

Impact Sourcing Standard: Summary of Changes from GISC:V1.0 to BSR:V2.0

Date of publication: July 27, 2021

Introduction

The Impact Sourcing Standard ("the Standard") defines minimum requirements and voluntary best practices for suppliers to demonstrate their commitments to inclusive employment. With the launch of the Standard in 2017, the former <u>Global Impact Sourcing Coalition</u> (GISC) aimed to present a common understanding and language for discourse, negotiation, and partnership between product suppliers and service providers ("suppliers") and their client organizations ("clients" or "buyers") about Impact Sourcing as a service and social benefit, with the ultimate goal of creating good jobs for people who are economically marginalized across global supply chains. Additionally, the Standard has proven to be beneficial for communicating an organization's inclusive hiring commitments to job seekers, employees, government and civil society stakeholders, customers, and the public.

On July 27, 2021, BSR published BSR:V2.0 of the Standard including minor revisions based on our experience applying the Standard with over 20 GISC member companies, and with 12 member companies demonstrating conformity with the minimum criteria to fully adopt Version GISC:v1.0 of the Standard. Insights shared by companies as a part of their experience applying the Standard, and learnings collated by BSR as steward of the assessment processes provide the foundation for this revision. All Impact Sourcing Standard Assessments going forward should adhere to the BSR:V2.0 version.

This document presents a high-level summary of the changes made from Version GISC:V1.0 to BSR:V2.0.

General Changes

- To reflect the disbanding of GISC, the initiative that facilitated a multi-stakeholder development and review process to create and publish the initial version of the Standard (GISC:V1.0). The update transitions the Standard holder from GISC to BSR, now offers descriptions of both organizations and their roles in managing and applying the Standard.
- To clarify applicability of the Standard to all industries and sectors, rather than just the business process outsourcing (BPO) sector where the concept was initially conceived, language specific to the BPO industry was removed or generalized. For example, 'service providers' in the original text was updated to 'suppliers'.
- To clarify that the scope of coverage provided by the Standard should be limited to companies or subsets of companies that offer full-time employment. While organizations that utilize freelance, independent contractor, or "micro-work" workforces may operate in ways that align with Impact Sourcing principles, these types of workforce models require unique worker protections and considerations not elaborated on in the Standard. (e.g. clarity on how micro-work may lead to sustainable poverty alleviation through career progression).



- To reference additional resources that have been created since the launch of the Standard V1.0 that can support companies in developing and improving their inclusive employment, references and links to key resource have been added. For example, the updated Standard references the Impact Sourcing Standard Impact Measurement Framework, the Reducing Poverty through Employment Toolkit, and resources on Living Wages.
- To better recognize that some individuals, through no fault of their own, have less access to decent work and workplace protections than others (e.g. due to geographic and/or situational contexts), language was updated to reflect this reality rather than individual 'need'. For example, 'creating good jobs for those most in need' was adjusted to 'creating good jobs for those most economically marginalized'.

Substantive Changes

- To better account for the many dimensions of the experience of poverty, the definition of Impact Workers has been updated from:
 - *"People hired into the organization who previously were long-term unemployed or living under the national poverty line."*

To:

• *"People hired into the organization who previously were long-term unemployed or living in poverty."*

Further, additional guidance and resources on 'multi-dimensional poverty' has been included in the 'Terms and Definitions' to provide guidance to companies seeking to identify and increase opportunities to decent work for individuals experiencing poverty.