights might be violated can also provide warning signals regarding potential future violations.

A6. Prioritizing actions to mitigate identified risks (**A5**), according to the assessment of impacts created by the operations (**A1**). Some aspects to consider when prioritizing:

- Country or region particularities;
- Sector particularities;
- Risk materiality for stakeholders;
- Direct link with the business.

From this in-depth analysis, the risk map will have identified, assessed, prioritized and planned the mitigation of potential risks to stakeholders' integrity regarding the key themes mapped and also closed linked with the commitments addressed in this matrix.

A7. Feeding assessment results into the business operation to make the necessary adjustments in priorities and in the approach used to face the challenges. It is fundamental to review the results of the assessment of mitigation plans prioritized based on **A1** and **A5**.

⁴ Examples of this type of study are Conexões Sustentáveis: São Paulo–Amazônia (Sustainable Connections: São Paulo-Amazon) (http://www.reporterbrasil.org.br/documentos/conexoes_sustentaveis.pdf) and O Aço da Devastação (The Steel of Devastation) (http://www.observatoriosocial.org.br/portal/sites/default/files/biblioteca/o_aco_da_devastacao.pdf).

Some references for impact and risk assessment:

- Critérios Essenciais de Responsabilidade Social Empresarial e Seus Mecanismos de Indução no Brasil (Essential CSR Criteria and their Induction Mechanisms in Brazil) – Seeks to consolidate, criterion by criterion, several mechanisms that can be used as reference to assess human rights-related risks: http://www.ethos.org.br/_Uniethos/Documents/criterios_essenciais_web.pdf
- Fair Labor Self Assessment Tools: <http://ap.fairlabor.org/en>
- Global Reporting Initiative (GRI) – Materiality process set out in the Sustainability Reporting Guidelines: http://www.globalreporting.org/NR/rdonlyres/812DB764-D217-4CE8-B4DE-15F790EE2BF3/0/G3_GuidelinesPTG.pdf
- Guide to Corporate Human Rights Impact Assessment Tools: http://www.aimforhumanrights.org/fileadmin/user_upload/pdf/HRB_Guide_to_corporate_HRIA_2009-def.pdf
- Guide to Human Rights Impact Assessment and Management: www.guidetohria.org
- Human Right Impact Resource Centre: <http://www.humanrightsimpact.org/>
- ISO 26000 – Chapter “Guidance on social responsibility core subjects” section Related actions and expectations: http://www.iso.org/iso/iso_catalogue/management_standards/social_responsibility.htm
- Business Pacts – According to the theme addressed, related risks are already foreseen: <http://www1.ethos.org.br/EthosWeb/pt/396/participe/pactos/pactos.aspx>
- The Arc of Human Rights Priorities e Human Rights Compliance Assessment: <http://humanrightsbusiness.org/?f=publications>
- The Human Rights Matrix: <http://www.humanrights-matrix.net/>

Integration

One of the biggest challenges companies face is integrating the human rights policy into all the organization’s processes. Human rights-related actions and practices are usually carried out in an isolated manner and this lack of integration may lead to inconsistencies and contradictions. The company should pay special attention to the integration with the legal department, which may, many times, take decisions and measures opposed to human rights, taking into account only the company’s short-term interests.

There are three key aspects to consider regarding this measure: top management’s commitment and engagement; employees’ capacity-building to ensure consistency between discourse and everyday practice, and ability to respond adequately to unexpected situations.

11. Delegating responsibility for human rights to the professional or area that will follow actions and manage programs related to stakeholders and focused on the relevant theme. Responsibility should be delegated to those in charge of managing the issue on a daily basis. For example: human resources should be in charge of following the apprentices' development, promoting coaching or mentoring specifically for women, afro-descendants and people with disabilities, whereas purchasing should be in charge of defining and applying socioenvironmental criteria in processes with suppliers.

12. Getting leaders to commit themselves from the top down, engaging all levels, openly rejecting all forms of human rights violation, such as child labor, sexual exploitation of children and adolescents, forced labor and discrimination in respect of people with disabilities, afro-descendants and women. The senior executive in charge should play a leadership role in supporting and promoting human rights and in fighting discrimination and degrading working conditions as part of a broader values program of the organization; this should be done in his/her discourses, messages to the top management, corporate communications, visits to the company's units and personal conversations. A culture driven by respect to human rights is translated into formal policies and an incentive system aimed at middle management and working staff who, coupled with training and communication, are key in this process.

13. Including human rights in recruiting and hiring processes (which should include outsourced workers and those workers who regularly render services and issue an invoice) when asking about how to reconcile in their duties the relation and respect for workers' and stakeholders' rights with other business or sector demands and how to deal with a specific ethical dilemma (look for past events related to the theme), among other situations that allow assessing the person or company hired in this perspective.

The organization takes one step forward by including in its processes tools for managing:

- People: requirements to monitor its staff diversity and potential inequalities in the disadvantaged segments, improve the qualification of and promote people with disabilities, have hiring, training and internal mobility (both horizontal and vertical) goals aimed at people with disabilities in all hierarchical levels and in all areas, among other situations applicable to each group; and
- Suppliers: formal mechanisms enabling its values and principles to be transferred to the value chain, such as good working conditions, absence of child and forced labor, environment protection, gender and racial equality, inclusion of people with disabilities, transparency, participation and accountability

14. Embedding human rights in the company's culture, continuously coordinating multiple actions, such as:

- Working both internally and externally on the promotion of the eradication of forced labor, the elimination of child labor and sexual exploitation of children and adolescents, on countering discrimination against people with disabilities and promoting gender and racial equality in the company's strategic communication policy;
- Special training program focusing on respect for human rights, in their different forms, related to the scope of the company's business and pervading its management processes;

- Projects for the development of employees' children (including children of outsourced employees and those workers who regularly render services and issue an invoice) encouraging their technical and psychosocial competencies (citizenship, sports, arts, etc.);
- Internal campaigns to improve the workers' understanding of the importance of valuing people with disabilities and the benefits of an environment with high diversity ;
- Internal awareness-raising campaigns (seminars, forums or specific meetings) to improve the understanding of vulnerable groups about their rights (employees, outsourced employees and those workers who regularly render services and issue an invoice, suppliers' employees and customers, and people from the community affected by the company);

Actions should diffuse and bring to life the company's policies, procedures, programs, challenges and dilemmas regarding respect for and promotion of human rights.

15. Training managers and employees to work on everyday values, principles and dilemmas related to respect for human rights, especially regarding the company's key themes and the commitments addressed in this document.

Somehow, general trainings should address existing policies, procedures, programs and affirmative actions, as well as specifically work on the dissemination of the organization's rights and duties. Trainings are focused on internal stakeholders – employees, outsourced workers and those workers who regularly render services and issue an invoice – and external – suppliers and customers –, for many of them also have their own dilemmas. Specific training should be developed for the areas that relate directly with the supply chain and customers.

Managers play the role of ensuring daily respect to values, dealing with their teams' or area's dilemmas and identifying gaps in processes under their responsibility that could lead to human rights violation.

16. Developing incentives and disincentives through individual and collective targets and competencies assessment as a means to ensure the application of affirmative policies. The final objective is securing the human rights of employees (including outsourced workers and those workers who regularly render services and issue an invoice) and of value chain workers, of people and communities within the company's sphere of influence, of children, adolescents and the youth, ensuring equal opportunities for growth to people with disabilities, afro-descendants, women and outsourced workers and those workers who regularly render services and issue an invoice.

17. Developing the ability to respond to dilemmas and unexpected circumstances and provide effective answers to unexpected situations. One option is the creation of a group (committee, commission or council), recognized internally and externally, that can jointly:

- Interpret and apply the organization's principles;
- Identify corporate values-related risks;
- Review procedures and make recommendations to strengthen them;
- Analyze, discuss and address dilemmas such as what to do in the following situations: Incidents of forced labor or child labor within its sphere of influence;

Discrimination case against a person with disability, whether an employee or someone belonging to the company's sphere of influence, such as a customer or community member;
Gender or racial discrimination;
Leakage of pollutant or material harmful to the environment or human health.

Nota: *The process of filling out the matrix may become an important step for the "Integration" measure, as shown in detail in item "Filling out the matrix/tool" (pg. 99).*

Some references for impact and risk assessment:

- Global Compact Human Rights and Business Dilemmas Forum:
<http://human-rights.unglobalcompact.org/>
- ISO 26000, chapter "Guidance on integrating social responsibility throughout an organization": http://www.iso.org/iso/iso_catalogue/management_standards/social_responsibility.htm
- A Guide for Integrating Human Rights into Business Management:
www.integrating-humanrights.org e www.ohchr.org/Documents/Publications/GuideHRBusinessen.pdf

Monitoring measures

Inspection and control procedures enable companies to monitor the evolution of events. The measures adopted may vary from company to company, and even internally between departments. What matters is being aware of the effects of activities on human rights and performance. Monitoring generates the necessary information to create the appropriate incentives and disincentives and ensure the continuous improvement of processes and practices. Confidential wrongdoing reporting channels are key tools, as shown in the following item, because they open an additional door to new information.

M1. Considering the different types of indicators, including the development and monitoring of:

- Process indicators. Related to programs and actions carried out, allow computing the results of the stages of programs (such as, percentage of suppliers that have a specific provision in their contracts, of apprentices hired after the end of the apprenticeship, of people with disabilities participating in selection processes, of women and afro-descendants participating in development and coaching programs);

- Resources, incidents and results indicators. Companies usually are reluctant to report such data. One option would be dealing with them as a case study to promote internal learning. Examples: in reported incidents of use of forced or child labor, what happened to suppliers and in which situations there was a termination of contract, etc.; regarding reported incidents of negative discrimination on the basis of disability, violence and harassment, how many were reported through the company's official channels, how many turned into lawsuits and what lessons were learned);
- Impact indicators. They are used to measure advances in securing human rights in the company's operations and in its sphere of influence.

Note: *Data of the indicators should always be disclosed and reviewed in the most disaggregated way. For instance, data about gender diversity in top management positions should be reviewed together with racial discrimination data.*

M2. Developing key performance indicators that allow monitoring advances in the company's commitment to human rights. There are several management tools already adopted by companies that propose performance indicators, such as the Ethos Indicators on Corporate Social Responsibility and the GRI Sustainability Reporting Guidelines. Therefore, the indicators below are only some examples of what could be adopted in the following domains:

- Inside the company. Verifying the total number of apprentices in the company and the percentage of apprentices hired after the end of the apprenticeship; setting hiring, training and internal mobility (both horizontal and vertical) goals aimed at people with disabilities in all hierarchical levels and in all areas; disaggregating data for people with disabilities, afro-descendants and women and monitoring their percentages in relation to the total headcount and to those in the board of directors (or similar structure), in management positions, in coordination and leadership positions; total and disaggregated rate of employee turnover; total and disaggregated average monthly salary; total number of times the company was filed for discrimination, sexual and moral abuse and disaggregated percentage;
- Value chain and within the company's sphere of influence. Verifying the percentage of suppliers and customers (grand total and monitored total) who: have a specific provision on forced and child labor prohibition in their contracts; participate in programs to work on corporate social responsibility themes; receive inspection visits, have assessment reports and send evidence related to the criteria required; disseminate concepts of and monitor the practice of corporate social responsibility in their own value chain; have specific program to hire apprentices; had contracts terminated due to provisions mentioned above; were filed for use of child and forced labor, for not complying with the Quotas Act or for sexual exploitation of children and adolescents; are listed in the Blacklist; have a compliance commitment signed; were onvicted in labor lawsuits for denying the right to health, safety, freedom of association, working hours, weekly rest, overtime or vacation compensation, as well as the payment of wages and benefits owed (FGTS, INSS); were convicted in labor lawsuits for moral harassment, intimidation or physical abuse; were filed or caught for having irregular foreign workers.

M3. Starting monitoring and developing performance reports com metas, indicadores quantitativos e qualitativos, no mínimo contemplando os indicadores relacionados em **M2**. Analisar a necessidade da criação de indicadores temporários que ajudem a monitorar ações de sensibilização, mobilização e adequação aos novos processos e políticas.

Note: In some situations, it may be useful to use as a source audit reports, grievance mechanisms reports, employees surveys and reports made by international organisms, governmental agencies or organizations that work on human rights.

M4. Monitoring the performance of suppliers and other stakeholders, including outsourced workers and those workers who regularly render services and issue an invoice, identifying, besides the indicators listed in **M2**, forms of engagement and dialogue.

Extending through the value chain the other actions for the promotion of corporate social responsibility developed internally. It is important to combine supplier and customer monitoring with the purchasing area's policies and indicators. For instance, if purchasing identified as a risk that the pressure for tighter deadlines may lead the supplier to excessive overtime or to outsource the service, at the risk of involving precarious labor, there is no sense in sticking to this practice.

Note: Specifically regarding forced labor, refer to the Ministry of Labor and Employment's Blacklist.

M5. Checking performance with different tools, both internally and externally. One way of benchmarking the organization's performance is carrying out a periodic internal census to assess needs, situations or critical areas regarding racial and gender equality, inclusion of people with disabilities, promotion of rights of children, adolescents and the youth, and the apprentices' situation. Process and incident indicators must be crossed to assess the effectiveness of adopted programs, policies and mechanisms.

The Ethos Institute, besides proposing an internal census model, through the guide *Diversidade e Equidade – Metodologia para Censo Interno nas Empresas*⁵ (Diversity and Equity: Methodology for Business Census), periodically carries out the survey *Perfil Social, Racial e de Gênero das 500 Maiores Empresas do Brasil e Suas Ações Afirmativas*⁶ (Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions).

M6. Publicizing the performance report, including:

- Linking the risk map to related actions and indicators;
- Developing the sustainability report taking into account the main impacts and

⁵ http://www.ethos.org.br/_Uniethos/Documents/Divers_Equidade_web.pdf

⁶ http://www1.ethos.org.br/EthosWeb/arquivo/0-A-eb4Perfil_2010.pdf

risks, including unfavorable results and related challenges, with goals for the next reporting period;

- Using this matrix as a way to report existing actions, as well as make reference to respective action plans for situations of low performance.

M7. Monitoring and improving the organization's performance in the promotion of human rights, with the purpose of updating potential and actual risks. The result of the analysis may lead the organization to review or update its policies, procedures, impact and risk assessments, integration measures and monitoring and grievance mechanisms.

Some references for monitoring measures:

- CSR/Sustainability reports: www.ethicalperformance.com/reports/viewreports.php
- Dow Jones Sustainability Indexes: www.sustainability-index.com
- FTSE4Good Inclusion Criteria (Including Human Rights) - www.ftse.com/Indices/FTSE4Good_Index_Series
- Global Compact Communication on Progress: www.unglobalcompact.org/COP/index.html
- Global Reporting Initiative – A Resource Guide to Corporate Human Rights Reporting: http://www.globalreporting.org/NR/rdonlyres/4C5DB4C6-5084-4A84-BE51-0D134B3B5A2E/3583/HR_ReportFINAL_Resource_Guide.pdf
- Ethos Indicators on Corporate Social Responsibility: http://www.ethos.org.br/docs/conceitos_praticas/indicadores/default.asp
- BM&F Bovespa Corporate Sustainability Index (ISE),: www.bmfbovespa.com.br/indices/ResumoIndice.aspx?Indice=ISE&idioma=pt-br
- Monitoring of the National Pact for the Elimination of Slavery: <http://www.os.org.br/pacto/>

Grievance mechanisms

The company should make available grievance mechanisms not only for employees and customers but also to all stakeholders who are or may become affected by its activities. Mechanisms should be appropriate and accessible to different stakeholders (communities impacted by the company's operations should be provided with a grievance mechanism that takes into account their specific characteristics and difficulties to access technological means, for instance).

R1. Collecting as much information as possible from grievance mechanisms implemented to monitor the guarantee of stakeholders' human rights, paying special attention to

the stakeholder most impacted by the company's business (according to the impact/ risk assessment) and considering the five commitments listed in this matrix. Analyses along the period allow identifying systemic problems. In addition, wrongdoing reporting mechanisms in place and managed by civil society organizations and government agencies should be monitored.

R2. Drawing comparisons between different grievance mechanisms as a way to:

- Provide for more specialized assistance, according to the theme: human resources issues, general grievances about the working environment, ethical and human rights issues (such as harassment, discrimination etc.), among others;
- Make sure that mechanisms assist different stakeholder groups who may have their human rights violated;
- Ensure stakeholders' access to mechanisms. When problems arise and it is not possible to ensure the access of certain victims of human rights violations, the company should communicate with reliable representatives and organizations that work for the defense of their rights. The lack of access of children, adolescents and workers who are victims of forced labor is a clear example of grievance mechanisms' limitations;
- Have mechanisms that foster cumulative learning over time. In case it is necessary to prioritize a stakeholder group to be assisted first, use the risk map as reference. According to the publication *How to Do Business with Respect for Human Right: a Guidance Tool for Companies*, we can say there are six types of grievance processes, and they are applied according to the type of grievance:

Direct negotiation;
Facilitation;
Conciliation;
Mediation;
Investigation; and
Arbitration.

R3. Adopting grievance mechanisms consistent with Ruggie's principles. According to these principles, each grievance mechanism should be:

- **Legitimate** – with a clear, transparent and sufficiently independent governance;
- **Accessible** – it is necessary to think about the language and tone to be adopted, the means of access (telephone, Internet, suggestion box, face-to-face, etc.), anonymity needs or not, etc.;
- **Predictable** – with clearly defined procedures, time frame for each stage of assistance and means of monitoring;
- **Equitable** – ensuring a fair and equitable grievance process;
- **Human rights-compatible** – outcomes and remedies should accord with internationally recognized standards and treaties;
- **Transparent** – both along the grievance processes and when receiving and solving grievances;
- **Based on dialogue, engagement and mediation.**

Note: Little used mechanisms may indicate lack of knowledge of or trust in their effectiveness.

R4. Considering how to contribute to external stakeholders' mechanisms from different methods that can be used:

- Making existing internal mechanisms available to non-employees (first prioritizing outsourced workers and those workers who regularly render services and issue an invoice, and then suppliers' and customers' employees);
- Considering international mechanisms (such as those linked to any standard that has a wrongdoing reporting or grievance channel);
- Carrying out multistakeholder engagement initiatives;
- Considering existing mechanisms within the sector or industry associations.

R5. Integrating grievance mechanisms into stakeholder management, taking into account that other actions and initiatives are also relevant sources of input on grievances. Consider as input:

- Criticism from groups or stakeholders of the nature of the company's processes, products or services;
- Results of the dialogue and engagement process with key stakeholders and the performance indicators for monitoring stakeholder relations;
- Opinions and feedback received in programs, sensitization / awareness-raising campaigns and capacity building aimed at the value chain.
- Creating mechanisms for communities related to high impact projects.

An organization's attitude is what opens the channel to grievances, regardless of the mechanism adopted (formal or informal). Organizations should apply methodologies of structured dialogue with stakeholders, such as the AA1000 or a similar standard.

R6. Improving grievance mechanisms' performance through key indicators, lessons learned, improved practices, and by identifying the necessary changes with a systems view. Promoting stakeholder dialogue and engagement in the assessment as a means to look from the perspective of those who have their rights affected. Analyzing whether the mechanisms work as a means to foresee, mitigate or eliminate the negative social externalities caused by the company. Having mechanisms audited by third parties.

Note: Success is measured not only by the solution of a grievance but also by preventing the problem from occurring again.

Some references for grievance mechanisms:

- Business and Society Exploring Solutions: www.Baseswiki.org
- International Finance Corporation's Performance Standards (para projetos com alto impacto): <http://www.ifc.org/ifcext/sustainability.nsf/Content/PerformanceStandards>
- John Sherman, Embedding a Rights Compatible Grievance Processes for External Stakeholders Within Business Culture: http://www.hks.harvard.edu/m-rcbg/CSRI/publications/report_36_sherman_grievance.pdf
- Mapping Grievance Mechanisms: http://www.hks.harvard.edu/m-rcbg/CSRI/publications/Report_28_Mapping.pdf
- Rights-Compatible Grievance Mechanisms: http://www.hks.harvard.edu/m-rcbg/CSRI/publications/Workingpaper_41_Rights-Compatible%20Grievance%20Mechanisms_May2008FNL.pdf

Notes for filling out the matrix

- As already said, the key themes to be focused on in the company's work regarding human rights should be obtained by the **impact/risk mapping**. **Grievance mechanisms** are also an important source of input for establishing the organization's key themes. The company can use the structure of this matrix for managing these key themes.
- When filling out the matrix for the first time, when the company may not have carried out the impact/risk mapping as proposed, the key themes should be those previously assessed by the risk or compliance management area.
- The matrix should be regarded as a management tool for the company to improve its respect to human rights promotion practices by considering its business and internal processes in a systemic and integrated manner, thus creating a process of continuous learning and improvement of business practices.
- The company should be careful to apply its human rights-related policies and practices not only in its individual operations, but also in joint ventures and consortia it participates in.

Commitments

- **Promotion of gender equality in the workplace;**
- **Promotion of racial equality in the workplace;**
- **Eradication of forced labor in value chains;**
- **Inclusion of people with disabilities;**
- **Support for the promotion of the rights of children, adolescents and the youth.**

The analysis and planning of actions should focus on the most critical issues for the company, which are addressed in the **impact/risk mapping** and in each one of these commitments. In this way, the company will be able to see the main dilemmas and challenges and identify

the stakeholders related to each issue, thus obtaining concrete tools to assess and plan actions for each theme addressed, and avoiding a generic and inefficient approach to human rights.

Note: In section “Expected Actions in Detail” (see page.), the word “commitment” is used as reference to the themes dealt with in this publication and mentioned above.

Stages

For this matrix to fulfill its function – both planning and assessment – four stages are proposed. The stage is defined by reviewing the answers given to the set of actions.

- **We have not thought of this issue before;**
- **Not implemented;**
- **Partially implemented;**
- **Fully implemented.**

The analysis to define the company’s stage against the set of measures starts by the Yes/ No answer to each expected action, as shown below:

Y (Yes): the expected action was performed by the company;

N (No): the expected action has not been performed by the company by the time of diagnosis.

Once the **commitment** to be assessed is defined, answer **Y – Yes** or **N – No** for each expected **ACTION** for the **measure** proposed by Ruggie.

MEASURES AND RELATED EXPECTED ACTIONS (summary version)	Gender	Race	Forced labor	People with disabilities	Children adolescents and the youth
<i>Policies</i>					
P1. Engaging and obtaining authorization from the top management	Y				
P2. Engaging internal and external stakeholders in the process	Y				
P3. Previously identifying risks	N				
P4. Identifying and assessing existing commitments and policies	Y				
P5. Developing policy statements	N				
<i>Impact/Risk Assessment</i>					
A1. Understanding direct and indirect, positive and negative impacts					

Matrix of Essential Measures

MEASURES AND RELATED EXPECTED ACTIONS (summary version)			Gender	Race
<i>Policies</i>			☉	
P1. Engaging and obtaining authorization from the top management	Action	Y		
P2. Engaging internal and external stakeholders in the process	Action	Y		
P3. Previously identifying risks	Action	N		
P4. Identifying and assessing existing commitments and policies	Action	Y		
P5. Developing policy statements	Action	N		
<i>Impact/Risk Assessment</i>				

The company should fall under only one stage (☉) when a commitment crosses a measure.

Stages	Yes/No Answers	Description	How to advance	Symbol
We have not thought of this issue before	All answers were "No"	The company had not thought of developing the expected actions.	According to expected actions described in the measure, prioritize actions and structure implementation plans with a timeline.	☊
Not implemented	Most answers were "No"	The company may have had several actions related to the measure for the commitment analyzed, but currently the company does not have any action implemented as expected.		○
Partially implemented	Most answers were "Yes"	The company already has formal practices and processes related to some expected actions.	According to the expected actions described in the measure, carry out a critical analysis of actions in place and structure an implementation plan of those not yet developed as a way to move towards the commitment.	☉
Fully implemented	All answers were "Yes"	The company has formal practices and processes related to all expected actions.	The company is ready to influence public policy in the human rights theme towards decent work. Its practices can be disseminated to the sector and region where it operates.	●

1. General coordinator. Appointing a general coordinator to be in charge of the diagnosis, planning and information consolidation process.

2. Coordinator. Since the commitments and key themes cover a wide range of themes, there may be different people in charge of them in the company, the best thing to do is appoint one coordinator per commitment and key theme. Depending on the company's key themes, there may be one or more people in charge of coordinating the process of filling out the matrix and the action planning, depending on the variety of themes and stakeholders involved. It is necessary to find the people who have, in their positions, responsibilities related to the commitment or key theme, therefore with easier access to related information and/or with knowledge about the company's formal practices and processes related to the pertinent theme.

3. Committee. The general coordinator, together with the theme coordinator, should identify areas and people to set up the committee that will make the diagnosis. The choice is very similar to the criteria required for the commitment coordinator. One additional factor to be considered is that the areas and people invited might be impacted by or impact on the main stakeholder related to the theme addressed.

4. Analysis. The committee set up for each theme will be in charge of a critical analysis of formal actions and processes related to it. The analysis focuses on each measure and related actions at a time. The committee should base its analysis on the text of the section "Expected Actions in Detail" and answer the Yes/No questions. During this stage, the first steps of the action planning should be taken to move ahead along the stages.

Note: If the company decides to set up a single committee to analyze all commitments, it should make the diagnosis of each commitment at a time. In this way, it will be easier to propose specific actions for the commitment, thus avoiding a comprehensive plan that does not address specificities related to the relevant stakeholder group.

5. Stage. The theme committee, by analyzing the set of actions, should decide on the stage reached when a commitment crosses a measure.

6. Assessment. Before finishing the planning, the ***Matrix of Essential Measures for the Promotion of Human Rights Towards Decent Work*** should be completed. The assessment should have the following views:

- *Horizontal* – View of the company's attitude towards the measure. It enables comparing with which themes the measure is more or less compliant. The chart below shows an example of analysis regarding the measure Policies:

Matrix of Essential Measures



Likely committee's assessment: too much focus on fulfilling commitments directly related to legal aspects (for instance, forced labor-related fines and compliance commitment (TAC) signed to meet the quota of hiring people with disabilities or apprentices).

- Vertical – View of the company's attitude towards the theme. It enables comparing with which themes the measure is more or less compliant. The chart below shows an example of analysis regarding the theme Gender Equality:



Likely committee's assessment: the commitment to Gender Equality somehow has formal practices that are very much likely integrated into other processes, but are not exclusive to the theme (for instance, encourages the use of wrongdoing reporting channel not only for gender, but also for moral or sexual harassment, and other forms of discrimination).

7. Planning. Reflections resulting from the assessments carried out in the different perspectives provide elements for defining priorities and for planning actions to be implemented, delegation, timelines and goals.

MEASURES AND RELATED EXPECTED ACTIONS (summary version)	Gender	Race	Forced labor	People with disabilities	Children adolescents and youth
<i>Policies</i>					
P1. Engaging and obtaining authorization from the top management					
P2. Engaging internal and external stakeholders in the process					
P3. Previously identifying risks					
P4. Identifying and assessing existing commitments and policies					
P5. Developing policy statements					
<i>Impact/Risk Assessment</i>					
A1. Understanding direct and indirect, positive and negative impacts					
A2. Sorting out and defining the different impact assessment processes					
A3. Drawing a risk map					
A4. Engaging the company's risk management area					
A5. Identifying risks					
A6. Prioritizing actions to mitigate risks					
A7. Feeding assessment results into the business operation					
<i>Integration</i>					
I1. Delegating					
I2. Getting leaders to commit themselves from the top down					
I3. Including human rights in recruiting and hiring processes					
I4. Embedding human rights in the company's culture					
I5. Training managers and employees					
I6. Developing incentives and disincentives					
I7. Developing the ability to respond to dilemmas and unexpected circumstances					
<i>Monitoring Measures</i>					
M1. Considering the different types of indicators					
M2. Developing key performance indicators					
M3. Starting monitoring and developing performance reports					
M4. Monitoring the performance of suppliers and other stakeholders					
M5. Checking performance with different tools					
M6. Publicizing the performance report					
M7. Monitoring and improving the organization's performance					
<i>Grievance mechanisms</i>					
R1. Collecting as much information as possible from grievance mechanisms					
R2. Drawing comparisons between different grievance mechanisms					
R3. Adopting grievance mechanisms consistent with Ruggie's principles					
R4. Considering how to contribute to external stakeholders' mechanisms					
R5. Integrating grievance mechanisms into stakeholder management					
R6. Improving grievance mechanisms' performance					

Inspiring Business Practices and Initiatives

ALCOA ALUMÍNIO

Hiring and career development of women

Goal: Encouraging the hiring and career development of women in the organization (Incentive Compensation). Following this guideline, the Mentoring and Emerging Leaders programs provide individualized learning, establishing a partnership with no direct hierarchical relationship between an experienced professional and a new talent, leading to development through the relationship.

Measures adopted:

- **Policies**
- **Impact/risk assessment**
- **Integration**

Alcoa Alumínio S.A. is the world's leading producer of primary aluminum, fabricated aluminum, and alumina facilities. It is present in 31 countries, totaling 59 thousand employees. It started operations in Brazil 45 years ago, where it currently has 5,526 employees and manufactures primary aluminum, alumina and chemical products, serving the aerospace, automotive, building and construction, consumer goods, electric-electronic sector, machinery and equipment, packaging, and commercial transportation markets.

Aiming to promote gender equality in the workplace, Alcoa Alumínio adopted the Incentive Compensation, an indicator that encourages the hiring and career development of women in the organization. This hiring guideline is a company's policy. The representation of women within Alcoa's workforce is part of a diversity metric representing 10% of the bonus paid to all eligible employees.

In order to minimize gender disparity in managerial positions, mainly top management, Alcoa adopted development programs for new talents: Mentoring and Emerging Leaders.

In place in Brazil since 2004, the Mentoring program is a key process for people development, knowledge management and retention of talents, in which a partnership is established between an experienced professional and a new talent, based on trust between two people with no hierarchical relationship. The mentees (talents being developed) choose their mentors (mature and guiding professionals) and, for one year, they participate in training sessions, lectures and online discussions.

Emerging Leaders is an individual learning and emerging leaders development program that provides development of key behavioral and leadership knowledge and skills for practical use in their current positions, and prepares them to future challenges in the company. It includes training given by external consultants and lectures given by the company's top management on several topics, such as business challenges, career, market, customers and innovation.

C&A

Monitoring the supply chain

Goal: C&A established an audit firm to assess suppliers and subcontractors to restrain all forms of irregular labor and seek continuous improvement in working conditions in the production chain.

Measures adopted:

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**
- **Grievance Mechanisms**

C&A was founded in The Netherlands in 1841, and was one of the first stores in the world to offer readymade clothes to consumers. Currently, it has 1,500 stores in Europe, Latin America and Asia. In Brazil, the first unit was opened in 1976. Leader in the fashion retail business in Brazil, it currently has more than 190 stores in over 80 Brazilian cities.

In 2006, C&A identified the need to move forward in its existing practices in Brazil regarding supply chain development and monitoring. The Chain set up the audit firm Service Organization for Compliance Audit Management (Socam) in the country aimed at inspecting working conditions and preventing all forms of irregular labor practiced by suppliers and subcontractors. Socam's implementation enhanced the guidelines set out by the C&A Code of Conduct for the Supply of Merchandise, in effect since 1996 – which addresses standards of good business conduct and social aspects defined by the International Labour Organization (ILO), whose compliance by suppliers is compulsory.

Socam is present in all countries in which C&A operates, with audits in production units located in Latin America, Europe and Asia. In Brazil, the audits also oversee workers' health and safety, facilities' infrastructure, organization of production areas and environmental issues. Besides checking compliance with the law and with the C&A Code of Conduct for the Supply of Merchandise, Socam works on building awareness of suppliers and guiding them on how to keep good working conditions.

Within the C&A structure, Socam is an independent organization, subordinated to the CFO, with no connection with the C&A Buying vice-president. However, dialogue with Buying is constant, because information exchange is key to the chain's continuous improvement and to restructure suppliers that infringe the Code. Socam's autonomy in relation to C&A Buying Department is an innovating aspect of the work. In case of unacceptable situations or when the supplier shows no effort to seek the necessary improvements in its chain, Socam has the power to decide on its exclusion from C&A's suppliers portfolio.

Socam's first inspections in Brazil were carried out in 2006, same year of its establishment. Processes and the operation model were defined in the same occasion. In order to divulge Socam's creation and functioning, communication materials aimed at the chain were reformulated and improved, as well as the tools to demand a higher level of commitment to and responsibility for sustainable practices and good working conditions on the part of suppliers. In this way, the C&A Code of Conduct for the Supply of Merchandise was reviewed, and forced labor specific provisions were included.

From 2006 to 2010, over 8,800 audits were carried out at suppliers and subcontractors of the C&A supply chain, resulting in action plans that led to concrete improvements in working conditions of suppliers and their subcontractors.

In 2010, the audit work was improved and started to focus on strategic groups of suppliers, considering those with higher production volume and with higher risks due to their location and supply chain complexity. Such supply partner groups are more closely monitored for around six months by monthly meetings with the people in charge and through the development of action plans for their own units and subcontracted ones.

A key point – also resulting from the work developed by Socam – is how proactive some suppliers have been, deploying professionals to assess pending issues. In these cases, Socam's team trains the suppliers' employees so they become responsible for and able to monitor the contracted production units. In this way, a broad and qualified monitoring chain is formed to restrain in various ways irregular labor in the supply chain.

C&A has also supported the development of the Qualification Program of Retail Suppliers, launched in September 2010 by the Brazilian Association of Textile Retail – ABVTEX. This program has the purpose of enabling the retail market to qualify and monitor its suppliers regarding good practices of social responsibility and labor relations. Forced labor (or similar to slavery) is regarded in this program as an unacceptable and zero-tolerance infringement. The main textile retail companies comply with this program, including C&A, gathering competitors to cooperate in relevant social issues concerning all of them. Socam's experience was a major contribution to the sector's program development.

Work method

At registration, the supplier must inform C&A about its production units, both own and subcontracted ones. This list should be always updated by the supplier. In 2009, there

were 556 contracts in effect with direct suppliers, each one with different number of subcontractors.

From this registration file, periodic audits are carried out at suppliers and subcontractors. Inspection follow a questionnaire containing over 100 items.

Audit starts by updating data, usually provided by the owner. Auditors also talk to employees to check information gathered and to understand the work context more directly, always making it clear that the purpose is to improve practices and not to punish or coerce.

At the end of the visit, Socam professionals talk to the owner again and give feedback on the final assessment and points for improvement. Information is compiled in reports and fed into a digital platform available for access by Socam and the supplier. In this way, everyone can follow the evolution of the work. When the audit identifies there are improvements needed regarding Socam's requirements, an action plan is generated by the system and sent to the supplier. When the action plan refers to a production unit subcontracted by the supplier, it is the supplier's responsibility to contact this unit to jointly develop an action plan for improvement. This plan is fed into the system by the supplier and deadlines are set for implementation.

Evidence of workers in situation similar to slavery and exploitation of vulnerable groups or individuals are among unacceptable items – as is the case of irregular immigrants in Brazil. Another unacceptable infringement is labor of people under 16 years of age (except for situations set out in the Young Apprentice Program). In these cases, there is no tolerance and the supplier is removed from the suppliers' database. If the company presents evidence of elimination of the infringement found, its situation will be reviewed and it may supply again to the Chain.

As of 2010, Socam demands formal employment in all companies participating in its supply chain (including suppliers and their subcontractors) and registered employment book for all employees working for these companies. Different deadlines were set for the companies depending on the supplier's importance and location, starting by the Southeastern Region – where most suppliers are located. Socam started to demand from each supplier the presentation of documentation as evidence of formal employment as well as the documentation of its respective subcontractors – which shall be monitored by the supplier.

It is worth mentioning that C&A was the first fashion retail company to sign the National Pact for the Elimination of Slavery, in 2010. The Chain not only publicly committed to the cause but also mobilized its suppliers, which resulted in the adherence of 40 partners to the Pact.

Valuing diversity and social inclusion

Goal: The Growing Diversity and Growing Our Land and Our People programs enable the inclusion of sectors historically excluded from society through minimum decent remuneration and contribute to an educational, political and social process on gender equality to arouse and preserve values through internal policies and educational actions.

Measures adopted:

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Fersol Indústria e Comércio is a 100% Brazilian company operating since 1975 in the agricultural pesticides (phytosanitary), domestic sanitation, public health and veterinarian sector countrywide. It is located in Mairinque (State of São Paulo), 70 kilometers from the capital city of São Paulo, and has 230 employees.

The Fersol program Cultivando a Diversidade no Mercado de Trabalho (Growing Diversity in the Labor Market) comprises valuing and socially including groups historically excluded from society (women, Brazilian afro-descendants, people over 45 years, people with disabilities, homosexuals and prisoners in semi-open regime).

Due to the difficulty in including women in certain labor market sectors, such as the chemical industry, in 2000 Fersol redesigned its whole process and changed its production line, enabling higher access of women to several positions. In this way, the company achieved in 2004, 64% of its workforce comprised of women, although this participation fell to 55% in 2010.

In early 2004 Fersol carried out an in-depth study so that the company's career and compensation policy could ensure fair and transparent promotions, thus contributing to inclusion and equality. The study addressed employees' compensation taking into account professional qualification, potential for growth (especially interest in continuing

to study), individual participation in social activities and volunteering, and Mairinque (SP) region's economic reality, where the company is inserted.

The study took compensation from four perspectives: domestic market, chemical industry sector, agricultural pesticide manufacturers and the city of Sorocaba region. At the end of that year, the company officially announced the adoption of a minimum compensation, based on the minimum wage demanded by the Inter Trade Union Department of Statistics and Socio-Economic Studies (Dieese), worth at that time R\$ 1,600.00. The Dieese index was considered the best translation of the Brazilian worker's reality and the most suitable for a workforce whose average family size is four people, and who would then be provided with decent living conditions.

With this initiative, the company decided to act through employees' direct compensation to reduce the historical income distribution disparity, instead of choosing other means, such as benefit packages, philanthropy, which end up as fringe benefits. In this way, the company breaks the traditional approach of payroll costs and prioritizes the benefits of having well-paid, satisfied and productive employees. The focus becomes employees' satisfaction level and engagement on the daily business activities.

In 2009, Fersol adhered to the third edition of the Gender Equality Program of the President's Special Secretariat for Women's Policies, by which it had been awarded the Diversity in the Workplace Seal in the 2007-2008 edition. As part of the program, the company set up the Gender and Ethnic/Racial Equality Committee to strengthen and show the commitment to this theme in its people management policy and organizational culture. In order to publicize these practices to internal stakeholders, the company promotes forums for dialogue, integration, knowledge and active listening among employees both vertically and horizontally, providing everyone with a systems vision of the organization. One of them is a quarterly Meeting including all the staff from the CEO to the plant floor worker. Held in an indoors area named Àgora, the meeting lasts three hours and its agenda involves all areas.

Another program in place is Growing Our Land and Our People (Cultivando Nossa Gente), consisting of actions aimed at employees, their families and the community, contributing to a gender equality-oriented educational, political and social process. Its goal is to be permanent and able to preserve values for the present and future generations.

Lectures and workshops are periodically offered, focused on sexuality and sexual and reproductive health, addressing physical, psychological and cultural aspects that predispose or not to sexual and reproductive self-care. There are discussions on "Sexuality and Self-Esteem Development", "Reproductive Rights", "Family Planning", "Sexual and Reproductive Self-care", "Adult Sexuality, Eroticism, Consumption and Means of Communication" and "Maternity, Linkage, Normal Delivery and Breast Feeding". All actions seek a partnership with local and state healthcare networks.

The Fersol female employee can opt for up to seven months of breast-feeding leave – the four-month maternity leave provided by law plus two months granted by the company plus one vacation month. The Fersol male employee can opt for up to three months of paternity leave – the five days provided by law plus one month and 25 days granted by the company plus one vacation month. The employee can enjoy the leave anytime during the first year of life of the child, provided he has his female partner’s consent, because she is the one to send a letter to the company stating that she needs and wants her partner to take his leave. If both parents are Fersol employees, the breast-feeding leave and the paternity leave can be shared, thus enabling a better combination of options and care for the child.

Day care is also granted, a benefit provided for by collective work convention, which sets out the payment to mother employees of a monthly amount specified by the company. At Fersol, this amount ranges from R\$ 200.00, when the child is under the care of someone the family trusts (nanny, grandmother, aunt, etc.), to one minimum wage, when the child is enrolled at a private or public day care institution.

TELEFÔNICA FOUNDATION

Protection of children and adolescents rights

Goal: The Pró-Menino (For Kid) Program aims to contribute to The social development and protection of the rights of children and adolescents, as set out by the Statute of Children and Adolescents (ECA), and inform related public policy through actions aimed at social and institutional strengthening and networking of the organizations involved in child labor eradication projects.

Measures adopted:

- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Telefônica Foundation is the social investment arm of the Telefônica Group, aimed at boosting social development in the regions where the company operates. In Brazil since 1999, its strategy is to promote education and defense of the rights of children and adolescents through programs developed by the Foundation and implemented in partnership with non-governmental organizations.

Focused on the protection of the rights of children and adolescents, the Pró-Menino Program is one of the main initiatives of the Telefônica Foundation, which has a broad list of partners, including NGOs, companies and institutions aimed at social, educational and cultural development, besides governmental agencies, such as the Special Secretariat for Human Rights (SEDH), the Ministry of Education and Culture (MEC) and the Public Prosecutor's Office (MP).

The Pró-Menino Program is based on three pillars: Total Protection, aimed at rescuing the individual from the hazardous situation; Educational Quality, which brings computing and technology to the classroom; and Social and Institutional Strengthening, which disseminates management and teaching practices so that institutions engaged can establish and develop partnerships.

Telefônica Foundation funds governmental and non-governmental organizations in projects to counter child labor through the Pró-Menino Program. However, to achieve the expected social impact, it is also necessary to strengthen the organizations, their teams and, mainly, their management. In some of these organizations, the child labor theme is neither much present nor addressed.

The social and institutional strengthening of governmental and non-governmental organizations engaged in countering child labor is developed in partnership with the Fonte Institute, an institution specializing in third-sector organizations development, with the support of two other Telefônica Foundation projects: capacity-building of Child Protection Councils and Councils for the Rights of Children and Adolescents, developed with the technical support of the consultancy Prattein, and the Redes de Atenção à Criança e ao Adolescente (Children and Adolescents Care Networks), which gets consultancy from MOB. These two projects supplement the action of strengthening entities and are also key strategies for social and institutional strengthening.

Nineteen organizations of the State of São Paulo, who are directly responsible for assisting children and adolescents involved in child labor or at risk of labor at an early age, participate in the social and institutional strengthening project. The work consists of individual diagnoses of organizations, with a survey of strengths and weaknesses, promotion of meetings and technical visits, organization of learning seminars, definition of action plans for the development of the organizations and use of an indicators matrix to monitor the changes.

Making use of a specific methodology developed by the Fonte Institute, the organizations are invited to assess their performance in the following scopes: people; social engagement; services (customer service); resources (material and financial); and management. Next, these scopes are related to a systems analysis and an individual diagnosis is made. Based on this diagnosis, which will signal the main vulnerabilities of the organization, a development plan is drawn and monitored stage by stage through technical visits, in an individualized process that takes into account each organization's issues. In the meantime, learning seminars are given aimed at experience exchanges and individual reflection through the discussion of relevant themes.

The project for the Councils for the Rights of Children and Adolescents aims to strengthen their role and consists of a series of seminars for councilors and city hall staff. During these events, social diagnoses of participating municipalities are made, based on actual education, health and social data and indicators. Such diagnoses lead to the definition of action plans for the formulation of public policy and budget allocation to total assistance to children and adolescents.

The Redes de Atenção à Criança e ao Adolescente project was created before the others due to the need of integrating the work of actors involved in the rights of children and adolescents and, therefore, in countering child labor. It promotes the sensitization of these actors to the network, mobilizing, communicating and building capacity of those involved to improve the organizations' management. It also helps to redefine roles, inform public policy, increase municipal fund raising for the rights of children and adolescents, optimize resources and encourage the integration among all parties.

This face-to-face social network is supported by an electronic network – which plays the role of boosting the actions developed. It also receives the support of the Statute of Children and Adolescents' Information System for Networks (Redeca), a software developed by the Telefônica Foundation in partnership with eight cities of the State of São Paulo that can help create a single network to record assistance given to children, adolescents and their families, and unify and computerize the record files and assistance flow of several governmental and non-governmental entities that do not have the system.

The Pró-Menino Program has the support of a press office and a communication analyst from the Telefônica Foundation for internal communication. The Center for Social Entrepreneurship and Management in the Third Sector (Ceats) of the University of São Paulo Administration Institute Foundation (FIA-USP), one of the program partners, is responsible for promoting the Pró-Menino portal communication of projects to interested parties and strategic stakeholders.

Escola Social do Varejo (Retail Social School)

Goal: Education and professional insertion of young people in the retail market, assisting different groups and contributing to the national effort aimed at capacity-building, professional development and further access to the formal labor market.

Measures adopted:

- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Created in 2005, the Walmart Institute enhances its engagement with communities in regions where Walmart Brazil operates. It is responsible for the company's strategic guidance and private social investment management, which is focused on local development through professional development of the youth and initiatives to multiply income and autonomy opportunities for productive groups.

The increasing economic importance of the retail sector in employability – mainly of the youth in search of their first job – has led the Walmart Institute to couple its social work with the main purpose of the company. In 2010, the Retail Social School Program was created with the purpose of providing education to young people to work in small, medium-sized and large retail companies through basic and specific skills development that meet the needs of this sector's labor market.

With the technical partnership of the Aliança Institute, the program seeks to develop an educational model that fits the various profiles of the youth and meets local demands. For this reason, it has different formats.

- **Liderança no Varejo em Organizações Sociais** (Retail Leadership in Social Organizations). Developed in the State of Ceará (in partnership with the CDL Institute and Faculdade CDL, a higher education institution) and in the State of São Paulo (in partnership with the Organização Fênix from Barueri), it assists 100 young people in each place and focuses both on technology improvement (in partnership with Faculdade do Varejo) and on skills development of the social organizations involved;
- **Liderança no Varejo na Rede de Ensino Médio** (Retail Leadership in the High School System): This format is applied in the States of Pernambuco (600 youth in nine schools) and Alagoas (100 youth in one school), and has the purpose of contributing to the insertion of a professional development curriculum in High school, in partnership with the State Departments of Education;
- **Liderança no Varejo – Aprendizagem** (Retail Leadership – Apprenticeship): This project, developed in the city of Porto Alegre (State of Rio Grande do Sul) reaches 100 youth and couples the Apprentice Act with the skills development program developed by the Aliança Institute, in partnership with the Pão dos Pobres Foundation;

- **Liderança no Varejo – Perecíveis** (Retail Leadership – Perishables): Focused on specific qualification in the areas of confectionary, bakery and delicatessen, this project is developed in the city of Salvador (State of Bahia) and assists 52 young people from the 7th Grade up, which makes it unique.

The Retail Social School was conceived as a 5-year cycle, increasing the number of youth assisted every year with the purpose of turning the program into public policy aimed at the youth, education and employment. With this in mind, engaging and assisting youth with different profiles becomes strategic, mainly those considered more socially vulnerable, the urban youth at high school level whether complete or not, and possibly the youth eligible to attend vocational or higher education.

In its first year, the program invested R\$ 3,182,560.00 to assist 1,052 young people in six States of three regions of the country. The Walmart Institute has a team of six people partially devoted to the project (one officer, two managers, two coordinators and one analyst), besides a group of around 70 volunteers from Walmart Brazil. 25 educators were trained, 16 from the Aliança Institute and nine from the public education system.

Investment in all these fronts require a careful alignment and monitoring process on the part of partners involved – Walmart Institute’s and Aliança Institute’s coordination teams –, through quarterly face-to-face meetings in which the lessons learned from all formats and contexts are consolidated.

The engagement of all actors (the youth, educators and coordinators) is also important and can be achieved through a wide range of tools and methods that include the educational processes and the development of process, results and impact assessment, thus contributing to a consistent and innovative program with huge potential for growth in the next years, as evidenced in studies carried out by universities such as the Getulio Vargas Foundation.

Principles and policies for integrity and business ethics

Goal: The Philips General Business Principles (GBP) govern the Company's business decisions and actions throughout the world. The intention of the GBP is to ensure compliance with laws and regulations, as well as with the Company's norms and values.

Measures adopted:

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Headquartered in the Netherlands, Philips is a diversified Health and Well-being company with approximately 119,000 employees in more than 60 countries worldwide. With sales of EUR 25.4 billion in 2010, the company is a market leader in cardiac care, acute care and home healthcare, energy efficient lighting solutions and new lighting applications, as well as lifestyle products for personal well-being and pleasure with strong leadership positions in male shaving and grooming, portable entertainment and oral healthcare.

The Philips General Business Principles (GBP) govern the Company's business decisions and actions throughout the world, applying equally to corporate actions as well as the behavior of individual employees when on company business. They incorporate the fundamental principles within Philips for doing business. The intention of the GBP is to ensure compliance with laws and regulations, as well as with the Company's norms and values.

In growing emerging markets where commercial practices and regulations are under development, the GBP provide solid internal guidance for a responsible, ethical behavior. Compliance with the GBP minimizes the risk of sudden damage. The GBP also incorporate a Policy on Reported Violations of the GBP, a standardized reporting system and a formal investigation procedure. Besides the GBP Directives, Philips has developed different directives for specific categories, such as the Financial Code of Ethics, the Supply Management Code of Ethics and the Purchasing Code of Ethics.

The following training programs were provided to disseminate the GBP among employees:

- PGN E-Learning, mandatory to all employees;
- Antitrust E-Learning, mandatory to employees prone to situations that create risk of violations;
- FCPA (US Foreign Corrupt Practices Act) E-Learning, mandatory to employees prone to situations that create risk of violations;
- FCPA Train-the-Trainer, to replicators; and
- FCPA Face-to-Face training, to key employees.

Compliance with the General Business Principles is monitored via a worldwide network of Country and Product Division compliance officers, who regularly report to the Corporate Review Committee GBP, which advises the Board of Management on the deployment of the General Business Principles and on ethical issues in general. Compliance processes and procedures are audited by Philips' Corporate Internal Audit department.

The GBP supports Philips' commitment to creating sustainable value, integrating economic prosperity, environmental quality and social equality. In each of these areas, the GBP provide specific guidelines to help the company ensure that sustainability is an integral part of the way it does business.

As for social equality, the GBP commits the company to act fairly and with integrity towards the communities where it operates, and to maintain a safe and healthy work environment for its employees, in which they can be protected against unfair and illegal treatment. In this way, the GBP help improve people's lives and attract and retain the best talents.

Philips supports the UN Global Compact and has adopted internal procedures and guidelines with respect to the topics addressed by the UN Global Compact relating to human rights, labor standards, environment and anti-corruption.

SERASA EXPERIAN

Employability of People with Disabilities

Goal: The Serasa Experian Employability Program for People with Disabilities seeks to provide professional qualification and possibly hire, directly or through partner companies, people of this social segment, offering accessibility, human resources and facilities that ensure their achievement of goals and results, as well as their professional and human development.

Measures adopted:

- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Serasa Experian is part of the Experian Group, world leader in information services, providing data and analytical tools to clients in over 80 countries. The company helps businesses to manage credit risk, prevent fraud, target marketing offers and automate

decision making. Experian also helps individuals to check their credit report and credit score and protect against identity theft. Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended March 31, 2011, was US\$ 4.2 billion. Experian employs approximately 15,000 people in 41 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; Costa Mesa, California; and São Paulo, Brazil.

The company sees the employability of people with disabilities from the perspective of the business logic, according to which the corporate world requires, in all levels of work, competent professionals that will reach targets and, therefore, achieve results. For this to happen, these professionals need to be well trained and have access to appropriate technical and human resources, thus acquiring more autonomy, independence, quality of life and citizenship.

Developed since 2001, the Serasa Experian Employability Program for People with Disabilities has been a model experience of professional qualification and hiring of these people. Every six months, the company invests some R\$ 300 thousand so that 50 people with physical, visual, hearing and learning difficulties can participate in the qualification process, which lasts 415 hours along four months, with courses divided into two modules. The first module addresses behavior competencies and includes professional maturity, emotional balance, analytical reasoning, social behavior and professional attitude, teamwork, and negotiation and communication skills. The second module focuses on technical competencies, such as computer skills, text interpretation and business writing, basic mathematics, administrative routines and financial education, and includes an in-company internship.

Out of a total headcount of 2,628 employees in October 2011, Serasa Experian currently has, throughout Brazil, 83 people with disabilities employed, which means 3.1% of its staff.

Partnerships

As of 2008, Serasa Experian started to invite companies to be partners in the program. During the courses, these organizations offer internships guided by previously chosen mentors and hire the participants that achieved a minimum average of 7.0 at the end of the process. In the second month of training, the companies appoint a team member that, for three months, will be the mentor of the person with disabilities hired, with the permanent support of the program's coordination.

The mentor should:

- Support the process of integration of the person with disabilities into the company and into the working team, seeking solutions that might overcome potential barriers and difficulties;
- Create a plan on opportunities for development and teach the professional tasks required by the area to which the person will be trained. This procedure may count on the support of the program's coordination;
- Assess the need for additional courses for the new employee.

In the first three months, the mentor sends at least one feedback report to the program's coordination about the personal performance and the professional development of the person with disabilities hired, exclusively based on professional competence building criteria.

Until October 2011, the partner companies were the following: Accor Hospitality, Accor Services, Banco Itaú, Banco Safra, Banco Santander, Brasilprev Seguros, Bristol-Myers Squibb, Cardif, Cielo, Claro, Deloitte, Dow Brasil, Festo Automação, Fibria, Goodyear, Grupo Cambuci – Penalty, Grupo Fleury, Holcim, Insper, Logos Engenharia, Medial Saúde, NEC do Brasil, NET Serviços, Progen, PwC, Promon Engenharia, Propay, Siemens, Terra Portal and TozziniFreire Advogados. In the same year, an institutional partnership was developed with the São Paulo State Secretariat for the Rights of Persons with Disabilities.

Ensured accessibility

Accessibility and accommodation of materials and facilities are key factors both for the professional qualification of the person with disabilities and for his/her future hiring and presentation of results.

The head office of Serasa Experian, where classes are given, has ramps, accessible restrooms, appropriate doors and gates for wheelchair users. On the first floor, there are detectable warnings, with differentiated textured ground surface indicators and truncated domes for vision impaired people. All elevators are equipped with synthesized voice “floor callers”. There are Braille indicator buttons in the elevators and on the doors of rooms and restrooms. The building also has automatic doors provided with sensors, which open when someone approaches, to facilitate the traffic of visually impaired people. Curb ramps and ground surface indicators around the building ensure accessibility. Reserved parking spaces in the parking lot for drivers with physical disabilities with adapted cars ensure access to work. There are light switchers, time clock, alarms within reach for wheelchair users and people with dwarfism. Working stations have adjustable counters, as well as ergonomic furniture for all professionals.

Serasa Experian has screen reading software programs Virtual Vision and Jaws, besides printers that print in Braille and multi-textured raised line format, enabling people with visual impairment to recognize charts and images through tact. It also has electronic magnifying lenses and software to magnify the computer screen, which facilitate reading by the visually impaired. The company also has interpreters of the Brazilian Sign Language (Libras), to enable communication with people with hearing impairment in meetings and training sessions.

Higher Level of Education and Capacity Building for People with Disabilities

Goal: Encouraging High School completion through a High School equivalency program and promoting career education focused on telecommunications, human resources management and IT.

Measures adopted:

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Telefônica is the largest telecommunications company in Brazil, with 76 million customers. Besides landline and mobile telephony, it offers broadband Internet, satellite TV and full telecom solutions for the corporate market. In 2010, its total revenues were R\$ 21.4 bn and, at the end of the year, it had 101,920 employees all over the country. Brazil is one of the main operations of the Telefônica Group in the world. The company, based in Spain, is present in 25 countries in Europe, the Americas and Asia.

In 2008, Telefônica signed with the Regional Superintendence of Labor and Employment of the State of São Paulo (Ministry of Labor and Employment) the Collective Pact for the Inclusion of People with Disabilities in the Labor Market, an initiative that provides for the compliance with Section 93 of Act no. 8.213/91, known as Quotas Act. The accession to the Pact was voluntary and expires in five years. Companies that joined the pact presented the results of their contribution in their respective union, proving the percentage of the quota by the total number of employees in the company, as specified in the law.

Driven by the difficulty in finding disabled applicants with the necessary professional qualification and schooling required by the company openings, Telefônica was a pioneer in increasing the level of education of people with disabilities. 100 places were offered in courses lasting 11 months for physically, hearing and visually impaired people with complete middle school and/or incomplete high school, seeking their introduction in the labor market from the perspective of effectiveness and equal opportunities.

Places were distributed into four classes:

- The 1st class took place in 2008, starting with 26 people with physical disabilities and ending with 16;
- The 2nd class took place in 2009, starting with 25 people with hearing impairment, of which 24 completed the course;
- The 3rd and the 4th classes gathered 47 people with physical disabilities, oral deaf or visually impaired; they started in 2010 and completion is expected for the 1st semester of 2011.

This capacity-building initiative is managed by Telefônica's Health and People & HR Services managers. However, the initiative was made possible by partnerships with the Trade Union of Workers of Telecommunications Companies (Sintetel), Grupo Apse and Colégio Integral Inaci. Vacancies were filled by people recommended by public agencies and institutions specializing in people with disabilities. In 2010, the company increased the hiring of people with disabilities through a partnership with the National Service of Industrial Apprenticeship (Senai). Soon afterwards, 31 apprentices from vocational courses given by Senai in the city of Itu were hired.

Data of Telefônica's 2010 Sustainability Report show that, in that year, the company had 308 employees with disabilities, a number still below the minimum provided by law – 5% for companies with over 1,000 employees -, but 28.9% higher as compared to the previous year. The same report shows data of the other companies of the group regarding the number of employees with disabilities in 2010: Vivo, with 134; Atento, with 56; T Gestiona, with 63; and Terra, with 17 employees.

VIENA SIDERÚRGICA

Countering and preventing forced labor

Goal: The Viena Educar project seeks to counter and prevent forced labor through a literacy process for the youth and adults, contextualized around themes such as the rights of citizens.

Measures adopted:

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Viena Siderúrgica is one of the largest Brazilian exporters, operating five blast furnaces in a single plant with an installed capacity of 500,000 tons per year. It is located in the city of Açailândia, in the State of Maranhão, and currently has 700 employees.

When Viena Siderúrgica realized the high level of illiteracy in the area where it is located, the Pequiá industrial park in Açailândia (MA), it created in 2007 the Viena Educar, a project with the purpose of improving the quality of life of the people of that community, promoting development through a literacy course for the youth and adults. The project was launched one year after the pig iron company joined the National Pact for the Elimination of Slavery. Thereafter, the company made commitments that include actions focused on improving the quality of life of the surrounding community.

In classes, besides learning how to read and write, the students are introduced to citizenship, especially concerning the combat to forced labor, still very usual in the area, which has long suffered from this social problem. To deal with this theme with the students,

the project is supported by ILO – International Labour Organization, which prepares the classes on the theme, sensitizing and creating awareness of people about the problem and providing them with the necessary knowledge to avoid being lured into it.

Viena’s initiative shows that the public-private partnership can be a way to improve social indicators more quickly. Besides ILO, the project has had important partners from different sectors from the beginning, among which the Açaílândia Town Hall, through the Local Department of Education (Seduc), NGO Alfabetização Solidária (AlfaSol) and the Federal University of Rio de Janeiro (UFRJ). Each partner entity has one representative in the project’s steering committee.

The Town Hall offers meal and, if necessary, transportation. UFRJ participates in the coordination of the political-educational project and in monitoring and assessment together with the steering committee. AlfaSol manages the funds provided by Viena Siderúrgica, gives the classes and helps the pedagogical coordinator of the project to identify and insert the technical content related to prevention of forced labor, which is offered by ILO.

The initial investment in Viena Educar was R\$ 600 thousand for infrastructure and some R\$ 400 thousand for its operations between 2007 and 2010. The project has awarded course completion certificates to 855 students and more than 80% of them continued their studies in Education for the Youth and Adults (EJA).

WALMART BRASIL

Countering Forced Labor

Goal: Supporting and influencing the effective elimination of all forms of labor similar to slavery in the production chain through monitoring and contractual provisions.

Measures adopted:

- **Policies**
- **Impact/Risk Assessment**
- **Integration**
- **Monitoring Measures**

Walmart Brazil operates in the retail sector and is present in the Federal District and in 18 states, covering

Walmart Brazil operates in the retail sector and is present in the Federal District and 18 states in the country’s Southern, Southeastern, Northeastern and Center-Western regions. With over 450 stores, the company meets consumers’ requirements in five different formats and under nine different brands: Walmart, Hiper Bompreço, BIG, Nacional, Todo Dia, Mercadorama, Maxxi and Sam’s Club. The company has an e-commerce website (www.walmart.com.br) that covers all the country’s territory.

The incorporation of the fight against forced labor by the private initiative, more specifically by the retail sector, which is typically a connecting element between the different links in the production chain and the end consumer, is extremely relevant to put an end to this unacceptable practice. The support of retail chains hinders the commercialization of products made by companies that use forced labor and, consequently, compromises in the medium and long run, the existence of such organizations while they insist on using this model.

With that in mind, Walmart signed the National Pact for the Elimination of Slavery. Immediately after, the company included in its supply agreements a provision forbidding commercial agreements with organizations that use forced labor. The amendment to the agreements, as well as the company's accession to the National Pact, was communicated to all its 6,400 suppliers all over the country through an official letter. Thereafter, Walmart has sensitized, created awareness in, and alerted its suppliers about the theme through joint meetings with the NGO Repórter Brasil, besides supporting and participating in events for the dissemination of the Pact.

Because it is the production segment with the most properties listed in the blacklist of the Ministry of Labor and Employment (62% of the total), the meat production chain was chosen by Walmart, together with the Pact's Steering Committee, as a priority segment on which to focus its actions aimed at the elimination of forced labor. In 2007, the company, in partnership with the NGO Repórter Brasil, held an event with suppliers of this chain to present the reality of forced labor and invite them to also sign the Pact. The event was attended by cold-storage plants that operate throughout the country and, after the event, two of the three main plants joined the initiative.

Since signing the Pact, Walmart has notified and canceled negotiations with some companies of the meat chain due to reporting made by partners of the Pact's Steering Committee. These measures have eventually led to the exclusion of one cold-storage plant from the list of suppliers, due to lack of evidence that it stopped doing business with farms that made use of forced labor.

At the end of 2007, Walmart Brazil joined the Working Group on Countering Forced Labor in Brazil, led by the International Labour Organization (ILO) and by the Ethos Institute. This group has been taking monitoring actions aimed at contributing to the development of production chains, such as the communication channel of the National Pact for the Elimination of Slavery, managed by Repórter Brasil, which broadcasts news and updated information on the theme.

To ensure effectiveness in the elimination of forced labor, it is necessary to develop new pressure mechanisms on the part of the government and the private initiative. In 2010, Walmart engaged its customers, suppliers and employees and developed actions on the Internet to collect approximately 60% of the more than 250 thousand signatures for a petition delivered to the then President of the House of Representatives, Michel Temer, supporting the confiscation of lands where forced labor is used (PEC 438).

The elimination of forced labor demands continuous effort and dedication for the achievement of medium- and long term- results, for it is a process that requires cultural change, i.e., a shift in values on the part of the various links in the production chain.

Walmart Brazil says the success of the practice results mainly from the strategic approach given to the issue, with the effective participation of the company's top management in the discussion of the theme and the engagement of key areas, such as sales, communication and compliance. The company employed several assets in this engagement process: human resources, training and awareness-raising actions aimed at suppliers and employees, and financial resources, with a R\$ 300,000 investment in a number of actions, among which the amount paid to the organization Repórter Brasil. The communication to the public opinion of the initiatives implemented by the company also contributed to a higher visibility and support to the cause of countering forced labor.

Externally, the engagement and mobilization of commercial partners (suppliers) for the discussion of the problem through events helped create awareness in the production chain about the relevance of the theme and increase the number of signatories to the Pact. At the same time, the insertion of a provision on the theme in the supply agreement and the punitive measures with a strong economic impact – like the termination of a supply agreement with a cold-storage plant included many times in the blacklist – also had an important educational role in all the chain.

Evolution of Business Practices Aimed at Valuing Diversity

The 2010 edition of the survey series *Perfil Social, Racial e de Gênero das 500 Maiores Empresas do Brasil e Suas Ações Afirmativas* (Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions), produced by the Ethos Institute and Ibope, shows that data related to the priority segments (women, afro-descendants, people with disabilities, people over 45 and apprentices) improved as compared to those presented in 2003, when the first survey was made in all hierarchical levels (working staff; low management; middle management; and top management).

With the purpose of identifying what companies are doing to promote equality within its internal stakeholders, the Ethos Institute selected the companies that participated in the survey between 2003 and 2010 and invited them to participate in the study presented here.

The group of 510 companies surveyed comprised those that participated in the survey since 2003 and reported having initiatives to increase the participation of priority segments in the different hierarchical levels. One letter and one questionnaire were sent to these companies inviting them to share the practices carried out by them in this publication. Among the companies invited, 56 accepted the invitation and 34 sent the questionnaire filled out within the proposed deadline. As usual in surveys like this, not all the questions were answered by the 34 companies, but the number of unanswered questions was not significant in any of the questions.

Through an extensive questionnaire with multiple choice questions and open-ended questions (additional information), companies answered if there was an increase in participation in each of the segments, the reasons for the increase and what practices were being carried out to achieve the good results presented.

Data and information shared herein were, therefore, informed by companies that accepted to participate in the survey, and are a sample with specific characteristics, such as, for instance, willingness to share practices, qualified professionals or professionals specially designated to answer the questionnaire, and interest in the theme promotion of equality and valuing diversity, as well as engagement in social responsibility activities led by the Ethos Institute.

The questionnaire also sought to identify stances, visions and principles that underlie the results. It consisted of two parts plus two headers with the identification of the company and the respondent.

The first part of the questionnaire aimed at identifying general actions to value diversity and specific actions focused on each of the priority stakeholders. Some answers were direct and others were multiple-choice ones, always including space for the company to add information. The second part of the questionnaire allowed companies to freely describe their actions through three answers, with unlimited number of words. In addition, when there were no advances, the questionnaire requested companies to state the reasons for this, in their opinion.

By focusing only on positive results and in practices, the survey requested only percentage increase and not absolute numbers when comparing December 2009 to December 2010. Therefore, the relative nature of percentage should be considered. A company, for example, with ten women in its top management that reported a 40% increase in this figure (four more women), has lower figures than a company which had one woman in its top management and reported a 100% increase in women's participation in 2010, with two women.

The company size, in terms of revenues and headcount, informed in the general profile of the sample and in the data reviewed, should also be considered, but makes the data also relative so that this survey could focus on advances and on what was done to achieve the advances. A company, for example, with 5,000 employees, may have increased by 40% the participation of afro-descendants among its employees, and will be, in this survey, side by side with a company with up to 300 employees who reported the same percentage increase.

This chapter is a result of this survey, which combines critical analysis of data and actions, the position of the specialist in charge of the survey – Reinaldo Bulgarelli – and the opinion of companies about the causes they found for the advances identified.

Therefore, advances were understood in the survey as a positive change in figures describing the internal demography and its distribution into different positions in the company's hierarchy. The critical analysis of practices offers shared clues on what can be done to increase the participation of segments, and also warns about the speed of changes.

As a result, positive changes in demography can happen in a certain segment but not in another, as well as in one or more positions in the hierarchy but not in all of them. For this purpose, this chapter starts by presenting the situation of each priority segment and eventually presents the general context of companies' actions in terms of governance, structure and themes addressed, suggesting a reflection on the importance of a program that addresses the theme holistically, with all its complexity and interdependencies or transversalities. People with disabilities, for instance, also have other identifiers, such as gender, race/color and age.

The identification and presentation of practices also consider that the implementation time and internal engagement of leaders and their areas, among other factors, may have not been sufficient, which does not necessarily mean that such practices are unfeasible or ineffective. The presentation of results reports practices and strongly suggests reflection on the part of readers, particularly those responsible for the implementation, monitoring and management of equality promotion actions, so that they can assess the practices' feasibility and suitability for their reality and context, always in the light of the ethic of social responsibility.

Here, inertia is rejected as unconceivable, considering the unjustifiable and unacceptable data still current in the Brazilian labor market, especially when everyone should urgently rethink their practices and strategies in view of the slow pace of change pointed out in the historical survey series covering the 500 largest companies in Brazil from 2001 to 2010.

As for top management, for instance, if the current pace is kept, it will take 42 years for women to reach the percentage corresponding to their participation in Brazilian society (51%). Afro-descendants will reach their corresponding participation (51%) in 149 years. Of course change processes are not likely to progress like this and involve a wide range of conjunctural, cultural, social and economic aspects, which can contribute to faster changes in the figures of the country's labor market.

It is up to readers to analyze the current and future situations, what has been done and what needs to be done to create both quantitative and qualitative positive impacts on the promotion of equality and on valuing diversity in the Brazilian labor market.

Finally, it is worth noting that this chapter is connected to and complemented by the other chapters of this publication regarding references to national and international human rights regulations and to the knowledge of laws on and agendas for valuing diversity in the business environment.

We also recommend reading the complete historical survey series *Perfil Social, Racial e de Gênero das 500 Maiores Empresas do Brasil e Suas Ações Afirmativas* (Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions), available on the Ethos Institute's website, which complements the information and analyses presented herein.

Profile of companies participating in this survey

Regarding **business sector**, participating companies informed that they belong to the following sectors: water and sanitation; food and agribusiness; banking; retail; communication; cosmetics and toiletry; gas distribution; electroelectronics; electric energy; pharmaceutical; metal; mining; industrial assembly and maintenance; chemical and petrochemical; medical care; telecommunications; textile, leather and apparel; transportation and logistics. The outstanding sectors were metal (14%), medical care (11%) and banking (9%). The others range from 3 to 6%.

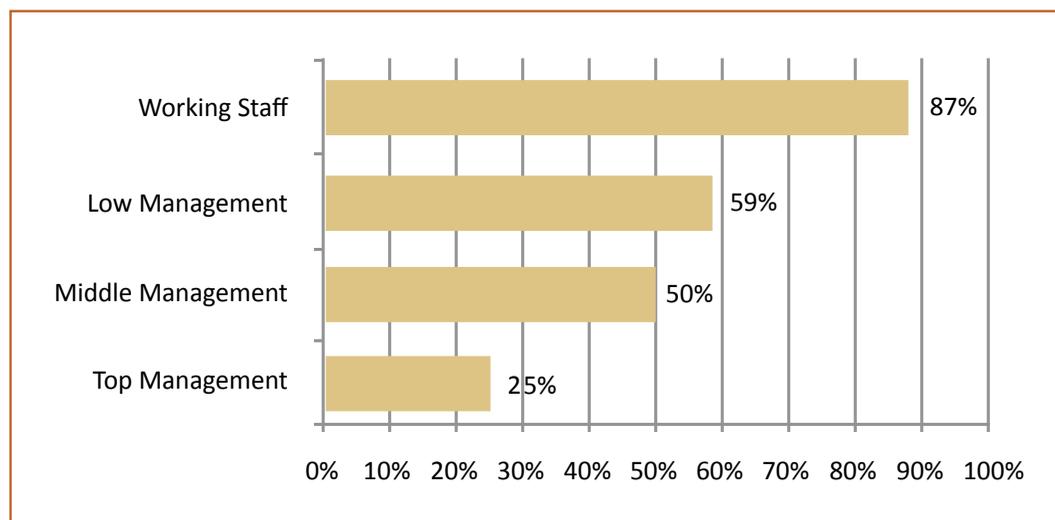
Regarding the **size of companies based on annual revenues**, 49% of them reported revenues of over R\$ 3 bn in 2010. The others reported R\$ 1-3 bn (42%), R\$ 500 million to R\$ 1 bn (6%), and up to R\$ 500 million (3%).

As for **location of the company's head office in Brazil**, most of them were located in the Southeast (70%), followed by the South (15%), Northeast (9%) and Center-West (6%). No company with head office in the Northern Region participated in this survey, which does not mean the data do not refer to companies with units throughout the country. It is worth noting the low participation of companies of the Northeast, given the growth of this region in recent years.

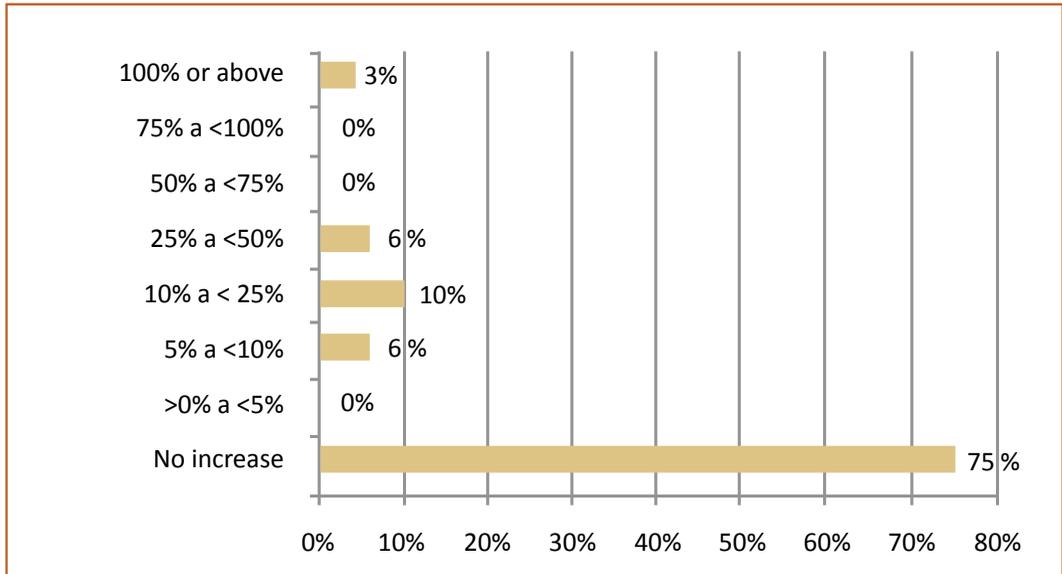
Regarding the **total headcount**, based on data from December 2010, most companies had over 5,000 employees (35%), followed by companies with 1,001-3,000 employees (29%), 3,001-5,000 (24%), 301-1,000 (9%) and up to 300 employees (3%).

Advances in women's participation

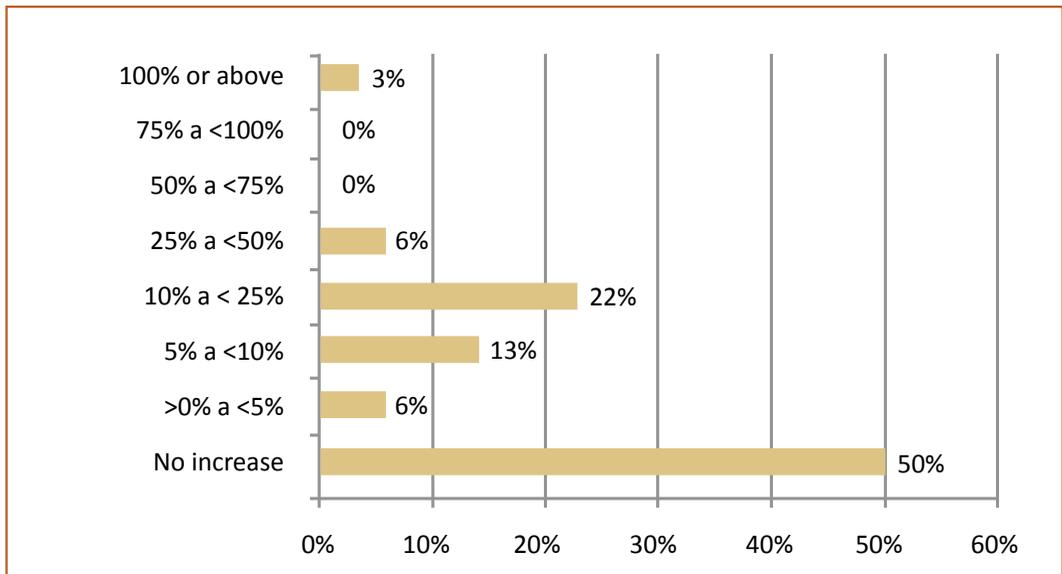
When asked about positive changes in the internal demography regarding the women's segment, 97% of the companies reported an increase in the women's participation in some hierarchical levels. However, working staff was the level in which most companies reported changes between 2009 and 2010.



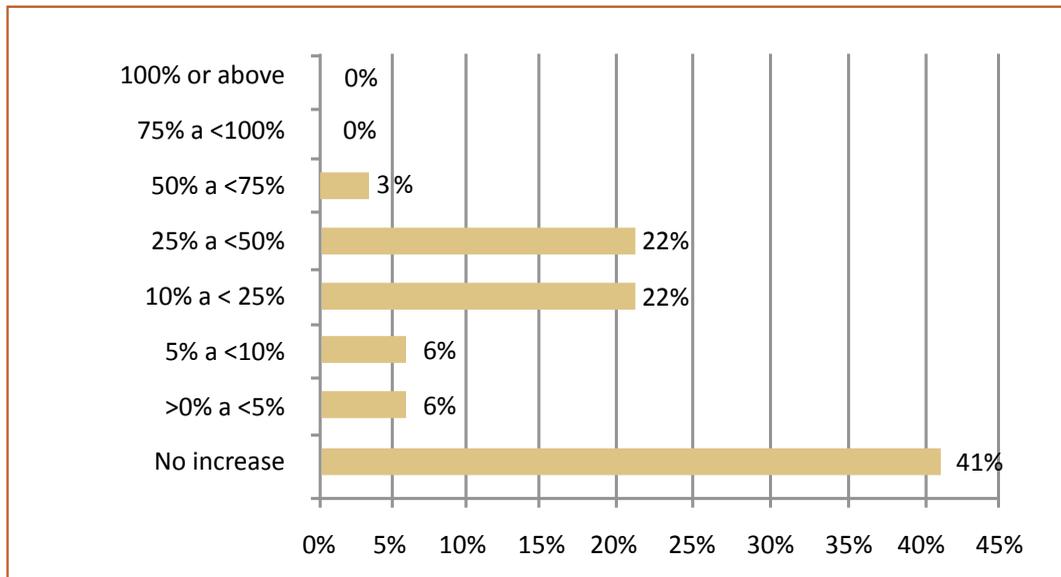
In **top management**, 75% of the companies reported no increase in women’s participation. Out of the companies that had an increase in women’s participation (25%), 10% reported a 10-25% increase, 6% a 5-10% increase, another 6% a 25-50% increase, and 3% ≥ 100%. Out of the companies that showed increase in women’s participation in top management, 50% reported annual revenues of over R\$ 3 bn and 58% have more than 5,000 employees.



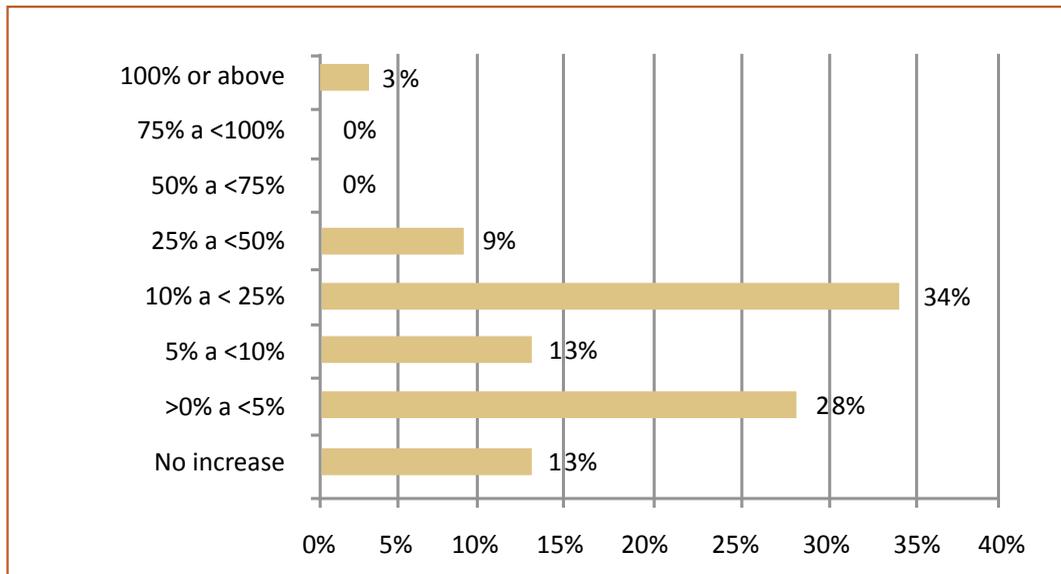
In **middle management**, 50% of the companies reported no increase in women’s participation. The other 50% are broken down as follows: 22% reported a 10-25% increase, 13% a 5-10% increase, 6% a 0-5% increase, 6% a 25-50% increase, and 3% ≥ 100%. Out of these companies, 25% have goals to raise the number of women in leadership positions, 44% reported annual revenues of over R\$ 3 bn and 50% have more than 5,000 employees.



In **low management**, 41% of the companies reported no increase in women’s participation. The remaining 59% are broken down as follows: 22% reported a 10-25% increase, 22% reported a 25-50% increase, 6% reported a 0-5% increase, 6% reported a 5-10% increase, and 3% reported a 50-75% increase. Out of these companies, 21% set goals to raise the number of women in leadership positions, 58% reported annual revenues of over R\$ 3 bn and, as for the headcount, most companies have between 1,001 and 3,000 employees (32%) and between 3,001 and 5,000 employees (32%).



In **working staff**, 13% of the companies reported no increase in women’s participation. The greatest percentage increase is in the level 10-25%, corresponding to 34% of the companies. In 28% of the companies, the increase is between 0-5%, in 13% between 5-10%, in 9% between 25-50%, and in 3% ≥ 100%. Out of these companies, 14% set goals



to raise the number of women in leadership positions, 50% reported annual revenues of over R\$ 3 bn and 36% have between 1,001 and 3,000 employees.

This data show that women face more difficulties in their career in view of business requirements and the way companies organize work around a male pattern.

According to data from the Brazilian Institute of Geography and Statistics (IBGE) publication *Síntese dos Indicadores Sociais 2010* (2010 Synthesis of Social Indicators – data of 2009), men worked 9.5 hours a week in household chores against 22 hours a week worked by women. Inequality in the distribution of productive and reproductive tasks has a strong impact on women's life in the labor market, including career.

Not only dealing with their children and the home, but also with older or ailing parents/relatives and with maids and nannies, among other responsibilities, place women in a male organizational structure. This structure force them to make a pseudo-choice between working and living, as if this were possible. Actually, the labor structure is to be chosen between male or inclusive, both male and female in its demography and nature, way to organize, carry out activities and relate to all its stakeholders.

Companies that value diversity realize the importance of rethinking this pattern within a cultural context where men have little participation in reproductive or household chores. This fact also involves many myths. The average number of children per woman in 2010 was 1.8, according to the IBGE Census. The insertion of women in the labor market is considered one of the main reasons for this dramatic decrease in birth rate.

Many times, the issue of pregnancy and the necessary time for work and career is used to explain the absence of women in leadership positions in the company. More than to explain, this issue is used to keep the current staff status and to perpetuate the myth that women are keen on other issues, while men are work-oriented.

It is a myth because men do not spend their time only at work, but use their free time in activities away from home and family issues, enhancing their networking within the male labor world. There is an increasing number of women that, besides not having children or postponing maternity for the end of reproductive age, are willing to and available for tasks and hierarchical positions traditionally held by men.

Companies, within a cultural context of change, not always realize or assimilate the challenges of their time and place, currently faced both by men and women. However, these changes have a strong impact on organizations and the reality in which companies operate.

The practices presented below are strong indications that there are companies that have understood the importance of dealing with gender issues and facing the dilemmas posed by a male structure in a world that is no longer so male. They realized their management practices can tackle these cultural aspects, favoring, for example, a balance between productive and reproductive tasks.

Ensuring flextime only for women with children below 3 or 6, for instance, can be a measure that reinforces the message that this is their job. On the other hand, offering flextime to men and women with small kids, but not speaking about it and not contributing to a reflection of both on the gender roles and the sexual division of labor, among other things, may not bring interesting results for the company and society.

Demands that once were almost exclusively made by women are increasingly being made also by men. Men now do not want just to work, but also to live; and, if a choice is necessary, they prefer to give up leadership positions. Therefore, there is an increasingly common demand from men and women, pressing companies to revise old male patterns that seem to be obsolete. These old patterns now hinder the access to and retention of talents and the career development of those who were previously benefiting from an unbearable division of gender roles.

In this survey, the greatest percentage increases in women's participation happened in companies with over R\$ 3 bn in revenues, maybe better equipped to understand and undergo the necessary transformations to survive the processes of cultural change currently taking place in the Brazilian society. As for the headcount, larger companies have better percentage results in top management and in middle management. The same companies, with over 5,000 employees, do not show the same good percentage results (increased number of women) when it comes to low management and working staff.

Out of the companies that showed increase in women's participation in one, more than one or all hierarchical levels (97%), the reason given by 48% was that it was a natural increase, without any specific action to achieve it.

There is also a percentage (13%) of companies that informed that this improvement can be a result of changes in the company's structure (acquisition, merger, sale, new businesses, etc.). Since it was a multiple choice question, this answer can either reinforce the idea of natural increase or be combined with the answers that also indicate the development of actions such as the ones described below.

Out of the companies that reported any action that can explain the increased presence of women in any of the hierarchical levels, 7% justified that the increase is due to goals established to raise the number of women in the company.

Here is in more detail the extent to which companies believe goals have contributed to positive changes:

- 10% of the companies pointed out that the increase is due to goals established for leadership positions (top management, middle management, low management).
- As for working staff, 3% of the companies pointed out that the increase is due to goals established to increase women's participation in activities traditionally carried out by men.
- There is also a percentage (3%) of companies that report believing that the increase is due to company goals coupled with a negative impact on the compensation of managers in case they are not reached.

The bigger the challenge, the higher the number of companies that reported having set goals. The greater the percentage of companies that set goals, the lower the result obtained in terms of percentage, which does not mean lower figures in absolute numbers.

Out of the companies that set goals, the main focus has been on top management, with more visibility and impact on data, since there are few women in these positions. In this case, 50% of the companies set goals. However, it is worth noting that there are companies investing in raising the number of women in working staff and in activities traditionally carried out by men.

While the change in top management profile may not be accompanied by investment in structural change so that female and male leaders can find room for their full development, investment in working staff involves cultural changes and lessons that can be interesting to all the company.

There are women who understand the only way to survive in the male and masculine structure is by apparently conforming to this pattern and bearing the personal burden. The presence of women on the top of the organizational pyramid may not mean more openness to gender diversity in the company culture.

As for the presence of women workers in metal or construction companies, for instance, they show more clearly the contradictions of these structures based on the male pattern, and not necessarily on the merit, the results, on a rational organization of tasks. Companies that included women in activities traditionally carried out by men learned to focus on the profile of job openings and on what really involves the production process. For example, if the activity requires some physical strength¹, they no longer associate strength with men, but focus on male or female applicants that can perform the task.

46% of the companies reported having actions, but not goals established. Out of these, 26% invest in raising the number of women in leadership positions and 13% in increasing the women's participation in activities traditionally carried out by men. As for awareness-raising activities, 7% of the companies informed that the positive changes are due to this practice.

According to these companies, even without goals the actions contributed to positive results, which provides, on the one hand, a broader view on affirmative actions and, on the other hand, a critical view on the slowness of changes. Affirmative actions and, within them, the establishment of goals are connected, above all, to how quickly the organization wants to change its demography. In the case of women in top management, the expected 42 years in the current pace to reach equality seems to point out to the need for measures to speed up the changes.

¹ According to Section 390 of the Brazilian Labor Code (CLT), "it is forbidden to employ women in service that requires the use of muscular force over 20 kilos for continuous work or 25 kilos for occasional work."

Out of the companies participating in the survey, 53% reported having actions aimed at work-life balance. Going a little further, the questionnaire addressed aspects that can favor this balance, especially concerning maternity.

With regard to the 6-month maternity leave, 59% reported offering the benefit and none of the companies participating in this survey reported doing it only for some posts or positions, which has happened in the labor market as a whole. As for day care, 82% of the companies reported paying the benefit and informed that the employee chooses the day care provider; 9% limit the benefit to some employees only; 9% neither have day care nor offer to pay for the benefit; and 9% have their own day care centers in some of their units. None of the participating companies have own day care centers in all their units.

As for lactation rooms, 82% of the companies reported not having any and 18% reported offering them in some of their units. No company reported having a lactation room in all their units. In general, female employees of administrative units are the ones to receive this benefit. In the case of companies that have units with a low number of employees, such as bank branches, the theme should not be forgotten. Creative and respectful solutions can be found when companies go deep into the theme and realize that this type of benefit is a way to overcome barriers that will eventually jeopardize the company in the attraction, retention and development of its talents.

With regard to the return from maternity leave, also considering the possibility of multiple choice, 56% of the companies reported not having any benefit or measure related to the theme, and 38% reported favoring all employees with measures focused on work-life balance, which, according to the companies, also favor female employees in this condition.

Flextime and home office, among other measures, are adopted by 6% of the companies, which reported setting a period of time for these benefits, for this is not a routine or permanent practice. None of the companies participating in this survey limits these measures to female employees in a certain post or position, which happens in the labor market as a whole and benefits, most of the time, administrative units or head offices.

As for the activities especially aimed at encouraging a higher participation of women in leadership positions, 44% of the companies reported having at least one of the actions presented in the multiple choice questionnaire:

- 47% sensitized male managers to be more open to the promotion of women;
- 40% sensitized recruiting partners for the theme (human resources consultancies);
- 33% carried out third-party recruiting focused on women;
- 27% set goals or quotes for women;
- 27% aim at an increased presence of women in trainee programs;
- 13% aim at an increased presence of women in internship programs;
- 13% have goals or some type of measure when offering education opportunities (in and out of the company and in and out of the country);
- 7% have a women-focused mentoring program;

- 7% have measures to meet specific needs of married women and/or women with children in case of transfer to another city;
- 7% included a term in agreement with human resources supplier requiring a minimum number of female applicants;
- 33% carry out other actions aimed at improving internal conditions to reach a higher women's participation in leadership positions, but not all companies explained these actions.

The following initiatives stand out among those reported:

Alcoa has a program to develop leaders (Emerging Leaders), with an only women's group.

Banco do Nordeste carries out roundtables on women in management (challenges and achievements) and lectures on gender equality and equal opportunities for men and women in the labor market.

Central Unimed has the Mulheres Gestoras (Women Managers) program, focused on valuing women in leadership positions.

As for activities specifically aimed at raising the number of women in positions traditionally held by men, 65% of the companies carry out actions of the following nature:

- 50% started to publicize openings without regard to gender;
- 23% revised activities and working conditions to include women (considering issues like ergonomics, weights, etc.);
- 19% carried out renovations in the workplace to include women (changing rooms, restrooms, etc.);
- 19% partnered with educational institutions (Senai and/or others) to increase the number of female students;
- 14% seek increased presence of women in learning programs;
- 9% carried out awareness-raising activities in the community to show the company's interest in promoting gender equality in its job openings;
- No company started to publicize openings stating that women could also apply;
- 23% take other actions, generally related to external activities, to show the company is open and willing to have a larger women's participation in their staff, or related to internal activities to sensitize managers and workers to better understand the commitment to gender equality and also its benefits to the business.

The following initiatives stand out:

Dow Brasil has the Women's Innovation Network (WIN), a global initiative of Dow that started in Brazil in July 2000. The network collects and addresses aspects that affect women professionally or personally, besides being a source of counseling, i.e., a partnership that helps develop employees and offers mutual support for the development of the potentialities of each individual, focusing on continuous, professional and personal progress. It is a connection between functions and

geographies where people can participate and explore different and interesting issues through events, lectures and working groups.

Alcoa keeps a program to encourage High School women's choice of and entry in Higher Education engineering and technology programs. Lectures on these careers are offered. The program is designed to graduate, in the medium term, professionals to follow the careers where most of the company's functions are inserted (manufacturing). Lectures include institutional presentation, profession's practice, profession's practice by women (through examples and testimonials of company's women) and information about career and employment.

At **HSBC**, a small resume of all women workers mapped as talents in the organization circulates among the Executive Committee members so that these women can be known and thus considered for key positions in their areas. In addition, a communication channel has been created between employees and people from the market. It is the "*Executiva do Futuro*" (Executive of the Future) room, in the virtual community "*Mundo HSBC*" (HSBC World). This forum will provide an experience-sharing opportunity for women who have already reached or are pursuing executive positions. To launch this discussion forum, a live webcast session was carried out including HSBC executives telling their personal experience with women leaders. This type of broadcast is open to all participants, who just have to register at "*Mundo HSBC*". HSBC also develops:

- *Workshop de Carreira* (Career Workshop), aimed at women who are beginning their management career. It is led by a consultancy specializing in career management and addresses practical aspects of career planning, exercises and discussion, considering the peculiarities of a woman's career;
- roundtables aimed at women who still haven't reached a leadership position or are beginning their management career. They are conducted by a female top executive and focus on arousing interest in leadership positions, sharing career experiences and providing insight on how to overcome barriers that might come along the way;
- *Minha Carreira* (My Career) portal, developed for all HSBC employees. It is an intranet portal that offers online tools and solutions for career planning and is constantly updated with articles about women in leadership positions.

Central Unimed organizes the *Semana da Saúde da Mulher* (Women's Health Week) every year, with several actions to value women. It has the *Programa de Gestantes* (Pregnant Women's Program), developed by the Human Resources area in the Medical Outpatient Clinic, with several actions that value the health of the pregnant woman.

Pfizer develops outplacement actions for husbands of women employees who were transferred to another city or state because of work.

The questionnaire also addressed 78% of the companies that, although reported having actions, did not improve their data between 2009 and 2010 in at least one of the hierarchical levels. Asked about what factors could justify the lack of results, despite the actions carried out, this is what they answered:

- 36% of the companies in this condition did not say anything;
- 44% justified by saying they did not have women-focused actions;
- 8% claimed to consider as discriminatory actions those prioritizing certain segments;
- 12% claimed that the lack of positive results is due to the hiring system in place (competitive civil service examination).

Some answers deserve to be transcribed because they convey an attitude that is present in society and in the companies, with the current dilemmas that make the difference between evolving or not in women's participation as well as regarding other segments. Examples of comments made on the question about the factors that justify the lack of results:

- "There is neither discrimination nor preference in hiring. Openings are publicized and the selection processes are conducted taking into account the suitability to the position and not the applicant's gender. The company considers as discrimination the priority given to a certain segment and carries out its activities taking into consideration only talent and profile, and no other factor";
- "Actually, when actions are proposed aimed at encouraging women's (or other segments') functional ascension to higher management positions through the insertion of a larger number of women in educational programs for managers and technicians, the officers consider such measures as unfriendly and likely to create more inequality and discrimination.

This question helped explain the reason why there is still so much inequality in the data on the Brazilian labor market. It allows observing the inertia before the loss, the slowness of changes to increase the women's participation despite the strong development enjoyed by the country.

Women, according to the 2010 IBGE Census and other official data, account for 51% of the population, have more schooling years than men, are the majority among higher education graduates and have had a significant participation in the labor market in the last 40 years. In this period, over 40 million women have entered the labor market, according to data of January 2010.

How to explain that women are the majority among the unemployed? It is even more difficult to explain that the higher their educational level, the more subject to unemployment women are. When employed, the higher the educational level, the bigger the gap in compensation as compared to men.

Such data repeat themselves in the monthly IBGE employment surveys. The one with data from May 2011 was commented in the column of journalist Miriam Leitão², which contributed to reflection on how much is real about the "lack of workforce". Talents are wasted because the market continues to prefer white men, despite the increased schooling of other segments.

² Newspaper O Globo, dated July 5, 2011 – Column Miriam Leitão.com: "*Números que Contam*" (Numbers that Count), on <http://oglobo.globo.com/economia/miriam/posts/2011/07/05/numeros-que-contam-390465.asp>.

Equality promotion, as exemplified by some companies, can begin in the dialogue with the community to encourage women's interest in activities traditionally carried out by men, thus combating the sexual division of labor. In addition, interest for a career in the company can be encouraged and references can be offered for the overcoming of limits deeply ingrained in women themselves regarding certain activities, functions or working in certain companies and business sectors.

Therefore, a company that only publicizes openings, without managing its recruiting and selection process, can be limited by ideological aspects present in society that jeopardize people, the organization and the business, and compromise sustainable development.

When a company realizes that its internal demography is contaminated by discriminatory ideologies and is, therefore, a hostage to the patterns set by them, it should reflect on the negative impacts of not having access to talents due to differences turned into reasons for unfair inequalities.

The problem is that the perception of discrimination and injustice is developed by some people only when conducts are proposed to correct distortions affecting a certain segment of the population. Unfortunately, vehement criticism against discrimination and injustice is less common when they are committed, as evidenced and denounced by the data. Is it a question of individual feeling or can companies take a stand on and contribute to an increased understanding of the country's reality and the cultural aspects involved?

In this way, without acknowledging there is a problem and by denying it, some organizations neither manage their recruiting, selection and career development processes nor perform people management considering diversity as wealth, opportunity to improve the internal know-how to think about and act upon reality. When a problem in the organization is not identified, data about gender are not managed, internal demography is not monitored, and barriers can neither be identified nor eliminated, which eventually strengthens inertia and, therefore, injustice.

Increasing women's participation means increasing the odds that the organization will become as female as male, doing business in a society with the same profile and that can overcome the barriers of ideologies with the contribution of the labor market.

The company that offers employment opportunities but do not bother to also offer conditions for a full personal and professional development sets a pattern, in this case the male pattern, limiting the possibilities of people and the organization itself, creating inefficiency and teams that find it hard to interact and cooperate creatively around business challenges. Being a woman becomes a problem when the problem is a male and masculine structure, as if everything in the world were masculine, as if the natural thing were being a man and as if companies had been created for men.

Negative discrimination also creates inefficiency in society because the investment in schooling, among other investments, is wasted. If the criteria to ascend socially are merit and development of competencies, frustration and the feeling of being treated unfairly

grow with the perception that being a woman is more taken into account than having professional qualifications. On the other hand, eliminating the female identifier will not remove the barrier. There are women who demand respect by denying the fact they are women and asking for a focus on the professional identity, when the two identifiers should go hand in hand to face the barriers.

Justifying injustice based on discriminatory ideologies moves the company away from a broader interpretation of reality, with its complex economic, social, cultural and political aspects, which affects people management practices and also the business strategies. Interpreting reality and planning the business activity based on this interpretation are key aspects of the business.

The rhetoric of merit, however, is used to explain and keep an unfair reality, instead of being the affirmation of a value, especially, but not only for the business world. Gender equity promotion is not opposed to merit, as many people think. Merit is left aside when a professional is chosen for being a man.

In the case of the survey carried out by the Ethos Institute in 2010, it is not about choosing only one, but 86.3% of men to form the top management, and 66.9% to form the working staff of the 500 largest companies in Brazil. Wouldn't it be the merit criterion the solution to avoid this situation occurring in the wake of the second decade of the 21st Century?

The attitude of each company is building not only one weak and inefficient organization, but also an inefficient and unfair society. The global crisis brought the opportunity for Brazil to develop its internal market. The inefficiency is in the investment to qualify the citizens, with criteria contrary to merit, wasting talents, producing an artificial base of the pyramid based on identifiers like, in this case, being a woman. The greater the equality, the bigger the chances of development, the lower the inefficiency and the more significant and sustainable the internal market.

Therefore, gender equity promotion is not only an external requirement, but stems from the sustainable development agenda, which is a global challenge. It is also an internal requirement of the company that adopts a socially responsible conduct with all its stakeholders, including shareholders, who prize efficiency and would not want their organization to be a hostage to discriminatory ideologies.

This certainty that gender equality builds organizations that are more solid and better prepared to develop in complex societies, with quick and intense transformation in the quality of men-women relations, is what seems to motivate companies that are taking actions to correct more quickly the inequality still present in employment opportunities.

The lack of this vision that gender equity promotion is interesting to all may lead companies to inertia, watching the scene instead of actively participating in it and contributing to its transformation. The ideological discourse against actions that interfere in reality to produce positive changes to everyone is strange to the business world, a world that takes hold of management tools and should understand more clearly their

importance. Everything in the business world is management and goal-setting. Why, then, are equity-focused practices relegated to inertia and the vicious circle that produces injustice and inefficiency?

The vicious circle created by discrimination ideologies and fed by, for example, the false rhetoric of merit, blames the woman for her situation of exclusion, disadvantage or vulnerability in the labor market. Saying that the current reality of male overrepresentation is due to merit conveys the message that women are not there because either they do not want to or are not competent enough or are not interested.

One characteristic of discriminatory ideologies like machismo is that they can be embedded both by men and women. Many women boycott the organization's efforts saying they feel patronized with privileges, when, actually, the privileged ones are those who benefit from an unfair situation. Therefore, awareness-raising on the theme within the company is required, including of women – the focus of corrective actions for existing inequalities.

Companies with gender equality promotion actions should also invest in the qualification of managers in charge of these actions to enhance their knowledge and strengthen their arguments to face the discomfort created by leaving comfort zones, even when built on unfair pillars. It is necessary to argue, sensitize and enhance the knowledge of women themselves on the importance of gender equality for all, and it is also necessary to face the resistance of some men who reject any change in the cultural pattern or in the demographic profile, and all the consequences of proving merit in an environment that is no longer exclusively male, but also female.

The current Brazilian experience of creating groups of women has been successful in this sense. They organize themselves and suggest solutions to make the company more female, fighting the male pattern as an exclusive one. The leap in quality in these groups has happened when they become plural and also include men in discussions about gender relations.

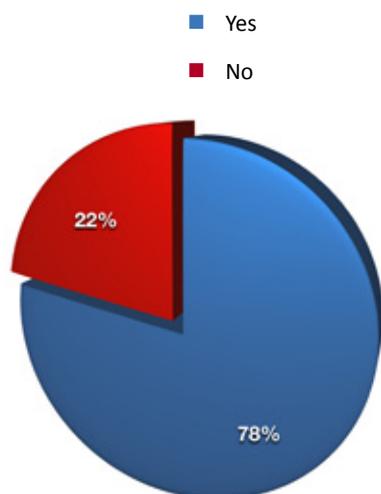
Companies that invest in benefits for women, such as opportunities for personal and professional development, are realizing they need to invest in a change in the cultural pattern. Experiencing the opportunity has not been enough in itself, and the creation of conditions for everyone to benefit from the new situation requires building knowledge to explain the reality, inviting reflection on it and the understanding of the project of an organization that wants to be more equitable, correct, efficient and prepared to do business in a female and male world.

Advances in afro-descendants' participation

Out of the companies that participated in this study, 78% informed that, between December 2009 and December 2010, there was an increase in the number of afro-descendants in one or more of the different hierarchical levels (top management; middle management; low management; and working staff).

Brazilian data show that there are many opportunities for companies that commit themselves to racial equality promotion. While the labor market as a whole discriminates, companies that face the barriers placed by discriminatory ideologies, such as racism, contribute to a better society and, simultaneously, benefit from the offer of qualified workers that are being turned down.

Was there an increase in afro-descendants' participation?



In Brazil, afro-descendants represented 51% of the population, according to the 2010 IBGE Census. They comprised 97 million people, while white people (47%) came to 91 million. Also according to IBGE, with data elaborated by Laeser/UFRJ³, the unemployment rate in Brazil in December 2010 was 5.3%, the lowest existing record of all times. However, when gender and racial filters are used, some challenges become evident. The unemployment rate was 4.4% for the white population and 6.3% for afro-descendants. Going into more detail, the unemployment rate was 3.5% for white men, 5.5% for white women, 4.7% for afro-descendant men, and 8.2% for afro-descendant women.

In May 2011⁴, with the country's unemployment rate at 6.4%, a disaggregation by color or race showed that this rate was 20% for afro-descendant women aged 18-24. In the same survey, the unemployment rate for people with eight to ten years of schooling was 7.9%. However, when disaggregating this group with the same years of schooling, the unemployment rate was 5.8% for white men, 9% for white women, and 11.1% for afro-descendant women.

Based on IBGE's *Síntese dos Indicadores Sociais 2010* (2010 Synthesis of Social Indicators – data of 2009), among the white people, 39.5% were formally employed; this rate was 36% among the black people and 31.1% among the mulattos. With regard to years of schooling, the white population aged 15+ had, on average, 8.4 years of schooling in 2009, while blacks and mulattos had, each group, 6.7 years. The same indicators showed that, regarding the population aged 25+ with complete higher education, there was an increase in the percentage of blacks (4.7%) and mulattos (5.3%). In the same period, the percentage of graduated whites was 15%. The system of quotas for afro-descendants in public universities, the University for All (*ProUni*) Scholarship Program, and the ascension of afro-descendants to classes C, B and A allowed, in the last ten years, for the graduation of millions of afro-descendants in the universities. ProUni alone, from 2005 to 2011, offered 919,551 scholarships, of which 440,160 (47.8%) were given to afro-descendant students.

There is a sharp inequality, but labor market data do not match this offer of afro-

³ Federal University of Rio de Janeiro's Laboratory of Economic, Historical, Social and Statistical Analyses of Racial Relations.

⁴ IBGE, Pesquisa Mensal de Emprego, August 2011 (ftp://ftp.ibge.gov.br/Trabalho_e_Rendimento/Pesquisa_Mensal_de_Emprego/fasciculo_indicadores_ibge/) and data provided by the newspaper column Miriam Leitão.com, in *O Globo* dated July 5, 2011 (<http://oglobo.globo.com/economia/miriam/posts/2011/07/05/numeros-que-contam-390465.asp>).

descendant professionals, showing a much bigger gap than that reflected by the country's educational situation.

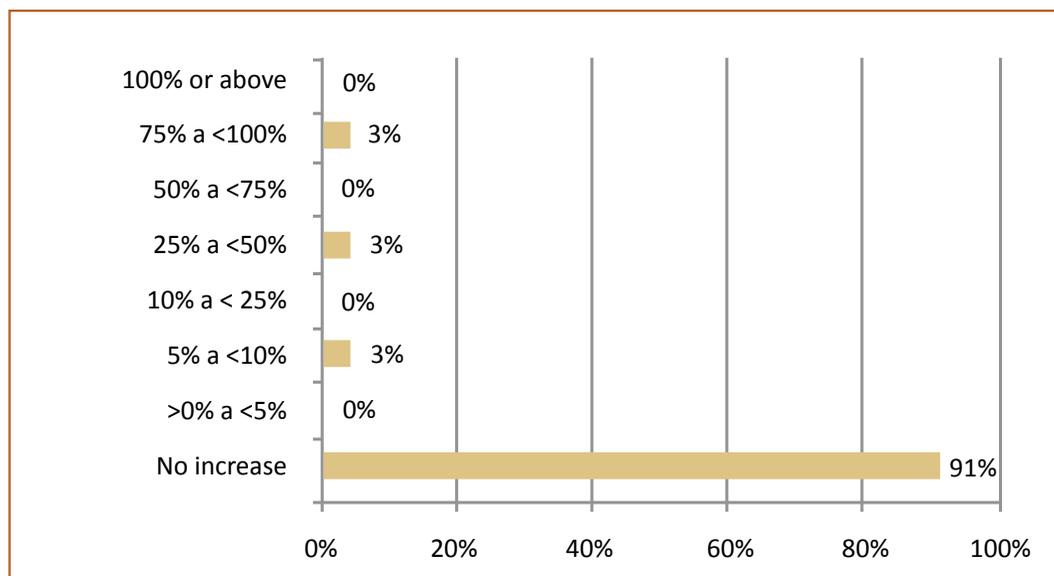
An IBGE study entitled *Características Étnico-Raciais da População: um Estudo das Categorias de Classificação de Cor ou Raça*, (Ethnic-Racial Characteristics of the Population: a Study on Color or Racial Classification Categories), published on July 22, 2011, shows that racial or color differences influence the life of afro-descendants in aspects like access to employment (71%), relationship with justice/police (68.3%) and social interaction (65%). In other words, work is where racism presents the greatest impact on the afro-descendant population.

As a result of barriers faced to access their rights, including employment, IBGE's 2010 Census pointed out that, among the 16 million Brazilians living in extreme poverty (up to R\$ 70 a month), there are 11.5 million afro-descendants and 4.2 million whites. The indicator that 70% of the poorest people are afro-descendants has remained along the years.

Data show sharp racial inequalities and, for companies, investing in anti-racist actions has become an ethical imperative. In addition, just like in the case of women and other segments, companies that promote racial equality benefit in many ways, either by gaining access to talents turned down by other companies or by increasing the domestic market, since many afro-descendants find themselves on the basis of the pyramid because their difference to whites has been turned into a reason for inequality.

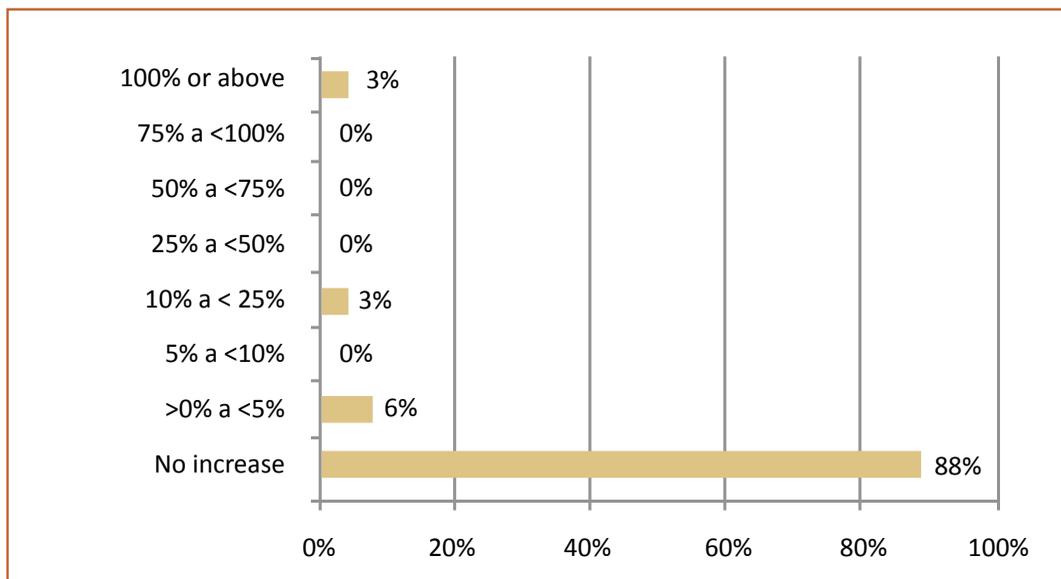
By detailing the increase of afro-descendants in hierarchical levels of 78% of companies participating in this study, we have the following data per hierarchical level:

In **top management**, approximately 9% of the companies reported an increase in afro-descendants' participation, in different percentages: 3% of companies had a 75-100% increase; 3% had a 25-50% increase; and 3% a 5-10% increase.



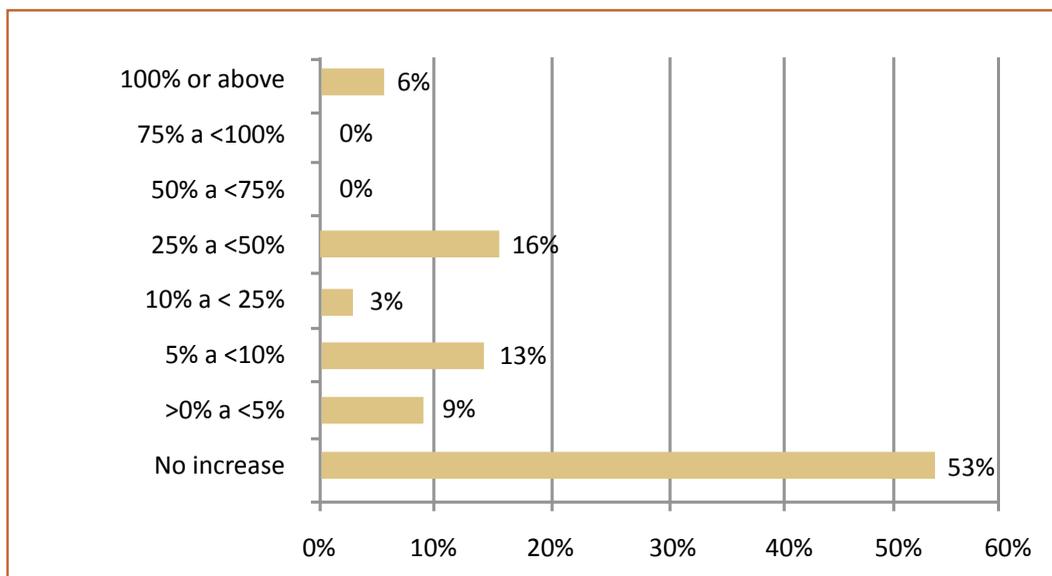
As for the profile of these companies, no one has goals to raise the afro-descendants' participation in leadership positions, but 33% reported having generic goals, not focused on leadership. The revenues of companies that showed a rise in the number of afro-descendants in their top management was between R\$ 1 bn and R\$ 3 bn (67%) and above R\$ 3 bn (33%). As for the headcount, 67% of the companies that showed a rise in the number of afro-descendants in their top management have over 5,000 employees (67%) and between 301 and 1,000 employees (33%).

In **middle management**, 12% of the companies reported an increase in afro-descendants' participation. Among these, 6% had a 0-5% increase; 3% a 10-25% increase; and 3% ≥ 100%.



As for the profile of the (12%) companies with an increase in afro-descendants' participation of middle management positions, 25% reported having generic goals to raise the number of afro-descendants in their staff, but no one reported having goals for leadership positions. With regard to revenues, 75% reported revenues of over R\$ 3 bn and 25% of between R\$ 1 bn and R\$ 3 bn. Companies with over 5,000 employees (50%) were those with the greatest increase in afro-descendant top managers; the other were between 1,001 and 3,00 employees (25%) and between 3,001 and 5,000 (25%).

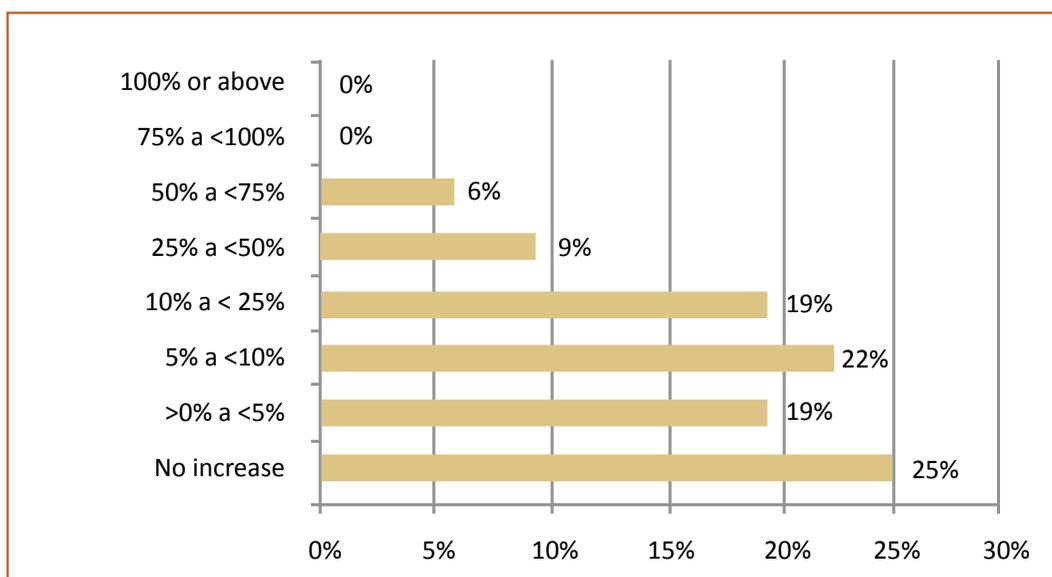
In **low management**, 47% of the companies reported an increase in afro-descendants' participation. Most companies (16%) reported a 25-50% increase; 13% had a 5-10% increase; 9% a 0-5% increase; 6% ≥ 100%; and 3% had a 10-25% increase.



As for revenues, 46% reported revenues of over R\$ 3 bn; 40% of between R\$ 1 bn and R\$ 3 bn; 7% of between R\$ 500 million and R\$ 1 bn; and 7% of up to R\$ 500 million. With regard to the headcount, 47% had over 5,000 employees; 33% had between 1,001 and 3,000 employees; and 20% had between 3,001 and 5,000 employees.

None of the companies with increased participation of afro-descendants in low management reported having goals for leadership positions and 13% reported having generic goals.

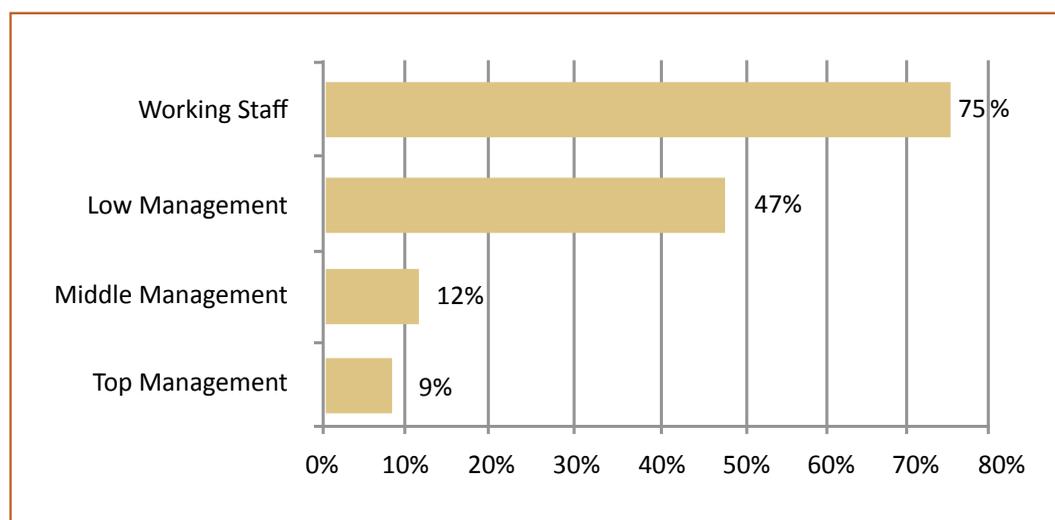
As for **working staff**, 75% of the companies reported an increase in afro-descendants' participation. Most of them (22%) had a 5-10% increase; 19% had a 0-5% increase; another 19% had a 10-25% increase; 9% had a 25-50% increase; and 6% had a 50-75% increase.



As for revenues, 50% reported revenues of between R\$ 1 bn and R\$ 3 bn, followed by 42% of over R\$ 3 bn; 4% of between R\$ 500 million and R\$ 1 bn; and 4% of up to R\$ 500 million. With regard to the headcount, most companies with increased participation of afro-descendants in working staff had between 1,001 and 3,000 employees (42%), followed by companies with over 5,000 employees (29%), between 2,001 and 5,000 employees (21%), and between 301 and 1,000 employees (8%).

It is worth noting that, in companies that reported an increase in afro-descendants' participation, most cases happened in working staff and, the higher the hierarchical level, the lower the percentage of companies to report an advance in this sense.

Just like in the case of women, the ascension of afro-descendants to leadership positions in companies faces enormous difficulties. In this case, the most common explanation in the market as a whole is that there are no afro-descendants with professional qualification, which is not always backed by internal data and country data.



The companies that showed an increase in afro-descendants in any of the hierarchical levels, when asked about the contributing factors for it, answered in a multiple choice question that:

- It was a natural increase, without any specific action to achieve it (76%);
- They have generic goals to raise the number of afro-descendants (12%);
- They do not have goals, but carry out awareness-raising activities on the theme (8%);
- They do not have goals, but carry out activities that favor a higher participation of afro-descendants in leadership positions (4%);

No company informed that the increase was a result of changes in the company's structure (acquisition, merger, sale, new businesses, etc.) and no company set goals with a negative impact on the compensation of managers in case they are not reached. As seen for all hierarchical levels, no company set goals to raise the number of afro-descendants in leadership positions.

The explanation of a natural increase, without any action, is highlighted, showing or trying to convey the idea that the company does not invest in racial equality promotion mechanisms and, therefore, results are a result of the efforts put forth by afro-descendant professionals themselves.

In the box reserved for the company to describe other actions that could contribute to racial equality, none of the companies added any information. It can be inferred, however, that this “natural” increase in afro-descendants’ participation many times involves challenging and eliminating barriers, diversifying the recruiting sources and selection, and being more open to the theme, as will be shown in more detail later in this study.

An important issue regarding racial relations is managing the information on color or race of professionals, as required by the Ministry of Labor and Employment (MTE) through Directive no. 1.740, dated October 26, 1999⁵, updated by Directive no. 10, dated January 6, 2011⁶, both referring to the Annual Listing of Social Information (Rais).

In the latest directive, MTE requests that, in the initial file of the professional, he/she informs his/her race or color, according to the alternatives defined by the IBGE: white, black, mulatto, asian or indigenous. The suggested methodology, the same used in IBGE’s surveys and censuses, has the professional selfdeclare him/herself as belonging to a certain race or color, this definition not being made by anybody else.

By answering the questionnaire used in this study, only 9% of the companies reported not asking the employee about his/her color or race in any moment and that this data, therefore, was not managed. These companies are not complying with the laws in force or the questionnaire respondent did not get the right information from the area in charge of sending the data to the MTE.

Because of this legal requirement, the other companies answered that they manage the information about color or race when filling out the employees’ registration (79%), when filling out job applicants’ curriculum (21%), in organizational climate surveys (3%) or in reporting or grievance mechanisms (regarding disrespect, rights abuse, harassment, discrimination, etc) (3%).

There are companies (6%) that manage the data in a different way, such as in the social report or sustainability report, but it is much larger the number of companies – even among those participating in this study – that inform the data on color or race in these publications.

As seen before, there are companies (21%) that request the information on color or race when filling out job applicants’ curriculum. This information can enable the company to: learn about the profile of its applicants in this aspect; reflect on the reasons for a possible underrepresentation or overrepresentation of a certain segment compared to data from

⁵ http://portal.mte.gov.br/data/files/FF8080812BE914E6012BECC06A8760A/p_19991026_1740.pdf

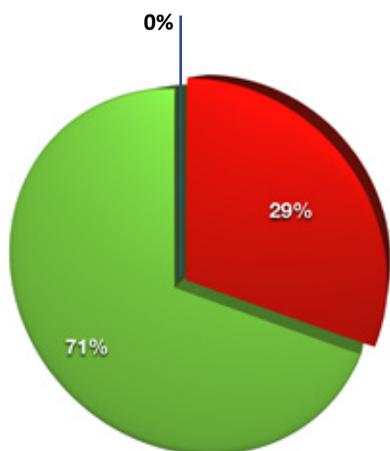
⁶ http://www.rais.gov.br/rais_ftp/PortariaRais2010.pdf

the Brazilian society; discuss with its human resources providers, with the community and other stakeholders about the reasons for a low participation of applicants in any segment; carry out affirmative actions to encourage a higher participation of afro-descendant applicants both in the initial analysis and in the selection for the following phases of the process; and so on. There are companies, for instance, that have revised the images they publish in their job wanted ads. If members of the afro-descendant community do not see themselves in the pictures used by the company, this can be one more barrier to their identification with the company and its job openings.

There are other companies that, considering color or race information in selection processes, make a more careful analysis to make sure that, among the best applicants, there will be a certain number of afro-descendant applicants. If there are, for example, one hundred applicants qualified for the following selection phase, out of which ninety whites and ten afro-descendants, these companies take special care so that the ten afro-descendants will not disappear among the high offer of good applicants. It is an opportunity for the company to identify if there are barriers due to the attitude of one or more of its recruiting and selection team or managers. Companies that do not manage this information may underestimate the composition of plural teams from the racial perspective by not balancing the number of applicants of different segments in the different phases of the selection process.

The organizational climate survey, although anonymous, contains general information about areas where different professionals work, as well as information on gender and age, and maybe information on color or race, like the IBGE classification, allowing a more detailed investigation of results. Only 3% of the companies, as seen before, use the aspect color or race in organizational climate surveys.

- Yes, these actions are exclusively focused on afro-descendants
- Yes, these actions also benefit afro-descendants
- The company has no social action or the actions are not specifically focused on the afro-descendant segment



Nor even in discrimination reporting mechanisms, among other questions, the information on color or race is used more often. Only another 3% of companies use this information, which allows identifying in more detail the most frequent grievances and, therefore, finding solutions to avoid and tackling the problems more efficiently and effectively.

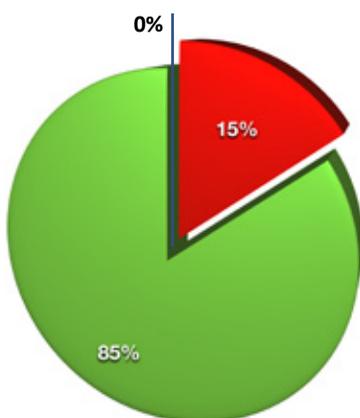
In the labor market as a whole, there are companies that manage information on the offer of benefits for professional development (scholarship or participation in in-company training), on potential candidates for promotion, as well as on layoffs. Some companies, when managing the data, find out that the afro-descendants are the majority in layoffs, whether or not voluntary, especially in a moment of downsizing. The person responsible for managing these situations can identify if this happens by coincidence, if there has been an effective analysis of the performance of laid off employees or if the question of racism is influencing decisions that are highly relevant to the organization, besides causing negative impacts on the lives of people, on teams and on society.

There is still fear of asking about color or race based on the belief that it would be an act of negative discrimination and that it could insult the employee or put the company at risk. But it has been a consensus, for decades, that managing the data is necessary in all fields of social life, including the labor market. Thanks to this information, it is possible to manage and produce a wide range of solutions so that the company will not be deprived from the participation of afro-descendant talents in its recruiting and selection processes.

Requesting information about color or race from employees is a company's social responsibility practice, and so is being transparent when informing such data to society in its publications, such as social report, social responsibility indicators and other communications on its activities.

Many companies claim they do not have a significant number of afro-descendant professionals because there is a social problem. In other words, it is a societal responsibility. However, in its social action, the company is not always aware of the opportunities to invest in educational and professional qualification of afro-descendants. When we asked if companies performed **social actions focused on the afro-descendant population** aimed at their preparation for the labor market, none of them reported performing actions exclusively for this segment and 29% reported performing actions that also benefitted the afro-descendants. However, 71% of the companies reported not performing any social action or reported that those actions performed did not focus on the afro-descendant segment in particular.

- Yes, through the social action area
- Yes, through actions of the HR area or other internal areas
- No



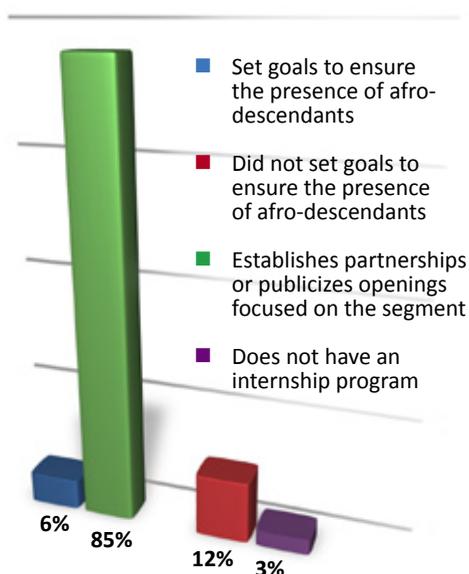
As for the offer of **scholarships** to afro-descendant students, also aimed at increasing the participation of afro-descendants with more years of schooling in society and even in their selection processes, 15% of the companies informed that they do it through actions in the HR area or in other internal areas. No company reported carrying out this practice through its social investment or social action, and 85% answered that they do not invest in the education of afro-descendants.

By investigating other opportunities for qualification of afro-descendant professionals within the company, this study asked if there was any measure with regard to this segment in **internship programs**. Out of the responding companies, 6% set goals to ensure the presence of afro-descendants among interns, and 12% partner with institutions or publicize openings focused on afro-descendant applicants. Nevertheless, 85% of the companies did not set goals to ensure the presence of afro-descendants and 3% reported not having an internship program.

With regard to trainee programs, 50% of the companies reported not having any. Among those that have such programs, HSBC Bank informed that it makes efforts to find afro-descendant applicants and monitors the results of these efforts. The other companies

informed that they did not set goals to ensure the presence of afro-descendants, do not publicize openings focused on this segment and did not partner with institutions that can guarantee access to afro-descendant applicants.

In order to ensure a higher participation of afro-descendants in any of the company's hierarchical levels, that is, an overall participation, 53% of the companies said they carry out some kind of activity. In a multiple choice question, no company reported having included the item color or race as a criterion for choosing applicants, despite the low number of afro-descendant professionals. And this is encouraged by the legislation and by international norms, which do not consider affirmative actions as discrimination. This is the case of the 1965 UN Convention on racial discrimination⁷.



Other answers given by companies were:

- 89% use images that favor racial diversity in the company's communication, both internally and externally;
- 11% partnered with educational institutions (Senai, universities and/or others) to increase the number of afro-descendant students;
- 11% revised their recruiting sources and/or diversified these sources;
- 6% revised the requirements contained in the job wanted ads to eliminate any possible discrimination of afro-descendant applicants;
- 6% started to publicize openings stating that the company favored racial diversity or specifically focused on afro-descendants;
- 6% carried out awareness-raising activities in the community to show the company's interest in promoting racial equality in the access to its job openings;
- 17% carried out other types of activities.

Regarding the use of images, 89% of the companies have already realized that the Brazilian racial reality does not allow for a careless representation focused only on the white segment. The use of images with higher racial diversity creates a positive impact on the company's ability to attract afro-descendant applicants and build its image and reputation as an inclusive company that respects the human rights of workers in this aspect.

Some of the companies (6%), on the one hand, started to revise requirements contained in job wanted ads and, on the other hand, state that the company favored racial

⁷ Convenção Internacional sobre a Eliminação de Todas as Formas de Discriminação Racial, adotada pela ONU em 21 de dezembro de 1965, parte 1, artigo 1, parágrafo 4: "Não serão consideradas discriminação racial as medidas especiais tomadas com o único objetivo de assegurar progresso adequado de certos grupos raciais ou étnicos ou de indivíduos que necessitem da proteção que possa ser necessária para proporcionar a tais grupos ou indivíduos igual gozo ou exercício de direitos humanos e liberdades fundamentais, contanto que tais medidas não conduzam, em conseqüência, à manutenção de direitos separados para diferentes grupos raciais e não prossigam após terem sido alcançados os seus objetivos."

diversity. One of the controversial requirements is the criterion of “good looks”, something subjective and that is used to reinforce racist and chauvinist patterns, affecting women in general and afro-descendant women in particular. Act no. 9.799, dated 1999, included in the CLT Labor Code several aspects of discrimination in the labor market and rejected, in Section 373A, this type of subjectivity in admission or promotion processes in public or privately-held companies⁸.

Among the companies that said they performed other activities, some reported their actions, including partnerships with institutions with focus on the afro-descendant community and equal opportunity policies.

Banco HSBC – Set goals to increase the number of afro-descendants at the base of the company; created the Grupo de Afinidade (Affinity Group) to discuss issues related to this segment; promotes the inclusion of afro-descendants in the labor market; partnered with the higher education institution Faculdade Zumbi dos Palmares⁹ to hire interns; included contractual provisions requiring that recruiting providers present afro-descendant applicants.

Itaú Unibanco – Partnered with Faculdade Zumbi dos Palmares to hire interns, especially black people.

Unimed Paulista – Has specific equal opportunity policies for all employees in admission, promotion and internal mobility.

When answering a multiple choice question about encouragement to increase the participation of afro-descendants in leadership positions, 18% of the companies informed that they have actions of this nature, as follows:

- 83% sensitize managers to more openness towards the promotion of afro-descendants;
- 40% sensitize recruiting providers to the theme;
- 17% established goals or quotas for afro-descendants;
- 17% included a provision in HR supplier agreement requiring a minimum number of afro-descendant applicants;
- No company has a mentoring program exclusively focused on afro-descendants;
- No company does external recruiting focused on afro-descendants.

Sensitization or awareness-raising practices aimed at different internal and external stakeholders are becoming more frequent in companies. Although companies informed in other parts of the study that they do not have goals or quotas for afro-descendants regarding leadership positions, in this question 17% of them said they did.

It is also interesting to notice that, although no company reported having a mentoring program focused on afro-descendant professionals, this practice exists in the market and has helped speed up the access of afro-descendants to higher-level positions in the organizations. Mentoring programs involve more experienced professionals helping those

⁸ Lei 9.799, de 26 de maio de 1999 (http://www.planalto.gov.br/ccivil_03/LEIS/L9799.htm#art373a).

⁹ A Faculdade Zumbi dos Palmares foi criada para atuar com foco na comunidade negra (http://www2.zumbidospalmares.edu.br/index.php?option=com_content&view=article&id=65&Itemid=58).

who are identified as potential leaders. Such programs give more visibility to professionals involved, in this case, afro-descendants, and also enhance the understanding of specific problems faced by them in society and within the organization.

The following actions reported by some companies stand out:

Banco HSBC – Through the Brazilian Federation of Bank Associations (Febraban), the company signed cooperation agreements with the Ministry of Education (MEC), with the Secretariat for the Promotion of Racial Equality (Seppir), and with the Special Secretariat for Women's Policies (SPM), all of them federal government agencies, to promote and value diversity in the banking sector. Such partnerships are aimed at strengthening and implementing policies focused on women and on afro-descendants, as well as on the young students who participated in the University for All (ProUni) Scholarship Program. The goal is to increase the integration of these groups into the labor market by improving their qualification and capacity.

WEG Equipamentos Elétricos – Conducts internal campaigns to value diversity.

Among the companies that reported not having an increase in afro-descendants' participation, 94% informed that they carried out racial equality promotion actions. Asked about the factors that would explain the lack of results:

- 16% did not give any justification;
- 58% said the lack of increase was due to the fact that the company did not have actions specifically focused on the afro-descendants' segment;
- 10% claimed the lack of increase was due to the fact that the company selected applicants through a competitive civil service examination.
- 6% claimed the company considers actions that prioritize segments as discriminatory;
- 10% made diverse remarks.

The competitive civil service examination is, at least at the time of entrance in the company, a factor that reduces the barriers placed by the subjectivity of the selection processes of private companies. On the other hand, they have been used as justification to explain the low percentage of afro-descendants' participation in the staff of public or state-owned companies. In the last few years, recruiting actions have been careful not to publicize images that do not represent the Brazilian racial diversity, a contributing factor to encourage the afro-descendant population to see themselves included as target group of selection processes. Public or state-owned companies can invest in partnerships and increased dialogue with black movement organizations to prepare candidates to the competition, a type of affirmative action that precedes the establishment of quotas, as happens in the State of Rio de Janeiro, for example.

When giving its justification, one company informed that its affirmative actions for afro-descendants are still very recent and results are beginning to show only in 2011. It is a justification that brings hope that other companies may also be investing in affirmative actions to reduce the disparities found in surveys of the labor market, not different from the data of this study.

The awareness that there is a huge loss for the Brazilian society should be enough for companies to invest in more actions to change the current situation. However, given the country's development in the last decade, with more presence of afro-descendants in classes C, B and A, companies that participated in this study should be concerned with the fact that only 5.3% of their top managers, 13.2% of their middle managers and 25.6% of their low-level managers are afro-descendants. Even in working staff, 31.1% of afro-descendants is not compatible with the economically active population in 2010 (46.5%), the same year when the Ethos Institute presented the data above.

Just like in the case of women, there are companies investing in active participation of afro-descendants by setting up groups to discuss their situation, contribute to identifying barriers and make proposals for solutions. The scope of these groups can be internal or external stakeholders, especially current and prospective customers.

The great advance presented by some companies lies in the careful decision of these groups not to involve only the afro-descendants, but also the non-afro-descendants, based on the perception that the problem and its solution require a new look on racial relations and anti-racist actions, while keeping the focus on the segment that suffers loss on a daily basis.

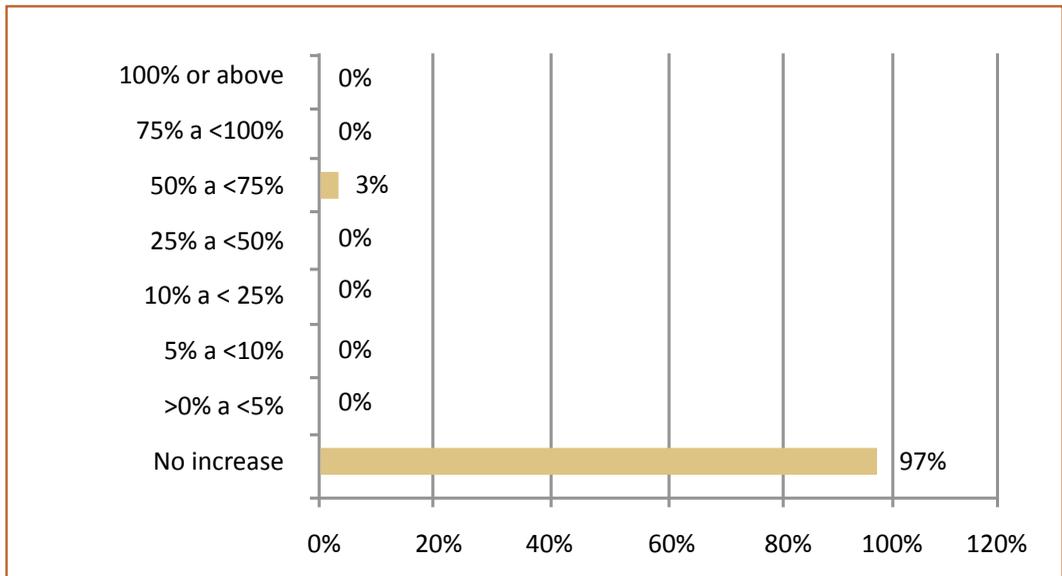
Advances in disabled people's participation

Due to the existence of the Quotas Act to ensure the presence of people with disabilities in the labor market, this study, just like in the case of apprentices, asked about an increase in the number of professionals with disabilities and also about the achievement of legal quotas established according to the headcount.

Among responding companies, 38% reported meeting the quota and, out of these, 3% not only met but also exceeded the legal quota. Participating companies that reported meeting or exceeding the quota (data of December 2010) were: Alcoa, Bahiagás, Banco do Nordeste, Banco HSBC, Comgás, EDP in Brazil, Embasa, Furnas, Grupo Boticário, Samarco, Termomecânica, Transpetro and Vicunha Têxtil.

As for the profile of participating companies that either met or exceeded the legal quota, 61% reported revenues of over R\$ 3 bn; 23% of between R\$ 1 bn and R\$ 3 bn; 8% of between R\$ 500 million and R\$ 1 bn; and 8% did not inform their revenues. With regard to the headcount, 39% had more than 5,000 employees; 30% between 1,001 and 3,000; 15% between 3,001 and 5,000; 8% between 301 and 1,000; and another 8% up to 300 employees.

Regarding an increase in the number of professionals with disabilities, whether or not meeting the quota, 85% of the companies reported the following:

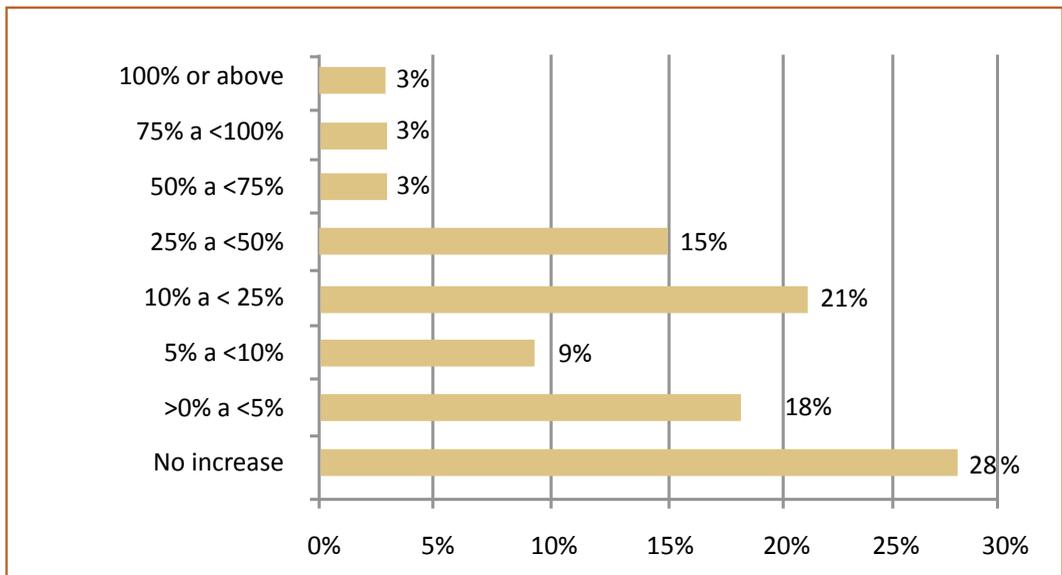


The greatest challenge is in **top management**. Only 3% of the companies reported a 50-75% increase in the participation of this type of professionals.

In **middle management**, the situation is a little better, with 6% of the companies reporting a 0-5% increase, 3% a 10-25% increase, and another 3% a 25-50% increase.

In **low management**, 9% of the companies reported a 0-5% increase, 3% a 10-25% increase, 3% a 25-50% increase, and 3% ≥ 100%.

Working staff was where most companies (72%) showed a greater percentage increase, among which 21% had a 10-25% increase; 18% between 0% and 5%; 15% between 25% and 50%, 9% between 5% and 10%; 3% between 50 and 75%; 3% between 75 and 100%; and 3% over 100%.



The reasons reported by the companies for these increases in one or more hierarchical levels (79%) were the following:

- 56% believe the increase is due to sensitization / awareness-raising actions on the theme involving all employees;

- 44% believe the increase is due to the fact that the company seeks to comply with the law on quotas for the inclusion of people with disabilities, despite not having been fined or not having signed a compliance commitment (TAC);
- 41% believe the increase is due to the adoption of internal goals to meet the quota provided by law;
- 30% believe the increase is due to the fact that the company seeks to comply with the law on quotas for the inclusion of people with disabilities because it has been fined or has signed a compliance commitment (TAC);
- 19% believe the increase is due to the fact that the company has allocated funds to hire people with disabilities so as to not burden the areas, thus encouraging managers to include these professionals;
- 11% believe the increase is due to actions that favor the increase in the number of people with disabilities, even without established goals;
- 4% believe the increase is due to internal goals to increase the number of people with disabilities in leadership positions;
- 4% believe the increase is due to internal goals to increase the number of people with disabilities coupled with a negative impact on the compensation of managers in case they are not reached;
- 4% have leadership-focused sensitization / awareness-raising actions;
- 4% did not set internal goals to meet the quota provided by law;
- None of the companies believe this has been a natural increase, without any action aimed at it;
- 11% believe the increase was due to other diverse actions.

Even with quotas provided by law, there are companies that set internal goals, with or without an impact on the compensation of managers, seeking to enhance measures to comply with the law, speed up results or better distribute responsibilities among the different areas. These are affirmative actions within affirmative actions, in this case matching internal goals with quotas provided by law and imposed on companies.

Some companies centralize the funds to pay the compensation of professionals with disabilities in the HR area for a period of time, until the area managers realize that the inclusion of these professionals must become daily routine in hiring processes.

However, companies still tend to make only the most basic functions available to professionals with disabilities. They act based on a partial view of reality, believing there are not qualified professionals in the market, which is not true. In the last decade, at least, an effort has been made by society to make its spaces more accessible and public and private services more inclusive, particularly within regular education, both public and private.

In 2005, the Ministry of Education Census of higher education identified over 10,000 students with disabilities in universities. From 2005 to 2011, 5,915 of the 915,551 scholarships offered by ProUni reached people with disabilities, i.e., 1% of the total scholarships. Together with data showing the serious problem of denying the fundamental right to education to people with disabilities, these positive data should be taken into

account, as they are being considered by certain companies, which have advanced in the participation of these professionals in all hierarchical levels.

Such companies do not make only the most simple positions (with lower compensation) available, without considering the professional profile of the applicant and the opening. They make all positions available to professionals with disabilities and take advantage of the labor market barriers to have access to the best talents among these professionals, comprising people from different social classes – including higher classes – as well as people who became disabled after completing higher education or higher levels of education.

In 2000, according to the IBGE Census, out of the country's 24 million people with disabilities, in accordance with the concept used at the time, there were 9 million inserted in the labor market, especially the informal market. There is, therefore, an equal or greater potential, considering ten years have passed, of people that are able to enter the formal labor market. In spite of this, even with the Quotas Act, in 2010 there were only 306 thousand workers with disabilities in the formal labor market¹⁰. There is, therefore, a golden opportunity for companies that promote equality among professionals with and without disabilities, by adopting inclusion programs and taking measures to comply with the law and even exceed the quota with access to god professionals.

Cross-cutting discriminatory patterns also sidetrack companies, which keep the preference for white men between 25 and 40 years of age. By drawing attention to these patterns or to the discriminatory ideologies, pro-diversity programs help companies to recognize more quickly and easily the qualities of those who do not fit the labor market's preferred pattern.

As for the type of disability, companies that complied with the Quotas Act showed that they did not focus on a type of disability that could be easier to include. Among the total workers with disabilities in 2010, according to Rais/MTE, the ones classified as physically disabled are prevalent (54.47%), followed by those with hearing impairment (22.49%), visual impairment (5.79%), mental disabilities (5.10%) and with multiple disabilities (1.26%). With regard to rehabilitated employees, only 10.9% of the total number of people with disabilities were reported, even being the labor market an important cause of this condition to its workers due to occupational accidents and work-related injuries. When diversity in all levels is valued, the company has access to the best professionals no matter the type of disability they have.

Unlike the situations of women and afro-descendants, no company reported believing that "natural causes" had been the reason for an increase in the participation of people with disabilities in the company, considering that 30% of them have already been fined or signed a compliance commitment, a fact that negatively impacts on their image and reputation, even though it is seldom informed in social reports.

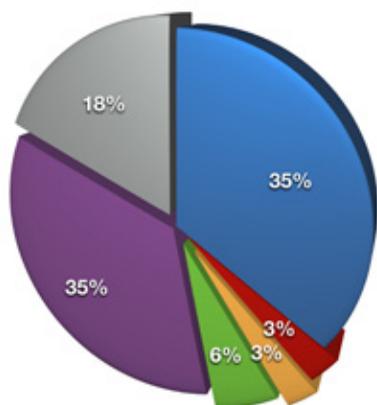
¹⁰ Source: Ministry of Labor and Employment – Rais 2010 (http://www.mte.gov.br/rais/2010/arquivos/Resultados_Definitivos.pdf).

When asked about other factors, some companies reported their practices, among which two stand out:

Aurora Alimentos – Has a professional qualification program for people with disabilities hired.

Randon Implementos – Carries out the Incluir (Include) Program, focused on the inclusion of people with disabilities; flexible profile requirements for positions (qualification); and mapping of posts to identify possibilities of insertion.

- Complied with the law
- Complied with the law and exceeded the quota
- Did not comply with the law and is far from that
- Did not comply with the law, but it is on the way
- Complied with the law in the past
- Has never complied with the law



Analyzing in more detail the situation of companies' compliance with the Quotas Act, the study shows that 35% of them still have not complied with the law, but report being on the way to do it. 18% say they did in the past, before December 2010, which represents a differentiated behavior compared to other companies participating in this study.

On the other hand, 9% of the companies informed that they never complied or that they are far from complying.

As for managing information on disabilities, one important factor for managing the company's professionals, from recruiting to lay-off, and always considering this characteristic, 88% of the companies said they request the data when filling out the employees' registration, and 59% when filling out job applicants' curriculum.

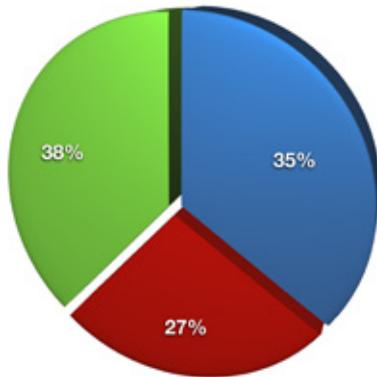
Other companies (3%) consider the information on disabilities in organizational climate survey, and 9% consider it in reporting or grievance mechanisms (regarding disrespect, rights abuse, harassment, discrimination, etc). No company fails to ask about disabilities at any time, especially because this information is necessary for accountability to the Quotas Act's inspection bodies.

On the other hand, no company does this management when filling out files of access to benefits, which can show the companies still have not considered the specificities of each person with disabilities, their needs and possibilities of adding value in their relationship with employees and their families. The access to educational activities is an example of challenge companies still face, because the sites, materials or instructors do not include the different types of disabilities, negatively impacting on the development of professionals and their careers.

By the way, a career for people with disabilities is another challenge for companies that only seek to meet the Quotas Act. Not only do they fail to meet the quota – because the number of dismissals/resignations is bigger than the effort to the initial inclusion –, but they also miss the opportunity to keep talents that make a critical analysis of the work environment, the organizational climate, and the opportunities for career development.

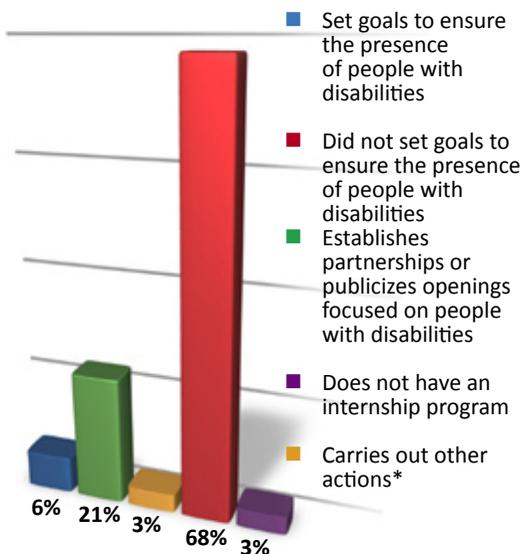
Companies that complied with and exceeded the Quotas Act frequently report that those professionals that are less committed to performance end up realizing the seriousness of the program, improve themselves or look for a position in other companies that are still more focused on figures than on adding value to all. Other companies also say that a virtuous circle is created by considering people with disabilities not only as the focus of quotas, but as professionals that can get ahead in their careers or current and prospective customers, with needs and opportunities for products and services, among other aspects.

- Yes, they are actions exclusively focused on people with disabilities
- Yes, they are actions that also benefit people with disabilities
- The company has no social action or the actions are not specifically focused on people with disabilities



Just like in the case of afro-descendants, many companies claim they do not find professionals with disabilities qualified for their openings. However, when asked if they invest in the professional development of this segment through their social investment or social action practices, 38% of them inform that the company has no social action or, if they do, the action has no specific focus on this group; 35% reported having actions exclusively focused on people with disabilities; and 27% reported having actions that also, but not exclusively, benefit this segment. These data are far better than those related to afro-descendants, and it can be seen that many companies are gaining insights by making investments – by themselves or through sectoral partnerships or other types of partnerships – in professional development programs.

With regard to the offer of scholarships, no company participating in this study reported offering this benefit through the social action area, but 38% do it through the HR area or other internal areas. If investment in education is key and is made to other segments, for people with disabilities it isn't so, once 62% of companies reported not sponsoring studies through scholarships.



Without access to disabled professionals with higher education level, one measure would be carrying out recruiting and selection for internship openings with a special consideration for this segment. Among the companies participating in this study, 6% set goals to ensure the presence of the segment in internship teams, against 68% that did not. In a multiple choice question, 21% also reported forming partnerships or publicizing internship openings focused on people with disabilities.

As for trainee programs, no company dared to include professionals with disabilities, 47% did not set goals, and only 9% form partnerships or publicize internship openings focused on this segment. In this issue, 50% of the companies reported not having a trainee program.

Breaking down the measures to increase the participation of people with disabilities in the company, without focusing on leadership positions, 88% of participating companies reported having some kind of action, as follows:

- 62% carry out adjustments in the positions every time it is necessary;
- 53% revised their recruiting sources and/or diversified these sources;
- 50% make internal renovations to improve accessibility for all;
- 47% started to publicize openings stating that the company favored racial diversity or specifically focused on people with disabilities;
- 44% use images that favor racial diversity in the company's communication, both internally and externally;
- 35% develop or participate in professional development programs focused on people with disabilities;
- 26% revised the requirements contained in the job wanted ads to eliminate any possible discrimination of disabled applicants;
- 26% included the issue of disabilities as a criterion for choosing applicants;
- 26% partnered with educational institutions (Senai, universities and/or others) to increase the number of disabled students;
- 26% carried out awareness-raising activities in the community to show the company's interest in promoting a higher participation of people with disabilities;
- 12% carried out other types of activities.

Unfortunately, job wanted ads are still a challenge for companies. Many find creative ways to make clear that they want professionals with disabilities and, with that in mind, they use photographs in the ads including at least one person with visible disability. Others inform in the text that they praise diversity and inclusion, whether or not referring to the different segments of society, which would be enough to attract everyone that faces barriers in the access to the labor market.

However, some companies make specific, desperate and disrespectful ads detailing the type of disability of the persons they are hiring and not the job profile, required qualifications and other aspects typical of a recruiting and selection process. Even large companies, with their well-known brands, make this mistake, compromising the process, negatively impacting on the brand image and even repelling highly qualified professionals that cannot see the quality of the advertiser's inclusion program.

In the first moment, HR areas created sectors to focus on and speed up the process of compliance with the Quotas Act. However, these sectors became parallel areas, not working side by side with recruiting & selection, with their own (communication) messages, which, after more than one decade the law has been in force, do not seem to have helped the theme to become part of the daily business processes. Many times, the message conveyed is that the company seeks talents, professionals, and also hires people with disabilities, disqualifying the program and disrespecting the professionals, as well as its brand and reputation.

Among the initiatives described by some companies, two stand out:

Alcoa e Unimed Rio – Have internal campaign to encourage employees to indicate disabled applicants selected from their family/relatives and members of the community.

Central Unimed – Sensitizes managers and workers to hire people with disabilities enjoying equal opportunities of admission, promotion and internal mobility.

When answering a multiple choice question about encouragement to increase the participation of people with disabilities in leadership positions, 50% of the companies informed that they have at least one action of this nature, as follows:

- 59% sensitize managers to more openness towards the promotion of people with disabilities;
- 47% sensitize recruiting providers to the theme;
- 24% do external recruiting focused on people with disabilities;
- 18% established goals or quotas for people with disabilities;
- 6% included a provision in HR supplier agreement requiring a minimum number of disabled applicants;
- No company has a mentoring program exclusively focused on disabled employees;
- 6% carried out other actions.

Awareness-raising is the top action carried out by most companies, but those that break the vicious circle of exclusion sensitize while including and include while sensitizing, which speeds up results in both quantitative and qualitative terms, with practical insights to everyone. Other companies, in turn, spend time, financial resources and energy in long awareness-raising processes and leave the inclusion of professionals to a later time. Simultaneous inclusion and awareness-raising processes, therefore, seem to produce better results.

Companies participating in this study did not report it, but it is a common practice among companies with programs for inclusion of professionals with disabilities the appointment of mentors to follow these employees for a certain period of time. In general, these mentors are not the managers, but senior colleagues that present the company, make periodic meetings and seek to talk about issues that favor the inclusion process, with all the novelties and challenges it brings to all.

Some companies, through the mechanisms created to promote equality among people with and without disabilities, end up adopting practices such as mentorship, to all the other employees, improving processes. This is what has happened also with regard to positions, health and safety measures, ergonomics and production aspects, among others.

Some companies reported their practices in the field of inclusion of persons with disabilities between 2009 and 2010, of which three stand out:

Banco HSBC – Develops and offers banking products focused on people with disabilities. It also sponsors and participates in the International Fair of Technologies in Rehabilitation, Inclusion and Accessibility (Reatech), the third largest fair in the world aimed at the needs of people with disabilities, a space with high visibility among other

companies and the community of this segment, favoring the access to applicants, customers, suppliers and other partners.

Dow Brasil – Disability Employee Network (DEN) is a global initiative comprised of voluntary employees that seek to promote the inclusion and integration of disabled individuals within the workplace. In Brazil, DEN started in 2008 and, along these years, it has grown into a facilitator of disability-related themes. DEN is aligned with the Diversity & Inclusion strategy of the company, which prioritizes attraction, development and retention of professionals with disabilities available in the market, considering that the differences – social, cultural or physical – allow for a work environment that is open to innovate, produce and analyze situations from different perspectives.

Embasa – Carries out competitive civil service examination with quotas for people with disabilities.

Prezunic Supermercados – Keeps the Gerência de Trabalho (Work Management) Project, focused on inclusion and permanence of people with intellectual disabilities in the labor market.

Unimed Rio – Hires and trains people with disabilities for the Trainees Especiais (Special Trainees) Program. Every year 15 openings are offered to people with disabilities who completed High School for the position of administrative assistant.

WEG Equipamentos Elétricos – Professionals related to the theme participate in discussion forums with institutions and other companies, besides pursuing continuous improvement and update on information and innovations.

All companies that did not report any increase in the number of people with disabilities in any of the hierarchical levels said they had actions for inclusion. As for the factors that could explain the lack of results in one or all levels, 58% of the companies did not respond, and the others gave the following reasons:

- 6% claimed they select applicants through a competitive civil service examination, which has no quotas for people with disabilities;
- 6% claimed the company considers actions that prioritize segments as discriminatory;
- 30% mentioned other factors, such as lack of company focus on access to executive positions, lack of qualified professionals, difficulty in retention because the market is competitive for the segment, lack of interest of employees; or claimed there are not investments in qualification for leadership positions, that quotas a in competitive civil service examination lure professionals away from private companies and that quotas do not fit the local number of people with disabilities.

With regard to competitive civil service examinations, Executive Order no. 3.298, dated December 20, 1999, set out quotas for this segment¹¹. Companies that still consider prioritization of segments as discriminatory are at risk because there is a Quotas Act in place in this case. Risks include being fined and negative impacts on stakeholder relations, image and reputation, among others. Therefore, there are professionals that are still unaware of the legislation, after so long, and can put their organizations in a difficult situation.

People with disabilities are obviously entitled to work. However, organizations, their

¹¹ http://www.planalto.gov.br/ccivil_03/decreto/d3298.htm.

processes and relations seem to have been designed for Leonardo da Vinci's Vitruvian Man, creating barriers to those who do not fit the ideal human being imposed as a pattern.

Professionals appointed by companies to work in pro-diversity programs should contribute to a deeper understanding of the organization of the complex issues involved in this theme. In the case of inclusion of people with disabilities, there are in the country a set of laws, rules and executive orders, not to mention the UN Convention on the Rights of Persons with Disabilities, which was ratified by Brazil with a constitutional status.

On the other hand, companies that have understood the legal demand and its meaning are gaining insights into innovation, reviewing processes and learning that there are other ways to reach the expected results, considering human diversity. Through the challenges created by people with disabilities, some companies are becoming more sensitive to develop, strengthen and maintain an inclusive environment with new possibilities, perspectives and comprehension of the reality where they operate.

For some companies, the Quotas Act is a big problem, whereas for others it is a great opportunity for innovation and reinvention, in a world that requires a background to face changes and create new solutions, new ways to realize the meaning of work and the quality of relations with all stakeholders.

Advances in the participation of people over 45

In the Ethos Institute's *2010 Social, Racial and Gender Profile of the 500 Largest Companies in Brazil and their Affirmative Actions*, 84.7% of the total employees were below 45 years old. Only in top management, which requires longer time in the organization, background and experience, people below 45 were surpassed by people over 45. The latter accounted for 57.8% of this hierarchical level (39.8% between 46 and 55 and 18% over 56).

Maybe that is why no company participating in this study reported having goals to increase the number of people over 45 in any leadership position (top management, middle management and low management). However, 5% have goals to increase the number of people over 45 in working staff. Still with regard to goals, no company coupled them with negative impacts on the compensation of managers in case they are not reached.

Considering one or more hierarchical levels, 69% of the companies reported an increase in the participation of people over 45 between December 2009 and December 2010.

As for **top management**, 22% of the companies reported an increase in the participation of people over 45. Out of these, 10% reported a 5-10% increase; 6% a 10-25% increase; and another 6% a 75-100% increase.

With regard to revenues, 57% of these companies reported revenues of between R\$ 1 bn and R\$ 3 bn; 29% of over R\$ 3 bn; and 14% of up to R\$ 500 million. As for the headcount, 43% have more than 5,000 employees; 43% between 3,001 and 5,000; and 14% between 1,001 and 3,000 employees.

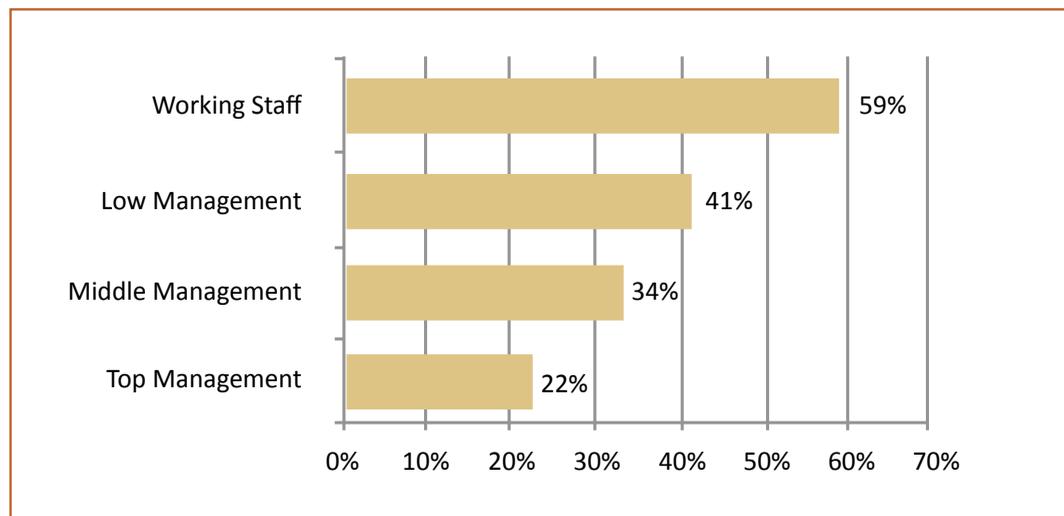
As for **middle management**, 34% of the companies reported an increase in the participation of this segment, 16% of which with a 10-25% increase; 9% with a 5-10% increase; 6% with a 50-75% increase; and 3% with a 0-5% increase. No company has goals to increase the number of people over 45 in leadership positions, and 9% have goals to increase the number of people over 45 in the company as a whole.

With regard to revenues, 54% of the companies reported revenues of between R\$ 1 bn and R\$ 3 bn; 37% of over R\$ 3 bn; and 9% of up to R\$ 500 million. As for the headcount, companies with more than 5,000 employees had the greatest percentage (37%), followed by companies with 3,001-5,000 employees (27%), 1,001-3,000 employees (27%), and 301-1,000 employees (9%).

In **top, middle and low management**, 41% of the companies reported an increase, 19% of them between 25% and 50%; 16% between 0% and 5%; 3% between 5% and 10%; and 3% between 10% and 25%. No company reported having goals to increase the number of people over 45 in leadership positions, but 8% reported having overall goals, regarding no specific position.

With regard to revenues, 54% of the companies reported annual revenues of between R\$ 1 bn and R\$ 3 bn; 39% of over R\$ 3 bn; and 7% of up to R\$ 500 million. As for the headcount, 7% have between 301 and 1,000 employees; and each of the following groups comprised 31% of companies: between 1,001 and 3,000 employees; between 3,001 and 5,000 employees; and more than 5,000 employees.

In **working staff**, 59% of these companies reported an increase in the participation of people over 45, among which 22% had a 0-5% increase; 22% a 10-25% increase; 22% a 10-25% increase; 12% a 25-50% increase; and 3% a 5-10% increase. Out of these companies, 5% reported having overall goals to increase the participation of this segment.



With regard to revenues, 47% of these companies reported revenues of between R\$ 1 bn and R\$ 3 bn; 43% of over R\$ 3 bn; 5% of up to R\$ 500 million; and another 5% of between R\$ 500 million and R\$ 1 bn. As for the headcount, 37% have more than 5,000 employees, another 37% have between 1,001 and 3,000 employees; and 26% have between 3,001 and 5,000 employees.

The greatest percentage of increase in headcount happened in working staff. Unlike the absolute number, this study measures the percentage of increase in headcount of this segment in the different hierarchical levels. The higher the hierarchical level, the lower the percentage of companies that reported an increase in participation.

As for the factors that might have contributed to the increase in the participation of employees over 45 in any of the hierarchical levels, 69% of the companies in this situation, when answering the multiple choice question, reported the following:

- 55% believe the increase is due to the fact that the company has no age restriction on hiring new professionals;
- 27% believe the increase is due to activities that favor a higher participation of people over 45 in all positions/functions, despite not having goals with this purpose;
- 22% believe the increase is natural, without any specific business action to achieve it;
- 14% believe the increase is due to the fact that the company encourages the permanence of people over 45;
- 14% believe the increase is due to sensitization / awareness-raising activities on the theme involving all employees;
- 9% believe the increase is a result of changes in the company's structure (acquisition, merger, sale, new businesses, etc.);
- 5% believe the increase is due to internal goals to increase the number of people over 45 in working staff;
- 5% believe the increase is due to the fact that the company has sensitization / awareness-raising activities focused only on leaders;
- No company reported having goals to increase the number of people over 45 in leadership positions;
- No company reported having goals to increase the number of people over 45 coupled with a negative impact on the compensation of managers in case they are not reached;

Regardless of the company's age profile, it is important to manage the data. Some companies, when publicizing openings, do not manage the data and come across 90% of young applicants, generally for the same position. The same may happen to any other age group, depending on the position, the country's situation, the local reality or the type of activity.

Companies that value diversity, including age diversity, can and should manage the information so as, for example, not to involuntarily lose older professionals that have precious knowledge of the company's activities, history and processes. There are conflicts in the interaction of different age groups, which can become an asset or a serious problem for the company that does not manage data and only reacts to situations when they arise.

As far as data management is concerned, the study addressed the theme and companies answered a multiple choice question as follows:

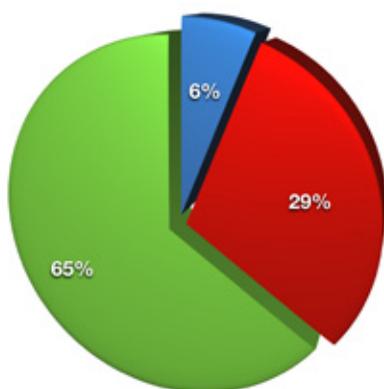
- 76% manage the age information when filling out the employees' registration;
- 35% do it when filling out job applicants' curriculum;
- 6% do it in reporting or grievance mechanisms (regarding disrespect, rights abuse, harassment, discrimination, etc);
- 6% do it in organizational climate surveys;
- 3% do it when filling out files of access to benefits;
- 3% do not consider the age issue at any time and the information is not managed;
- 6% manage it in other ways, such as in the social report, to inform the society about its age profile.

In this moment, when companies say it is not easy for them to find qualified professionals for their activities, social action in the community may consider the over 45 age group as a segment to be encouraged and prepared.

About this issue, 65% of the companies informed that there is no social action in the company or, if they do, the action has no specific focus on people over 45, but 6% reported exclusive actions and 29% informed that they carry out actions that also benefit this segment.

To encourage a higher participation of people over 45 in the company, in all positions or hierarchical levels, 53% of the companies informed that they carry out actions in this sense. This can be broken down as follows:

- Yes, these actions are exclusively focused on people over 45
- Yes, these actions also benefit people over 45
- The company has no social action or the actions are not specifically focused on people over 45



- 67% use images that favor people over 45 in the company's communication, both internally and externally;
- 33% revised the requirements contained in the job wanted ads to eliminate any possible discrimination of applicants over 45;
- 11% revised their recruiting sources and/or diversified these sources;
- 11% included the issue of age – being over 45 – as a criterion for choosing applicants;
- 6% partnered with educational institutions (Senai, universities and/or others) to increase the number of students over 45;
- 6% develop or participate in professional development programs focused on people over 45;
- No company started to publicize openings stating that the company praises diversity or specifically focused on people over 45;
- No company carried out awareness-raising activities in the community to show the company's interest in promoting a higher participation of people over 45;
- 17% carried out other types of activities.

The ban on age limit in job wanted ads is relatively recent, and the usual age limit used to be 35. Coupled with the subjective issue of good looks, the age limit affected especially women; women over 30 still face barriers. Special attention to aspects such as leanness, make-up, clothes, nails and hair are required of women, and hair is one of the factors that create more barriers to afro-descendant women.

Once more, merit as a criterion is left aside to give way to the age pattern imposed on everyone to favor the adult, turning down the extremes – the youth and people over 40. In an aging society, such practices should be reviewed and mean the company's ability to have access to talents that are no longer young, and access to the market, rethinking products and services in view of this change in the age profile.

The process of including people with disabilities has brought to society and companies concepts such as accessibility and universal design. They are also very useful to deal with population aging and the need to rethink positions, processes, ergonomics, use of strength, equipment, inclusive and interactive environments, among so many other aspects.

With regard to actions reported by companies, the following stand out:

Central Unimed – Sensitizes managers showing the importance of maintaining this segment in the labor market.

Unimed Rio – Carried out a project for its Contact Center hiring people over 45 to work as attendants in the Customer Service Call Center.

WEG Equipamentos Elétricos – Set flexible schooling criteria for all ages, which increased the number of people over 45.

With regard to activities to promote a higher participation of people over 45 in leadership positions, 76% of the companies reported having actions of this type, as follows:

- 88% place no restrictions on the permanence of people over 45 in their staff;
- 19% sensitize managers to more openness towards the promotion of people over 45;
- 8% do external recruiting focused on people over 45;
- 4% sensitize recruiting providers to the theme;
- No company established goals or quotas for people over 45;
- No company included a provision in HR supplier agreement requiring a minimum number of applicants over 45;

As for other actions, in general, some companies reported their practices, among which the following stand out:

Banco HSBC – Monitors the demography of this age group, takes decisions and implements actions accordingly. Encouraged, sponsors and helps an Affinity Group – comprised of volunteers that work on sensitization / awareness-raising of employees, mapping business opportunities and making improvements in the workplace. It is the Grupo de Seniores (Seniors' Group), with people over 45 and younger people. The group, like other groups of the bank, seeks to include members with diverse

characteristics, such as men and women, sexual diversity, marital status, with and without disabilities, whites and afro-descendants, among other aspects.

Basf – Started a study to find out how better retain talents in the over 45 segment.

Pfizer – Is investing in initiatives to insert the elderly in its sales force.

Among participating companies, 82% said that, although they carried out actions to increase the participation of people over 45 in one or more of the hierarchical levels, no results were reached. Out of these, 46% did not give reasons. Among the remaining companies:

- 30% claim that the lack of increase is due to the fact that they do not have actions aimed at this segment;
- 8% claim that the lack of increase is due to the hiring system they use (competitive civil service examination);
- 8% claim that the majority of their leadership positions are already held by people over 45 (but they do not refer to the other hierarchical levels);
- 8% made other remarks, informing that there is encouragement to retirement or that the company's middle and top management are complete, with low turnover.

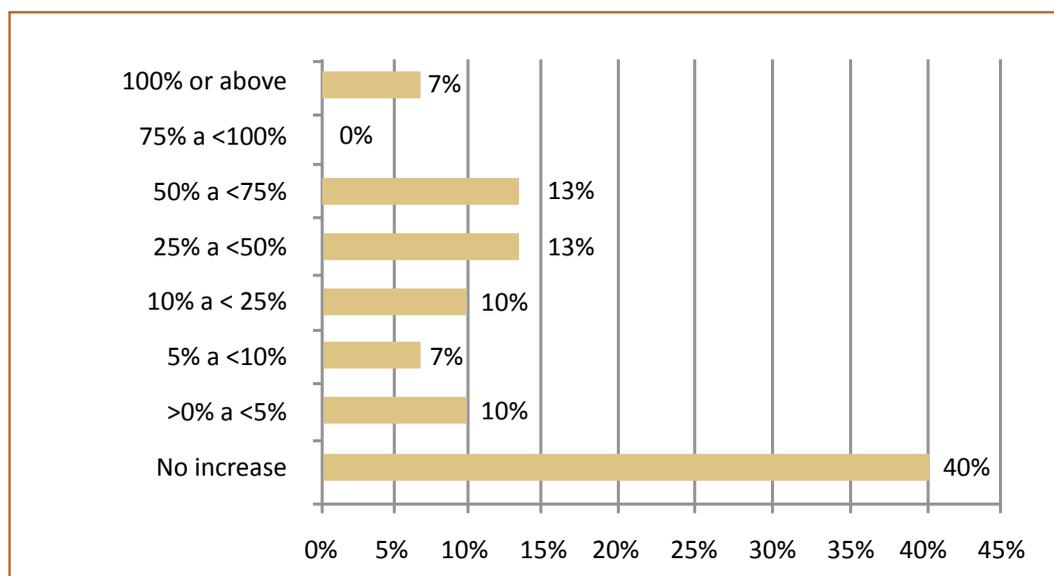
Advances in the apprentices' participation

The Apprentice Act (Act no. 10.097, dated December 19, 2000) provides companies with the opportunity to train and develop for up to two years young people between 14 and 24 years of age and people with disabilities – with no age limit – who may eventually be hired by the company. The law sets out quotas of a minimum of 5% and a maximum of 15% of existing workers in each company and whose functions demand professional development, according to the Brazilian Classification of Occupations (CBO).

In this study, 64% of the companies informed that they complied with the quotas for apprentices, based on data of December 2010. They are: Alcoa, Bahiagás, Banco do Nordeste, Banco HSBC, Central Nacional Unimed, Comgás, DPaschoal, Editora Abril, EDP no Brasil, Embasa, Grupo André Maggi, Grupo Boticário, Itaú Unibanco, Randon Implementos, Samarco, TAM, Termomecânica, Unimed BH, UTC Engenharia, Vicunha Têxtil and WEG Equipamentos Elétricos.

As for revenues, the companies that complied with the Apprentice Act had the following profile: 5% reported revenues of between R\$ 500 million and R\$ 1 bn ; 37% of between R\$ 1 bn and R\$ 3 bn; 58% of over R\$ 3 bn. With regard to the headcount, 5% have between 301 and 1,000 employees; 26% between 1,001 and 3,000 employees; 32% between 3,001 and 5,000 employees; and 37% more than 5,000 employees.

60% of the companies increased the apprentices' participation between December 2009 and December 2010. Data on the increase in apprentices' participation are broken down in the chart below:



When asked about the contributing factors for this increase in apprentices' participation, companies informed the following in a multiple choice questionnaire:

- With regard to being fined or having signed a compliance commitment (TAC):
 - 50% of the companies seek to comply with the law despite not having been fined or not having signed a compliance commitment (TAC), and 10% seek to comply with the law because they have already been fined or signed a compliance commitment;
 - 40% of the companies believe the increase is due to the fact that the company has allocated more funds and has offered more openings in the program.
- Regarding activities and goals-setting:
 - 30% have no goals, but carry out activities to increase the participation of apprentices in the company;
 - 25% believe the increase is due to the fact that the company has internal goals to increase the number of apprentices;
 - 20% believe the increase is due to sensitization / awareness-raising actions on the theme involving all employees;
 - 5% believe the increase is due to leadership-focused sensitization / awareness-raising actions focused exclusively on leadership positions;
 - No company reported having internal goals coupled with the compensation of managers.
- Other factors:
 - 10% believe the increase is a result of changes in the company's structure (acquisition, merger, sale, new businesses, etc.);
 - 5% believe the increase was due to other factors.

As for other actions, the following practice stands out:

WEG – The company has an industrial apprenticeship school, which started its activities in 1968 with the purpose of meeting future demand of professionals with specific qualifications. The young people participating in the program are aged 16-18.

It is worth noting that, even with a Quotas Act for the segment of apprentices, there are companies that set internal goals and share the challenge with their managers. No company informed that the achievement of goals was coupled with the compensation of managers, but it can be related to their performance appraisal, helping to balance the internal distribution of apprentices and to increase the understanding of the importance of the apprentice program.

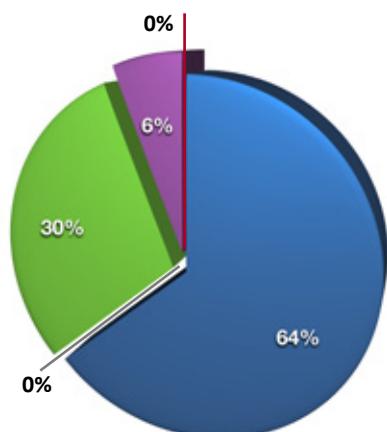
Some companies already had apprenticeship development actions, even if with different names. Yet, the law helped to standardize these programs within a legal framework aligned with the country's efforts to eradicate child labor, promote the access to education, promote the right to professional development, and face the discrimination suffered by the youth when entering the labor market, especially in their first job.

The law, on the other hand, lets the company get in touch with young people, their perspectives, interests and new ways to understand the sense of work, thus enabling a better understanding of the country's social reality, of age diversity and the ways to deal with it regarding the company's various stakeholders, not only the internal stakeholders. Many companies complain about the lack of understanding of the new class C and its characteristics, and the internal apprenticeship program provides them with an opportunity for insights into it.

- Complied with the law
- Did not comply with the law and is far from that
- Did not comply with the law, but it is on the way
- Complied with the law in the past
- Has never complied with the law

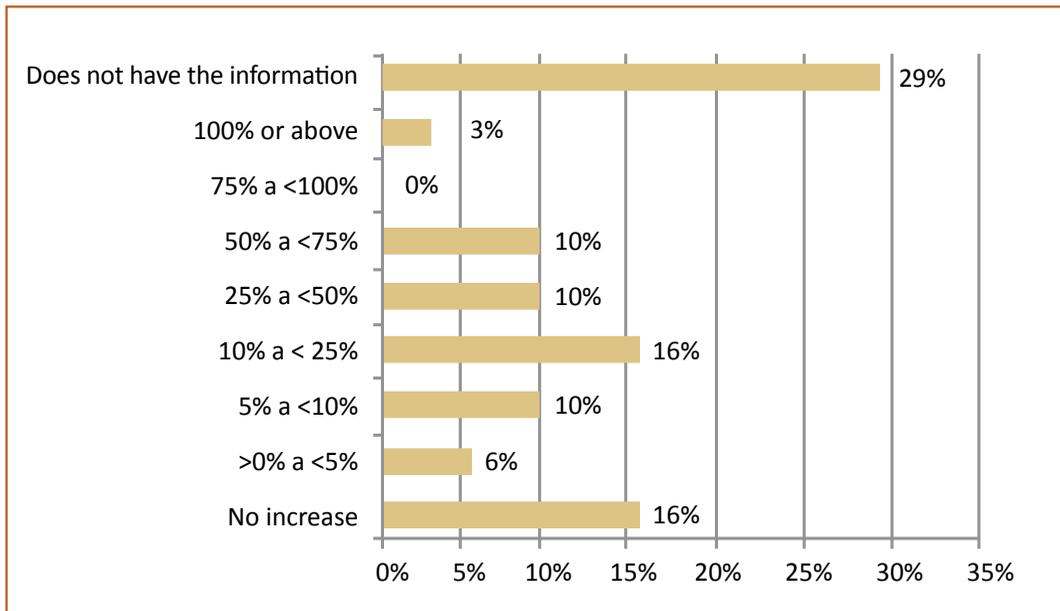
The issue of compliance with the Quotas Act for apprentices can be broken down as follows:

No company reported not complying and being far from complying with the law. No company reported not complying with the law at any time, and 6% reported having complied in the past, before the time of this study. 30% of the companies did not comply with the minimum quota, but reported being on the way to do it, which shows the differentiated situation of the companies participating in this study.



Companies were also asked about the results of the apprenticeship program in a question with three indicators for this measure: percentage of apprentices hired by the company; percentage of apprentices hired by other companies; and percentage of apprentices that left the program before its end, which can mean they were hired or gave up for different reasons.

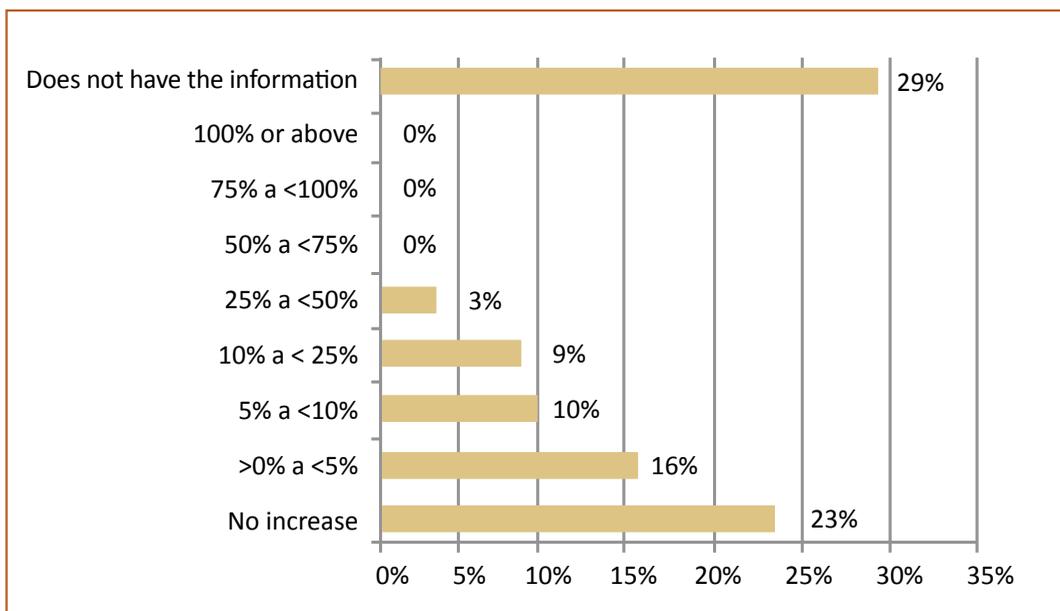
Percentage of apprentices hired by the participating companies:



Only 16% of the participating companies informed that none of the apprentices were hired by the company, and 29% do not have this information. The issue of information seems to be a factor present in the apprenticeship program management.

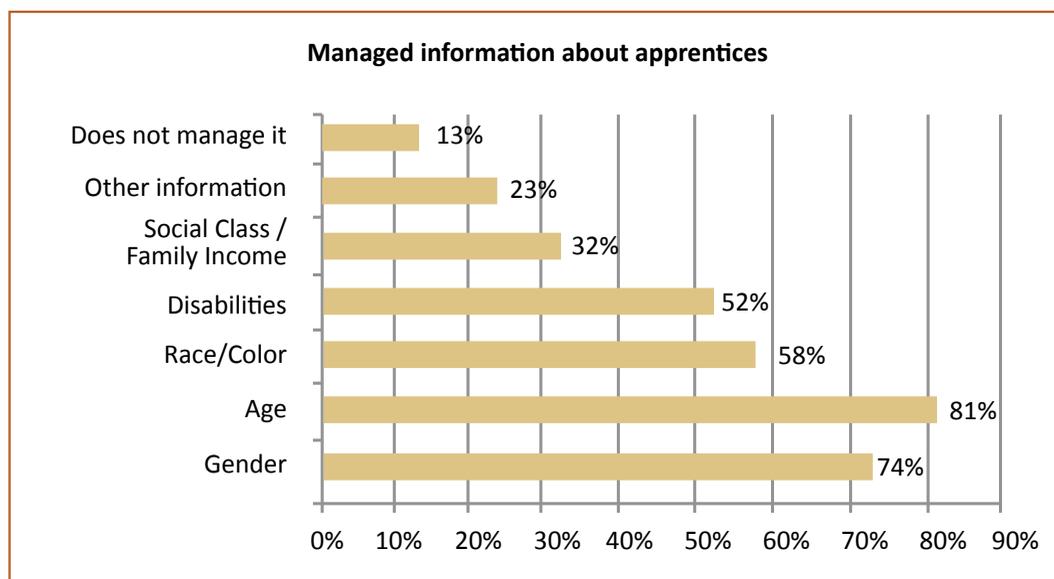
No company knows if their apprentices were hired by other companies, which may mean that there is no monitoring of dismissal/resignation processes during the program or after its completion.

Percentage of apprentices that left the program before its end in participating companies:



With regard to the percentage of apprentices that left the program before its end, 29% of the companies reported not having this information, and 23% reported that none of the apprentices left the program.

Also in the issue of managing information on apprentices with the purpose of promoting diversity of gender, race, inclusion of people with disabilities and inclusion of lower social classes through the apprenticeship program, the study investigated the type of information managed, and collected the following data:



- 81% – age
- 74% – gender
- 58% – race/color
- 52% – disability
- 32% – social class / family income
- 13% – do not manage information on apprentices
- 23% – manage other information, such as schooling, school performance, assessment of technical knowledge, behavior, family relations, absences at school, absences in the partner institution, data on the community where they live, and overall performance in the program.

When asked about what is done with this information, only 87% of the companies reported managing the basic data on their apprentices. Out of these, 44% said they do not perform any action based on the information they have. Other answers include the following:

- 27% seek more balance in the composition of groups of apprentices;
- 19% seek to train professionals of segments that are not present or have a low participation in the company;
- 26% carry out other actions.

Among these actions, the following stand out:

Grupo Boticário – Prioritizes young people with low family income when hiring apprentices.

Itaú Unibanco – Seeks to strategically improve the Programa Aprendiz (Apprentice Program).

Termomecânica – Seeks to adequately place apprentices in employment positions.

Transpetro – Distributes its apprentices in sectors related to their technical and/or higher education development.

Unimed Rio – Offers supplementary training sessions, awareness-raising lectures on various topics, cultural and integration actions.

WEG Equipamentos Elétricos – Seeks to retain the apprentices in the company, meeting specific demands and needs for qualified labor.

Apprenticeship programs are also an excellent opportunity for companies to increase the access to professionals of segments not present or with low presence in their staff, such as professionals with disabilities, women or afro-descendants.

In the case of women, it is possible to train them in activities usually carried out only by men, enhancing gender diversity in the company. With regard to people with disabilities and afro-descendants, segments in which companies claim to be hard to find qualified professionals, even for working staff, the apprentice program is the opportunity to train them according to the organization's standards and culture.

However, these data are not always managed and not always used as they should be to include applicants from different segments of the population, thus promoting equality and facing the discriminatory barriers present in society and, many times, in the organization.

Breaking down what companies do to encourage a higher participation of apprentices, 97% informed that they make efforts in this sense through the following actions:

- 84% partnered with accredited organizations that had good knowledge of the company's reality;
- 44% made it clear to all apprentices that being eventually hired by the company was a real possibility;
- 41% cannot ensure hiring, but support professional placement in other companies;
- 38% use images that favor apprentices in the company's communication, both internally and externally;
- 25% carried out awareness-raising activities in the community to show the company's interest in the apprenticeship program;
- 6% reviewed the requirements contained in the job wanted ads to eliminate any possible discrimination of applicants due to gender, race/color, disabilities, social class, etc.;
- 3% carried out other types of activities, some of them involving compensation above the market average.

Companies were asked, besides the questions already answered, if they would like to share other information or actions performed. The following answers stand out:

Aurora Alimentos – The company developed, in partnership with Senac (National Service of Commercial Apprenticeship), an administrative apprenticeship program, and publicized the openings for apprentices first among its employees, encouraging the application of their children in the program.

Itaú Unibanco and banks in general – Participate in Technical Cooperation Agreement no. 008/2010 between the Ministry of Labor and Employment (MTE) and the National Federation of Banks (Fenaban), through which the quota of apprentices in the sector rose from 5% to 7%.

Unimed BH – There was a new look of the company on this segment, focused on training and developing talented professionals within the organization.

Among respondents, 40% did not show an increase in the number of apprentices and, when asked about the reason for it, 67% did not answer and the remaining companies answered as follows:

- 17% informed that complying with the minimum quota was enough and for this reason they did not seek to increase the apprentices' participation.
- 8% claimed they select applicants through a competitive civil service examination
- 16% added remarks such as the fact that the program is recent, is going through improvements or that the results will be achieved only after 2011.

Programs, projects, activities and actions

Results obtained by companies regarding an increase in the participation of women, afro-descendants, people with disabilities, people over 45 and apprentices are inserted in a broader context, with programs, projects, activities and actions, as well as governance systems.

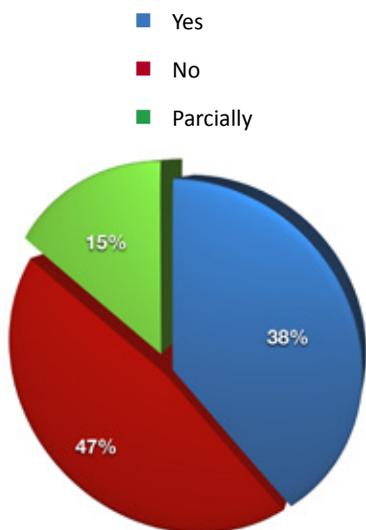
This context was addressed in the questionnaire and the answers are presented here so as to complement the information contained in each of the segments dealt with by the companies.

Internal censuses

In order to deal with data of the segments, especially disabilities and color/race, companies face several barriers, many of which are related to ideological aspects that, most of the times, are used to keep things the way they are. Gathering information about employees, among other stakeholders, considering diverse characteristics, is critical for an appropriate management of diversity, development of strategies to overcome unfair inequalities, and promotion of equality within work relations.

Asking about some characteristics is encouraged and promoted by national and international regulations, provided that companies, obviously, show genuine interest in transforming the reality they find, promoting equality and actions that help solve the problems present in the Brazilian society¹².

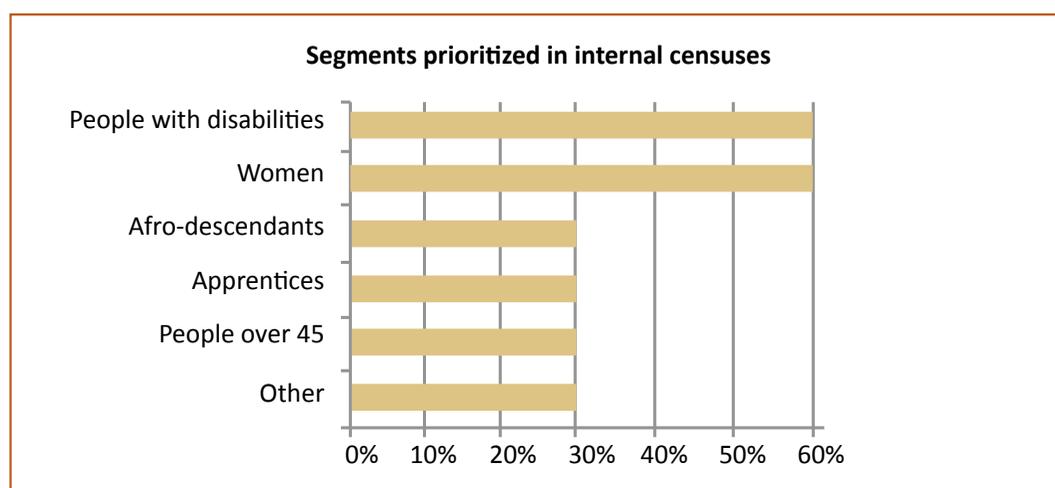
Therefore, this study asked companies if they had conducted an internal census with the items regarding the groups focused herein.



The information that 38% of the participating companies conduct an internal census with all the groups focused in this study shows a significant advance, especially in the items disabilities and color/race. 47% still do not conduct an internal census and 15% do it partially.

Among the companies that conduct an internal census, 11% informed that it is permanent, which does not characterize it as census, but as an internal tool with continuous data updating to manage employee information. Other companies (17%) informed that they conduct an annual census, maybe with the same purpose of encouraging employees to update their data in the file used by the company. Other companies informed that they conducted censuses in 2010 (44%), 2009 (11%), 2008 (11%) and 2005 (5%).

After the Ethos Institute published the methodology for carrying out a census and managing diversity-related data, the number of companies dealing better with their information has increased, as shown in this sample.



¹² About internal censuses, the Ethos Institute published in 2008 the handbook *Diversidade e Equidade – Metodologia para Censo nas Empresas (Diversity and Equity: Methodology for Business Census)*, available at http://www.ethos.org.br/_Uniethos/Documents/Divers_Equidade_web.pdf.

As for companies that conduct a partial census, they were asked which of the segments prioritized in this study were considered. One notices that it is still very hard to ask about people's color or race, as done by IBGE and as suggested by this document in the section addressing the afro-descendant segment.

The issue of sexual orientation also comes up in other segments, but is controversial, for companies not always have policies that show explicit commitment to the rights of the LGBT segment. If the question is not inserted in the context in which the company is performing pro-diversity actions, either focused or not on a certain segment, it can be misinterpreted. Was the question asked to promote equality, value diversity and enhance rights, for instance, or to exclude?

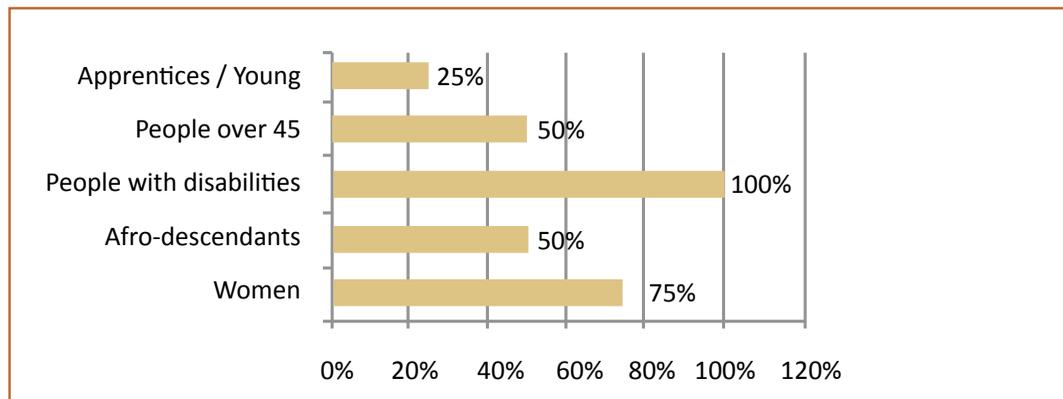
After the IBGE Census addressed the issue of sexual orientation focusing on the identification of same-sex families – IBGE being a government agency – companies are more comfortable to address the theme with their employees or even with other stakeholders, such as customers. However, observing the warning above is necessary and requires clarity about the objectives of the item sexual orientation and gender identity in the company's survey.

Internal Employee Data Monitoring System

Companies also informed if they had an internal monitoring system on information of the segments prioritized in this study. In this case, 82% of the companies said they did, 12% informed that they monitor part of the segments and 6% said they do not monitor any of the segments.

The most commonly used systems, mentioned here as an example to understand what it is about, are: ADP, Balanço Social Ibase (Ibase Social Report), Consist, HR Source, Oracle, People Soft, Rhevolution, RM Vitae, SAP, Senior, SQL Server and HR informal system.

In the case of a system that partially covers the segments prioritized in this study, companies informed what segments are considered, with the following results: All companies included in the system information about disabilities; 75% information



about women; 50% about afro-descendants; 50% about people over 45; and 25% about apprentices.

It is this database, whether total or partial about the segments prioritized herein, that offered the information, not always accurate, however, especially when it comes to racial diversity. The same problem happens with the survey of the 500 largest Brazilian companies. If the company does not have a system that enables the employee to identify him/herself as belonging to an ethnicity/race or even a system in which he/she is identified by a third party, which is wrong, what is the origin of the information or its legitimacy?

When asked specifically about the data on the afro-descendant segment, companies informed that these data are based on: self-declaration of the employee (73%); information that involves the employee and identification by a third party (18%); and identification only by a third party (HR professional or others) (9%).

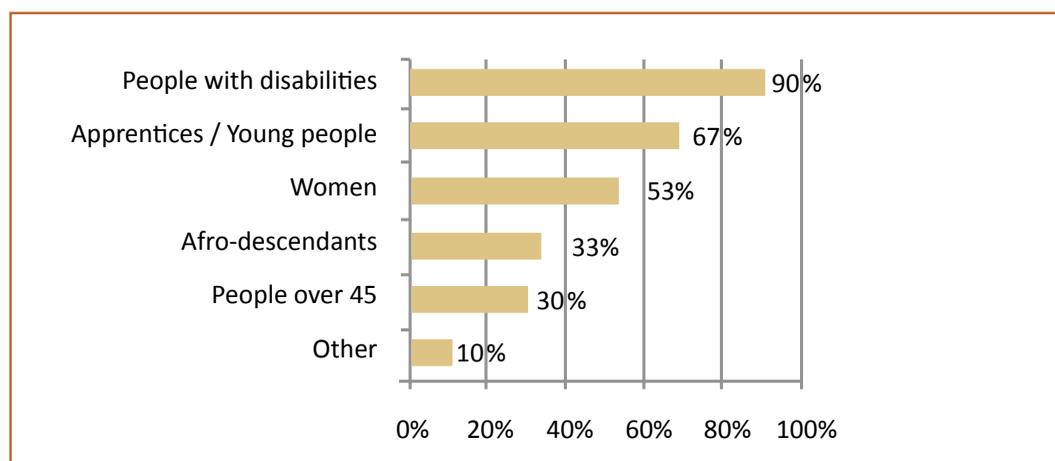
The census is recommended as a process to engage employees in reviewing their data on the company file, besides the possibility of including new information or improving the information, such as in the case of color or race, allowing the employee him/herself to self-declare against the alternatives offered by IBGE (white, black, mullato, Asian or indigenous).

Programs or similar frameworks for equality promotion actions

88% of the companies reported having a pro-diversity program or similar action involving coordinated activities to diffuse the theme, improve indicators, comply with legal requirements, awareness-raising and other types of activities with internal or external stakeholders.

Segments prioritized in programs or similar frameworks

In these companies, segments prioritized are related to legal requirements: 90% prioritize people with disabilities and 67% prioritize apprentices. The social responsibility movement, social movements, regulations, government actions and society's awareness,



even where there are no laws or quotas imposed to the labor market, have been enabling advances in the issues of afro-descendants, women and people over 45 as important for companies to manage in their activities.

With regard to women, 53% of the companies take them into consideration in their actions, and, 33% do the same regarding afro-descendants, a higher figure when compared to those companies that take people over 45 into consideration (30%), but a small figure in light of the country's reality and its needs in the field of racial relations. Other figures involve the issues of sexual orientation (7%) and geographical origin (3%), data also rarely addressed by the companies and which increasingly become pro-diversity themes to be managed.

Other types of action

Companies that do not have a pro-diversity program or a similar action informed that they perform actions that impact on internal demography indicators through: internal hiring campaign (100%); internal retention campaign (50%); awareness-raising / sensitization activities (50%); and capacity-building programs (50%).

Policies

When asked if they have pro-diversity policies, 100% of the companies participating in this study answered they do.

They answered a multiple choice question, explaining in more detail how they deal with the theme, as follows:

- 82% through a code of ethics or conduct, which explicitly contains pro-diversity issues, including promotion of equality, respect and non-discrimination;
- 47% through a comprehensive policy on respect for people and against discrimination;
- 47% through a comprehensive diversity policy, encouraging respect and non-discrimination;
- 41% through a comprehensive policy on inclusive environment;
- 41% through a specific policy on apprentices or age diversity;
- 35% through a specific policy on people with disabilities;
- 24% through policies on work-life balance;
- 9% through a specific policy on women or gender diversity;
- 9% through a specific policy on people over 45 or age diversity;
- 9% have other policies, such as those based on SA 8000, policies on other segments, policies against sexual and moral harassment, and health policies.

This wide range of policies shows different moments, understandings or positions of companies regarding the theme. They should translate the commitments made so as to integrate efforts, guide stakeholders and consolidate a brand image or reputation with stakeholders. When commitments, actions, systems, processes and policies are not integrated, the results are not only poor, but such actions may be putting the company at risk. Companies that are committed to complying with the laws in countries where they

operate and, at the same time, do not make efforts to comply with the Quotas Act, for example, create vulnerability in their stakeholder relations, among other negative impacts on their activities.

Social dialogue, collaboration and participation

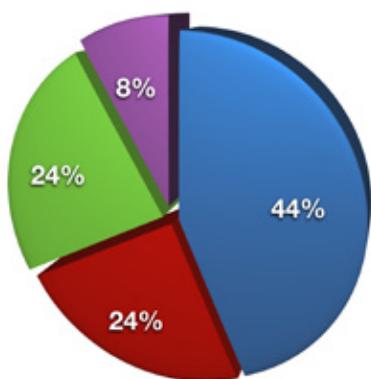
In an effort to investigate the positive impact of business participation in the dialogue with other society organizations, cooperation practices and participation in forums related to the segments prioritized herein, the study got from the companies the answer that 91% of them are engaged in actions of this nature.

Internal communication

Among the companies participating in this study, 88% informed that, in their internal communication, they address diversity or issues related to the segments prioritized herein.

Corporate education or development activities

- Yes, through specific development, capacity-building or training actions
- Yes, with the theme addressed in a cross-cutting manner or in modules
- Yes, but not regularly and depending on the demand
- No



Development actions involving the internal stakeholders of 47% of the companies favor diversity or issues related to the segments prioritized herein; in 9% of the companies no actions were put into practice; 26% consider that the theme is addressed in a cross-cutting manner or in modules; and another 26% inform that it is addressed, although not regularly and depending on the demand.

Organizational climate survey

Among the companies participating in this study, 29% carry out organizational climate surveys that allow them to analyze the situation of some or all segments prioritized herein. 56% carry out organizational climate surveys that do not include specific information about the segments prioritized herein. 15% do not carry out organizational climate surveys.

Supplier relations

Among the companies participating in this study, 76% have social responsibility criteria that value diversity and themes such as promotion of equal opportunities and non-discrimination in their supplier relations. Programs like Integrare¹³ favor closer relations of the company with suppliers headed by afro-descendants or women, among other segments.

¹³ Integrare – Centro de Integração de Negócios (Business Integration Center): <http://www.integrare.org.br/novosite/>.

A company that promotes equality does not do it only as an employer, but also as a driver of entrepreneurship in the supply chain. If its supplier relations focus on promotion of equality and diversity, the company shares values, its visions, the policies that express its commitments and the organization identity, and also promotes significant knowledge that can positively impact on its ability to innovate and reach other markets, among other things.

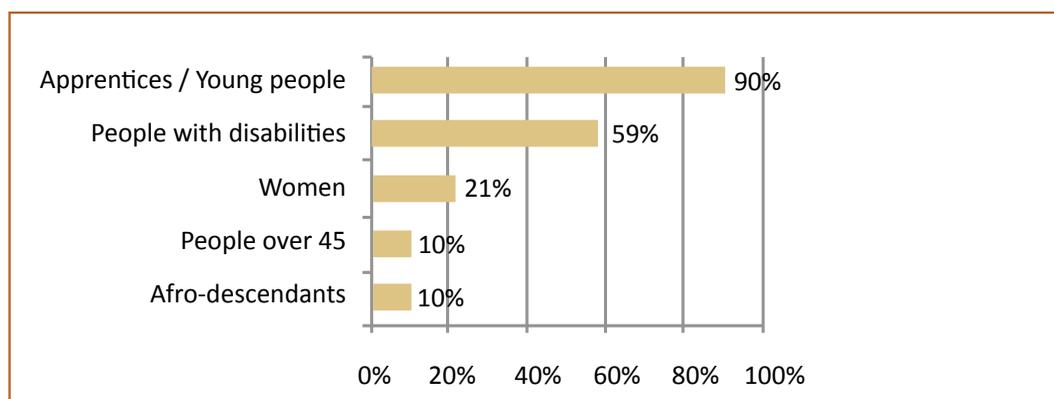
Among the companies participating in this study, 47% informed that they support entrepreneurs that belong to minority groups, considering their inclusion when choosing their suppliers.

Social action or private social investment

With regard to having an area that performs social actions with the community, directly or in partnership with other organizations, 85% informed that they have such an area, with actions specifically aimed at the segments prioritized herein, whereas 15% said they also do, but without actions aimed at these segments. None of the companies reported not performing social actions. Some companies, as seen in some practices reported, also involve voluntary employees in actions aimed at the segments prioritized in this study.

Among companies that have social actions focused on prioritized segments, 90% deal with apprentices, 59% with people with disabilities, 21% with women, 10% with afro-descendants and 10% with people over 45.

Business social actions focused on the segments prioritized herein are connected with strategies to increase their participation in hierarchical levels for 79% of the companies, which informed that their actions prepare these segments to enter the labor market, including the company that develops the action. 21% of the companies informed that their social actions are not connected with human resources strategies, especially regarding prioritized segments.



Governance – An area to deal with pro-diversity actions

The companies that defined an area to deal with pro-diversity actions involving all segments prioritized in this study account for 71% of those participating in this study.

Asked about the area in charge of it, they answered the following:

- 57% – human resources, development, organizational management or related area;
- 17% – a specific diversity area;
- 22% – sustainability, social responsibility or related area;
- 4% – corporate issues.

The promotion of diversity in companies has become greatly relevant in Brazil as a result of a strong corporate social responsibility movement. For a while, the areas in charge of this issue in most companies were created to internalize socially responsible practices in the relationship with the different stakeholders.

Gradually, the issue became part of the HR area’s attributions and, on the one hand, was more likely to be included in people management processes. On the other hand, the pro-diversity theme became restricted to people management and lost its ability to interact with and add value to other areas or stakeholders, such as customers, suppliers and the community, among others, as well as to positively impact on the business in terms of products, services, marketing, etc.

Nowadays, some companies are wondering if the theme should not go back to areas that ensure its transversality, without compromising the responsibilities of any area, like human resources, to do what it should do with regard to people management (recruiting and selection processes, internal data monitoring, etc.).

Number of professionals working on this theme in the company

With regard to the number of people working on the theme of diversity promotion, one company answered it had 211 employees, but it was referring to the total number of employees in the area. Apart from this company, the other companies informed the following figures:

Employees working on pro-diversity actions	Percentage of companies
1 - 5	33%
6 - 10	33%
11 - 15	27%
16 - 20	7%

Areas that deal with each segment, when there is no specific area in charge

When there is not a specific area in charge of pro-diversity actions, companies were asked which areas were dealing with these actions for each segment prioritized in the study. The answers were the following:

Women – Data management system; gender and racial equality committee; working group comprised of employees of HR, communication and the company’s institute;

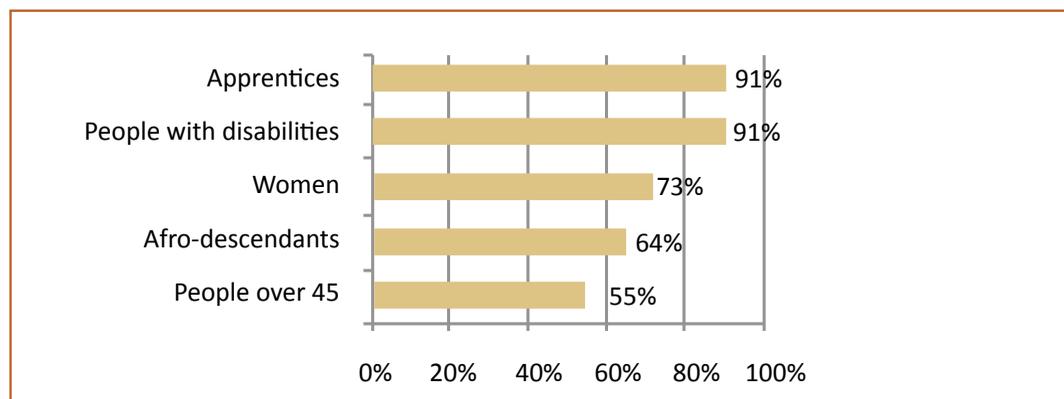
working group; social responsibility; human resources; occupational health management and people development management; and social service.

Afro-descendants – Data management system; gender and racial equality committee; working group comprised of employees of HR, communication and the company’s institute; working group; human resources; people development management; and social service.

People with disabilities – Multifunctional committee; working group comprised of employees of HR, communication and the company’s institute; working group; recruiting & selection; human resources; labor relations management and people development management; training & development; and social service.

People over 45 – Data management system; working group comprised of employees of HR, communication and the company’s institute; HR superintendence; recruiting & selection; human resources; occupational health management; and healthcare area.

Apprentices – Human resources; working group comprised of employees of HR, communication and the company’s institute; working group; HR superintendence; training & development; labor relations management and people development management; people management; and recruiting & selection.



The percentage of companies with areas performing actions with prioritized segments (considering the companies that reported not having a specific area) shows that the theme people with disabilities is present in 91% of the companies, and so does apprentices.

Specific areas or those aimed at the segment of people with disabilities were created to speed up compliance with the Quotas Act, ensure better understanding of the reality, and facilitate the contact with organizations addressing the theme, among other aspects. However, similar areas alongside recruiting & selection and organizations focused exclusively on this group (HR providers or consultancies) were created in the country, at the risk of perpetuating themselves.

Promotion of equality for people with disabilities may achieve better results in quantitative and qualitative terms as internal processes incorporate its specificities into people management routines. If parallel processes are maintained without a clear explanation that they shall be integrated at some time in the future through the

assimilation of the knowledge, the network and the qualification of all professionals of the people management area, society might run the risk of not meeting the goal of the Quotas Act, so that it can no longer be necessary.

Internal committees or decision-making bodies on diversity

In terms of governance, 47% of the companies have a similar internal committee or body, comprised of representatives of different areas, whose mission is to make pro-diversity decisions.

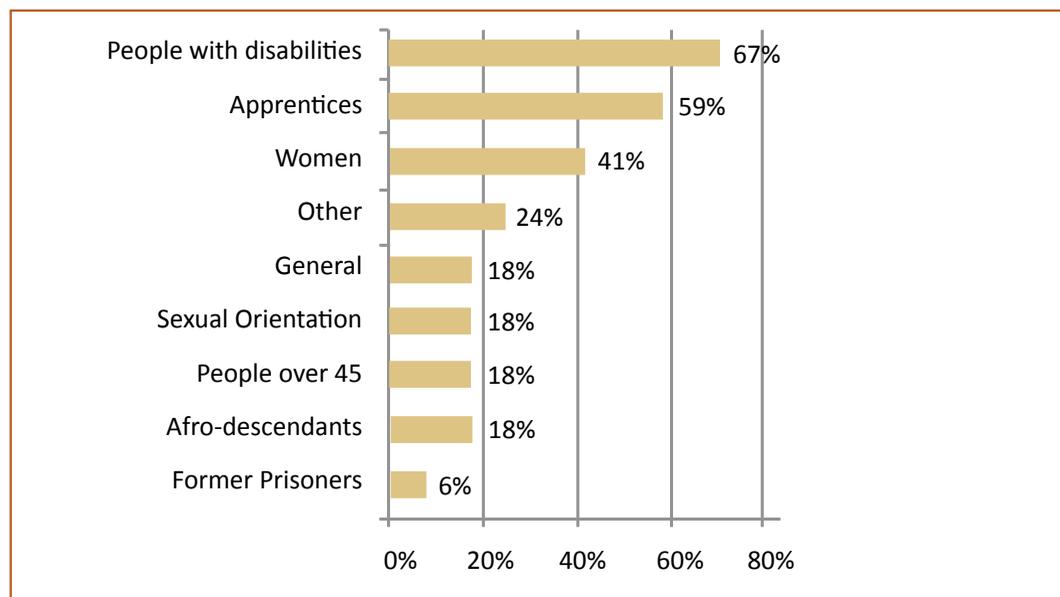
Groups or networks involving prioritized segments

To ensure a higher level of participation of prioritized segments in business decisions and diversity programs, many companies have created or encouraged and supported the creation of groups comprised of professionals of the relevant segment.

These groups help interpret the reality, propose actions, address current issues, have internal and external dialogues and also help the theme related to each segment to be considered throughout the organization in a cross-cutting manner, thus positively impacting on the various areas and activities, and not only on people management.

The most advanced and effective groups address the quality of relations besides the specific issues of the segment. There are, for example, groups focused on gender relations instead of focusing only on women, and these groups are not exclusively comprised of women, which does not mean losing the focus on the segment that is facing the inequality, disadvantage and/or vulnerability.

Among the companies participating in this study, 50% reported having groups or networks with the above characteristics. As for the themes or segments that have groups



of this kind, 67% of the companies have a group focused on people with disabilities, the greatest percentage among all segments. The percentages of the other segments are shown in the chart beside.

With regard to companies that reported having groups or networks, some are highlighted below:

Alcoa – Alcoa Women Network;

Anglo American – Women in Mining;

Aurora Alimentos – *Comitê da Pessoa com Deficiência* (Committee on the Person with disabilities), *Programa Aprendizagem* (Apprenticeship Program) and *Programa Vivendo Saúde* (Living with Health Program);

Banco HSBC – *Grupo de Afinidades PcDs* (affinity group for people with disabilities), *Grupo de Afinidades Cor e Ação* (afro-descendants), *Grupo de Afinidades Mulheres (Women)*, *Grupo de Afinidades LGBT* (homosexuals), *Grupo de Afinidades Sênior* (people over 45) and *Grupo de Afinidades Geração Y* (young people and apprentices);

Banco do Nordeste – *Grupo Gênero* (Gender Group), focused on women, afro-descendants and homosexuals;

Dow Brasil – Disability Employment Network – DEN and Women’s Innovation Network – WIN;

Editora Abril – *Grupo Ágora* (informal HR group that exchanges HR information and experiences, generally including diversity actions);

EDP do Brasil – *GT da Diversidade* (Diversity WG) (all priority segments);

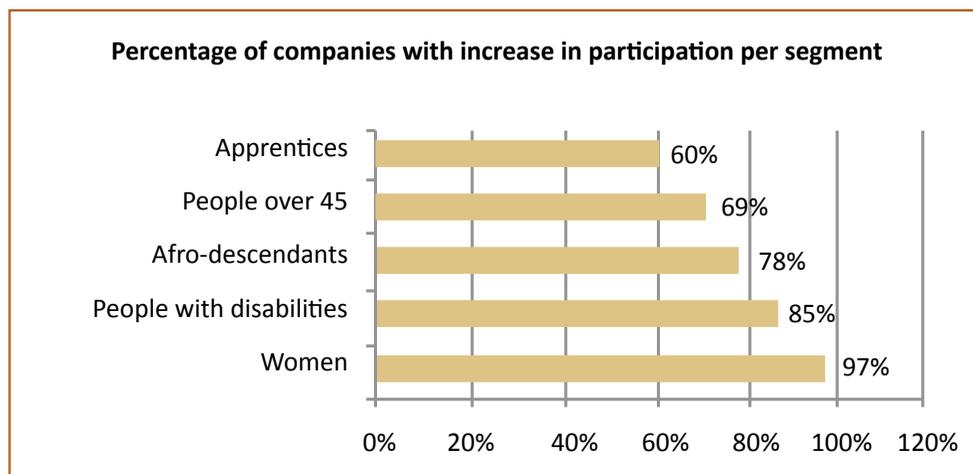
Furnas – *Grupo Gênero* (Gender Group) (women);

Itaú Unibanco – *Grupo de Trabalho de Aprendizizes* (Apprentices Working Group) and *Grupo de Trabalho de Pessoas com Deficiência* (People with Disabilities Working Group);

Unimed BH – *Espro* (apprentices), *Sesi-Cira* (people with disabilities) and *Grupo Incluir Diversidade* (Include Diversity Group) (diversity in general).

Supplementary Information

With regard to the companies that reported an increase in the participation of the segments prioritized by this study, the chart below shows the percentage of companies and the different segments:



Part II of the questionnaire asked three open-ended questions for companies to add information they would like to share, explanations they deemed as important about the data, and information about actions with other segments of the population. The information given is presented below.

Banco do Nordeste

Banco do Nordeste (BNB) adopted the Programa Pró-Equidade de Gênero e Raça (Gender and Racial Equality Program) in 2007. It also develops actions aimed at people with disabilities and the sexual orientation theme (homosexuals).

The bank develops actions to value women among its stakeholders, specifically among customers. The examples below show business and enterprises involving women:

- Agroamigo – Among its priorities, encourages equal opportunities between genders, enabling women’s access to funds. Almost half of the transactions (48%) of Agroamigo in 2010 were made by women.
- Crediamigo – Offers small loans to urban microentrepreneurs that need money and guidance to guarantee the financial sustainability of their business. The customer profile shows women as the majority (65% of the customers).
- Programa Nacional de Fortalecimento da Agricultura Família-Pronaf (National Program to Promote Family Agriculture) – Federal government initiative that has the Banco do Nordeste as its main lender in the region. In 2010, the strategy of encouraging the economic independence of rural women workers achieved good results: 45% of Pronaf transactions made by the bank involved women.
- BNB’s participation in the National Rural Women Worker’s Documentation Program (PNDTR), whose objective is to contribute to the supply of civil documentation

for inclusion and promotion of citizenship and economic independence of rural women workers, as well as women workers in land reform settlements, quilombolas, extractivist activities, artisanal fishery and riverside communities. It is developed in partnership with the Ministry of Agrarian Development (MDA), the National Institute of Colonization and Agrarian Reform (Incra) and the Special Secretariat for Women's Policies (SPM).

Banco HSBC

HSBC has a strong governance regarding diversity and inclusion issues. Its Diversity and Inclusion Committee was created in 2006 with the objective of promoting an inclusive environment based on respect and consideration for differences. The committee adopts a broad concept to define diversity, beyond the question of quotas or demography. Currently, seven members of the Diversity Committee are also members of the company's Executive Committee, which favors quick decision-making and implementation of actions, and also shows the commitment of top executives to the theme.

Every year, the HSBC Group dedicates one month to raise awareness about diversity and inclusion issues, with intense communication and events held simultaneously all over the world. Many e-learning or face-to-face diversity and inclusion-related training courses are available to all managers. The welcome kit received by each new employee includes information on diversity and inclusion at HSBC.

In 2011, HSBC's business case for inclusion of people with disabilities received the Prêmio Ser Humano (Human Being Award) of the Brazilian Association of Human Resources (ABRH). HSBC also has one category in its internal recognition program "Ouro da Casa" (golden employee), which annually give prizes to the best projects developed by employees aimed at diversity and inclusion. Every year tens of projects are presented, are exhibited throughout the company and encourage actions and initiatives aimed at a more inclusive environment.

Dow Brasil

The company participates in the Selo Paulista de Diversidade e Treinamento "Entendendo Diversidade & Inclusão" (São Paulo Diversity and Training Seal "Understanding Diversity & Inclusion"), whose objectives are: expanding general knowledge about diversity and inclusion; developing a deep understanding of the different types of diversity and their practical impact on teams and on individual performance; helping people to work more effectively in teams with diverse composition; offering the opportunity for a significant discussion about behaviors and processes that include and exclude people; enabling participants to create relevant personal action plans to promote a broader inclusion; helping create an environment in which inclusive behavior is embedded; clarifying the business guidelines for diversity and inclusion and what is being done to enhance Dow's strategies in this sense, like the Estratégia de Pessoas e Excelência nos Negócios (Strategy for People and Excellence in Business).

DPaschoal

Has supported and managed the Fundação Educar DPaschoal (educational foundation)

for over 21 years with the purpose of promoting education for citizenship as a means to social transformation. Among its projects is the Academia Educar (Educate Academy), which fosters the development of young leaders' centers in public schools, creating opportunities for the young person to learn about his/her potential, becoming able to change his/her reality, the school's reality and the community's reality.

Participants are offered weekly capacity-building workshops and develop projects to practice citizenship, volunteering and leadership. The young people that stand out during the year are invited to act as young educators, when they have the opportunity for passing on the knowledge to new participants. They also get capacity-building workshops and a freely chosen course – worth R\$ 200 a month – for 12 months. At the end of the year in which they were young educators, two of these young persons are selected for a paid internship at the Fundação Educar DPaschoal, thus experiencing an opportunity in the labor market.

Editora Abril

The company holds lectures and receives companies to learn about its programs. One of its principles is to diffuse information and exchange experiences with other professionals of the market, so that this knowledge can be disseminated.

Grupo Boticário

Grupo Boticário has defined themes aimed at facilitating the introduction of sustainability into the organization's operational and decision-making processes. In its strategic plan for 2010-2013, diversity promotion is one of the priority themes. The first action to develop the theme was the 2010 Diversity Mapping. Based on the results, a focus on people with disabilities and young apprentices was defined to improve development programs aimed at these groups.

In 2011, the company is making adjustments/corrections in the corporate processes of people management and improving the mapping process, which will be done again including data of 2011. According to the mapping results, new actions will be defined for the necessary developments, which can require specific actions aimed at other groups.

Maxion

The company has an initiative aimed at professional development of low-income young people through the so-called Formare Project. English and computing courses are offered to children of lower-income employees. Scholarships are offered to lower-income employees.

Termomecânica

The company offers a closed pension fund program to all its employees, which helps people over 45 to maintain a compatible standard of living after leaving the company. Employees over 45 are also offered pre-retirement counseling free of charge.

The company supports and manages the Salvador Arena Foundation, which has a top quality High School and Higher Education institution. Its students are an important

source for recruiting apprentices and interns, a follow-up step in the social transformation process.

Unimed Rio

The 2010 Great Place to Work survey qualifies Unimed Rio as one of the companies with the best work environments with regard to the main diversity-related issues, describing the company with the following words: “People here are well treated, regardless of their age” (93); “People here are well treated, regardless of their color or race” (97); “People here are well treated, regardless of their gender” (96); “People here are well treated, regardless of their sexual orientation” (96).

Unimed BH

The company has had, since 2006, a program to qualify young people to the labor market, managed by the human resources area and by the Unimed BH Institute, carried out as a voluntary action of the company’s employees. The program addresses digital inclusion, preparation for the Enem (National Assessment of High School Students), health promotion lectures, vocational counseling, personal appearance, and basic computer skills.

The company has a social responsibility policy that addresses five dimensions: culture, community, business volunteering, environment, and sponsorship of public spaces; its mission is to transform lives through health promotion. Sports and arts projects focused on employees, including a choral workshop, a drama workshop, a running team, and a percussion workshop meet the objectives of working on interaction and self-esteem.

Embasa

Every year Embasa publishes its sustainability report aligned with the Global Reporting Initiative (GRI) Guidelines. By disseminating such information, the company reaffirms its commitment to transparency and the search for continuous improvement of a sustainable management model. The company has also improved its social responsibility practices by adopting the Millennium Development Goals and Global Compact Principles.

Actions aimed at other segments of the population

Aurora Alimentos

The company has the Vivendo Saúde (Living with Health) Program, which addresses drug addiction, STD and domestic violence through lectures, rallies and employee training.

Banco do Nordeste

The benefits provided to partners of heterosexual employees are also provided to partners of homosexual employees.

Banco HSBC

The company has implemented affinity groups to address the themes Generation Y and Sexual Diversity, besides the segments referred to in this study (women, afro-descendants, people with disabilities and people over 45), comprised of employees that volunteer time

to help the organization understand and strengthen its relations with these segments of internal and external stakeholders.

Unimed BH

The company works with the surrounding communities through the Comunidade Saudável (Healthy Community) Project, the sponsorship of public spaces, renovation and construction of public squares, cultural sponsorships and encouragement of employees' participation in the volunteering program.

WEG Equipamentos Elétricos

Has a program for hiring former prisoners, who are hired further to analysis by a team of professionals from different companies. The action is part of a program of the Jaraguá do Sul Penitentiary's Community Council, in which many companies participate. The company also includes same-sex couples in employee benefits such as the health plan.