



Living Incomes and Wages in Supply Chains

09.00 Welcome

09.10 Introduction Josetta Nousjoki, Advocacy Director, Fairtrade Finland

09.30 Tools to measure LW gaps Carla Romeu Dalmau, Sr Manager Strategy & Innovation, IDH

10.00 Discussion

10.20 **Alko's Approach** Marja Aho, Sustainability Manager, Alko

10.50 **FT Africa's views on LW**Paul Colditz, Commercial Manager SAN, Fairtrade Africa

11.20 Key takeaways & Wrap up





Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity...

Universal Declaration of Human Rights, Art. 23





Living Wage / Living Income is a Human Right

Living Wage / Living Income





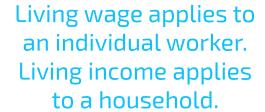
Both are derived from the idea of achieving a decent standard of living.





Living Wage

A worker earns enough in a standard work week to enable his/her family to afford a decent standard of living.





Living Income

Self-employed / farming households earn enough in a year from all income sources to afford a decent standard of living.

Why Living Wages?

- ► More motivated and productive workforce, lower staff turnover
- ► Improved revenues and profits
- ► Increased value chain resilience and performance, improved quality
- ► Reputational benefits
- ► Improved investor prospects
- ► Readiness for sustainability reporting



HOW DOES YOUR SUPERMARKET CHECK OUT?

We analysed these leading supermarkets' policies and practices on human rights in their supply chains. We asked whether supermarkets are transparent and accountable in the ways they ensure that workers' rights are respected, small-scale farmers are prosperous and the women who produce our food are treated fairly.

	*		*		*	*		*		*	K	3	k		*		*		*		*		*		*		*)	k	
		S	UI	PE	RM	1A	R	(E	T			-	SC			IT			.8				S		TO				22		
				1	E	50	0								2	23	%	,		•	•		•	•	6	1%	6	•			
٠		*		٠		DL			*	*			*		*	59				٠	*	*			59	90		٠	٠		*
				٠		/A			٠						*			*		٠		*	٠	*							
					Ä	LDI										10	/0								5	D %	0				
				Sa	ins	bu	ry!	5]	8	%)							5	5°	6				
				Morrisons						٠					5%									42		%		•			
						D/			*		٠	٠	٠	٠	*		٠			*	*		٠					*		*	*
٠									*		*		٠						٠	٠		٠	٠					*		×	
	*		*		*	*		*		*	K	3	ķ		*		*		*		*		*		*			k -	3	*	

^{*}Asda was part of Walmart in 2018. The 2022 assessment is of Asda as the company independent of Walmart.







Tools for closing the LW/LI gap

- Global Living Wage Coalition: Anker-methodology
- Fair Wage Network
- WageIndicator
- IDH: Living Wage Identifier
- The Living Income Community of Practice
- ALIGN: Living Income
- Social dialogue and collective bargaining
- Employee consultations and surveys







ALIGN

The Living Income Community of Practice



Global Living Wage Coalition Benchmarks







Living Wage Process



1 Build understanding

Discover the basics of living wages and living income, the urgency and the benefits of working towards realizing them in global supply chains.



3 Take action

Learn how to implement living wages or living income in your company and supply chains. Choose the implementation approach that best suits your specific situation.



2 Assess risk

Map your supply chains. Identify and assess adverse impact and estimate the wage and income gaps within your operations and supply chains.



4 Monitor and communicate

Track the implementation and results of your living wage and living income activities and communicate them publicly.



Partnerships / Initiatives toward LW

- Voluntary sustainability schemes
- Collaboration with unions

- Partnerships
- Multi-stakeholder initiatives
- Development projects

- > Fairtrade
- Social dialogue, EWC's, Global agreements
- ACT on Living Wages
- Fair Wear Foundation (Business associations + unions + NGO's)
- West Africa Cocoa Program

Fairtrade Living Income Projects



► Fairtrade Living Income Benchmarks

► Fairtrade Reference Prices







Without living income / living wages, supply chains can never be truly sustainable.





Where is your organization on the LW journey?

Report back:

One good example / advice to advance LW, LI



Steps to Living Wages



- ► Identify the Living Wage
- ► Measure Living Wage Gaps
- ► Verify Calculations
- ► Identify root causes
- ► Close the Gap
- ► Share learnings

- ► Adopt better procurement and trading practices
- ► Embrace transparency
- Co-invest and implement practical solutions
- ► Support social dialogue
- ► Make it collaborative

