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Ksapa - Sample Clients

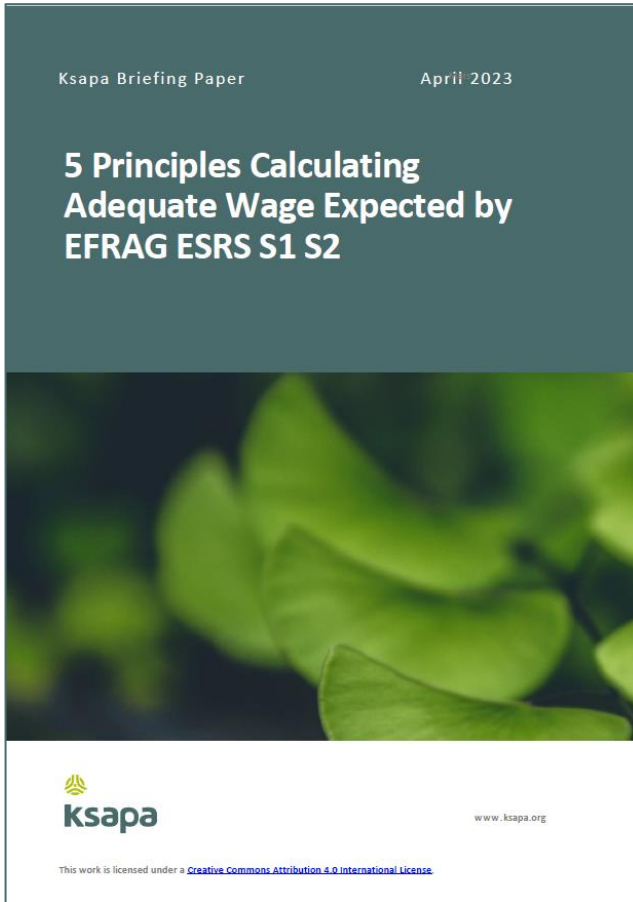
Founded back in 2019 only, Ksapa has since developed strong credentials working on living wage and other issues related to decent working conditions with large companies and organizations across industries and across the globe.

PUBLIC & DEVELOPMENT INSTITUTIONS	FINANCIAL & INVESTMENT ACTORS	CORPORATE ACTORS	ACADEMIA, RESEARCH & CSO
			



Ksapa – Sample Content On Living Wage And Human Rights

Here are some of our open-source publications published by Ksapa, developed working with our clients, demonstrating our knowledge of the methodologies required to successfully conduct work on living wage





Paying the Living Wage to the Workforce Across value Chains: Solutions Navigating ESRS & Human Rights Imperatives in a CS3D world



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NEXT  **ksapa** WEBINAR

Paying the Living Wage to Workforce Across
Value Chains: Solutions Navigating ESRS &
Human Rights Imperatives in a CS3D world
14 May 2024 | 5pm (CET) | 11am (ET) | 8am (PT)

With insights from expert panelists



Dr. AMY GLASMEIER
FOUNDER,
LIVING WAGE INSTITUTE

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SENIOR CONSULTANT,
BUSINESS, HUMAN RIGHTS &
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Dr. Farid Baddache

CEO
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What are the main challenges of working on living wage issues?



Approaching the Concept of Living Wage

A first essential step of a living wage assessment lies in understanding the key differences between the definition of **living wages**, **market wages** and **minimum wages**.

MARKET WAGE

The market price of labor is determined by the intersection of market supply and demand curves for labor. In other words, **market-determined wages reflect supply and demand conditions specific to local market conditions, which considerably vary based on geographical location and by industry.**

- **This generally drives most corporate wage policies**
- **No indication as to whether this market wage is above poverty level**

MINIMUM WAGE

The International Labor Organization defines minimum wages as the **minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period.** Its effectiveness depends on a full consultation of social workers, to afford protection to all workers, cover their needs and their families', effectively enforcing employer compliance with minimum wage regulations.

- **Not in place across every market and often very dated to serve as relevant reference**
- **Often 50% of living wage in our experience**

LIVING WAGE

The Global Living Wage Coalition defines living wages as the **remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family.** Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.

- **There are creative solutions beyond increasing wages!**



Adequate & Living Wage

CSRD ESRS standards are introducing to the consensual concept of « adequate wage ». Its most concrete and acceptable approach remains using « living wage », meaning **ensuring workers and supply chain workers are able to make a wage ensuring they can meet basic needs and live above poverty**. ESRS are actually referring to the concept of living wage when it comes to deploying its adequate wage concept for workers in the value chain especially outside European Economic Area Zone (EU27+7 countries).

In accordance **with ESRS S1-10**, the company should disclose whether or not its employees or its own workforce. The disclosure includes information on:

1. If they paid an adequate wage.
2. If they are not all paid an adequate wage, the countries and the percentage of employees concerned.
3. Understanding of whether or not all the undertaking's employees are paid an adequate wage in line with applicable benchmarks.
4. It may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.

In accordance with **ESRS S2 – Art. 35** – the company should explain the efforts made to obtain the necessary information on the wages and working conditions from its upstream and downstream value chains. Given that material negative impacts affecting its own workforce that have occurred during the reporting period may also be connected with other entities or operations outside its direct control, the undertaking may disclose whether and how it seeks to use its leverage in its business relationships to manage those impacts. The disclosure includes information on:

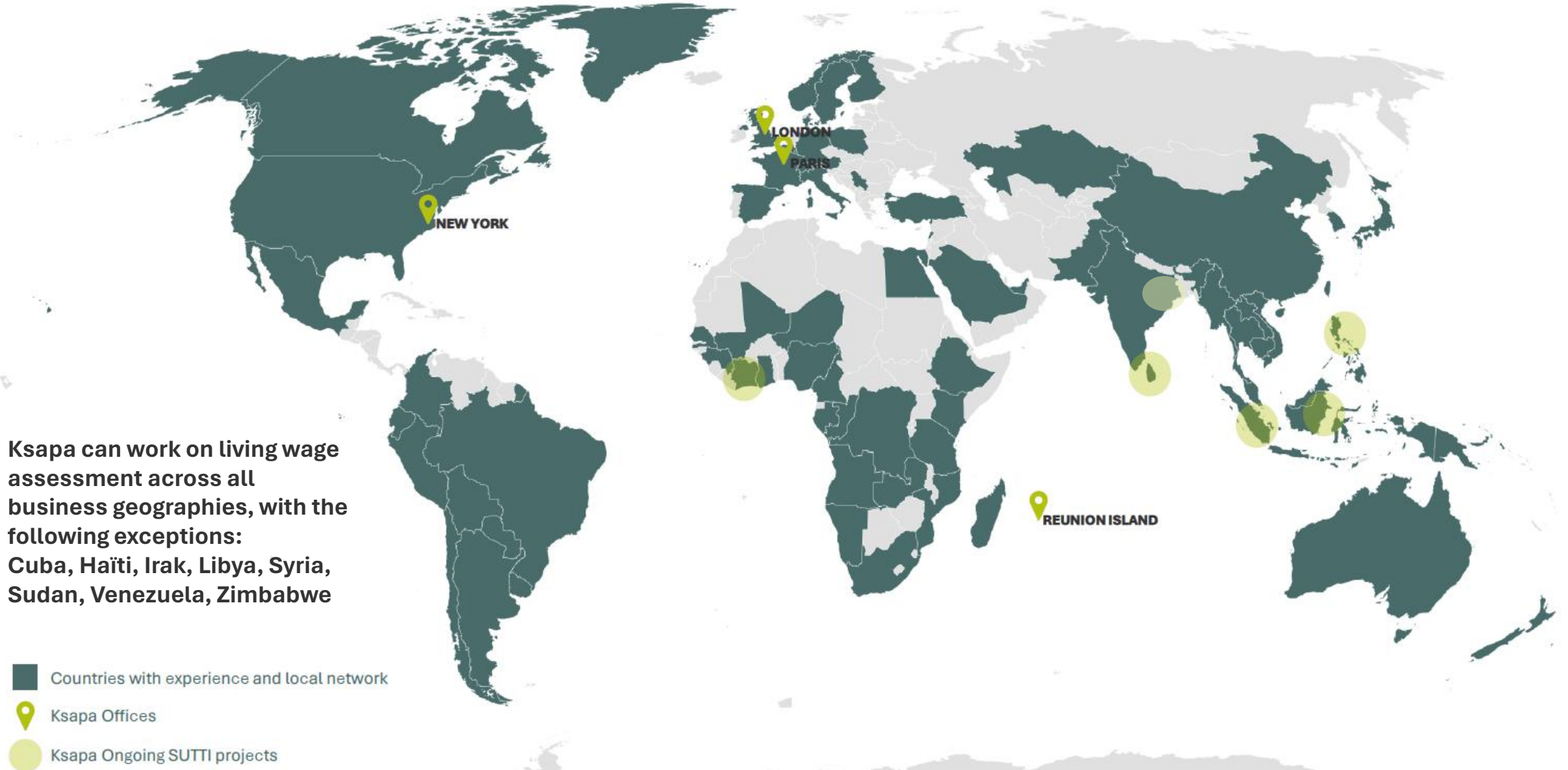
1. using commercial leverage (for example, enforcing contractual requirements with business relationships or implementing incentives);
2. other forms of leverage within the relationship (such as providing training or capacity-building on workers' rights to entities with which the undertaking has a business relationship);
3. or collaborative leverage with peers or other actors (such as initiatives aimed at responsible recruitment or ensuring workers receive an adequate wage).



What are some of the concrete solutions you've developed to support companies in assessing living wages for the workforce and suppliers?



Ksapa – Global Footprint Ensuring Local Support of our Clients



Ksapa can work on living wage assessment across all business geographies, with the following exceptions:
Cuba, Haïti, Irak, Libya, Syria, Sudan, Venezuela, Zimbabwe



Three Options Assessing and Mitigating Living Wage Risks for Workforce

Option 1



Phase 1 – Calibration of Data Collection

Kick off starter pack
Living Wage Thresholds
Guidance to calibrate internal Data collection



Phase 2 – Data collection

Collection and aggregation of internal payroll related data



Phase 3 – Gap Analysis

Cross referencing internal data with living wage thresholds to flag worker at risk



Phase 4 – Findings

Results & recommendations

Option 2



Phase 1 – Calibration of Data Collection

Kick off starter pack
Living Wage Thresholds.
Guidance to calibrate internal Data collection



Phase 3 – Gap Analysis

Cross referencing internal data with living wage thresholds to flag worker at risk



Phase 4 – Findings

Results & recommendations

Data collection is conducted internally with light coaching from Ksapa

Option 3



Phase 5 – Strategizing remediation activities

What ? How ?



Phase 6 – Implementing remediation plan & monitoring

When ? Who ?





Overview of Our Living Wage Threshold Database Deliverable

Minimum Wage					Living Wage (Calibrated Depending on Client Expectations)													
Country /regions	Local Currency	Working hours / week	Minimum wage	Calculation Minimum Wage (+5%)	Currency	Working hour/week	Minimum wage	Numer of workers in a family	Inflation rate	Food inflation	The Fairwage Network	Global Living Wage Coalition	Wage Indicator	Living Wage For US	New Foresight	Database Ksapa (+inflation rate)	Calculation Living Wage (+5% saving)	Recommendations / Fairwage Calculation (LCU)
XXX																		
XXX																		
XXX																		
XXX																		
XXX																		

MINIMUM WAGE										
Country	Currency	Working hour/week	Minimum wage (Local Currency)	Calculation Minimum Wage (+5%)	Poverty Line (PPP a day)		Average Household Size	# Workers in a Family	Inflation % (2023)	Food Inflation % (2023)
					USD	Date				
CAMBODIA	KHR	48	818 800,00	859 740,00	2,7	2020	4,6	2,64	1,1	2,26
PHNOM PENH	KHR	48	818 800,00	859 740,00						
SIHANOUKVILLE	KHR	48	818 800,00	859 740,00						
MALAYSIA	MYR	48	1 500,00	1 575,00	2,15	2018	4,6	1,57	2,8	5,9
LABUAN, SABAH	MYR	48	1 500,00	1 575,00						
PENANG	MYR	48	1 500,00	1 575,00						
PETALING JAYA	MYR	48	1 500,00	1 575,00						
SEPANG, SELANGOR	MYR	48	1 500,00	1 575,00						
SHAH ALAM	MYR	48	1 500,00	1 575,00						
SUBANG JAYA	MYR	48	1 500,00	1 575,00						
VIETNAM	VND	48	4 680,00	4 914,00	2,15	2,15	3,4	2,52	2	3,78
DA NANG	VND	48	4 160 000,00	4 368 000,00						
HANOI	VND	48	4 160 000,00	4 368 000,00						
HO CHI MINH CITY	VND	48	4 680 000,00	4 914 000,00						

- Poverty line
- Average household size (local fertility rate at country level)
- Local average number of income earners per household at country level.

Living wage thresholds are not considered on a case-by-case basis according to the context of the employee's household. For all employees in the same location, a single living wage threshold is considered in the local currency.



Process Guiding Living Wage Gap Analysis

Phase 1 – Preliminary steps to refine the target for the living wage investigation

- Step 1 :** Preselection of the employees by type of contracts
- Step 2 :** Preselection of the employees by Job band
- Step 3 :** Calibrate gap analysis vs. external living wage data #1
- Step 4 :** Calibrate gap analysis vs. external living wage data #2 (Optional)

Phase 2 – Corrections

- Step 5 :** Correct the data for the targeted employee working part-time
- Step 6 :** Refine by location the data for the targeted employee

Phase 3 – Adding bonuses, compensations, allowances & other staff costs

- Step 7 :** Adding eligible bonuses
- Step 8 :** Adding eligible allowances
- Step 9 :** Adding eligible in-kind benefits

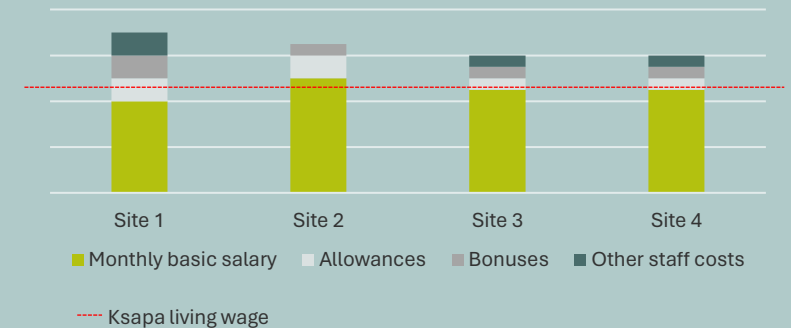
- Process is primarily aligned with Anker methodology
- Wage component policy is defined in consistency with L’Oréal methodology requirements
- In-kind benefits are defined in consistency with IDH in-kind benefits policy

Phase 4 – Results

Each data collected during each step will be gather in a tool (see below) to automatically identify the exact workforce who is under the living wage threshold and to understand the reasons of this lack.

This process must be completed for each zones at-risk identified.

Reporting entity	Job name	Job band	Currency	Hire date	Monthly basic salary	Basic salary effective date	Global living wage	Ksapa living wage	Adding bonuses	Adding allowances	Adding other staff costs	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Under 1	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Under 1	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Over 0	Over 0	Over 0	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Under 1	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Under 1	Over 0	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Under 1	Under 1	Over 0	
XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	Under 1	Under 1	Under 1	Under 1	Over 0	
							Total	6	6	4	2	0





Overview of Our Gap Analysis Report on Living Wage

Ksapa closes gap analysis producing a final report presenting the results and the methodology adopted and suggesting recommendations for the short, medium and long-term. Here's an illustrative example of one such Gap Analysis report.

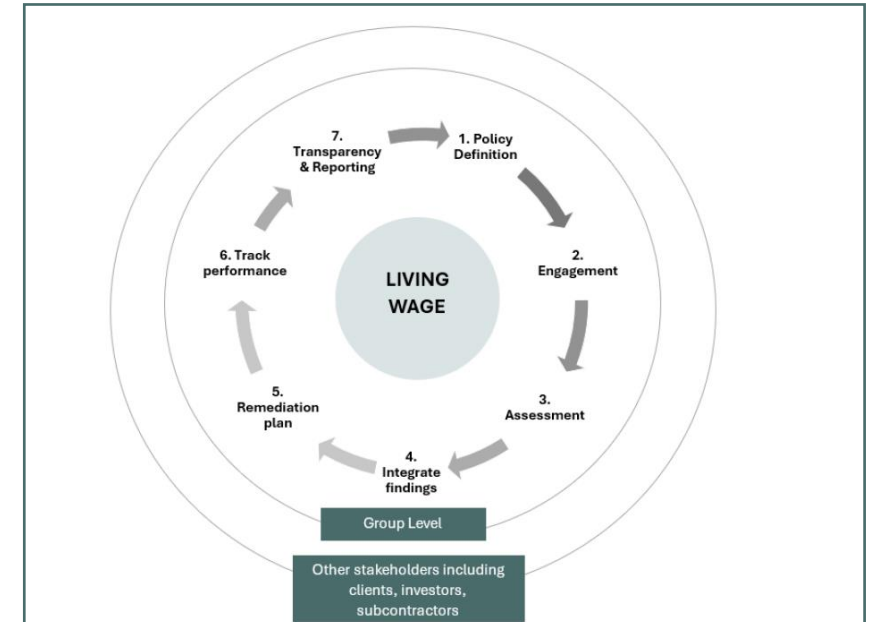
Example of a structure for a final report

TABLE OF CONTENTS

ABOUT THE PROJECT	3	2.5. Gap analysis in the Philippines (PH)	19
1. Client's commitment to a living wage.....	4	2.6. Gap analysis in China (CN)	22
2. Why Living wage.....	4	2.7. Gap analysis in Singapore (SG)	23
2.1. The Different types of wages	5	2.8. Gap analysis in Qatar (QA)	23
3. Markets identified for the living wage analysis.....	6	2.9. Gap analysis in the United Arab Emirates (UAE)	24
3.1. Scope of the applications and expectations for an adequate wage	7	2.10. Gap Analysis in Mexico (MX)	24
3.2. Which benchmarks?	7	RECOMMENDATIONS & NEXT STEPS	25
DATA COLLECTION PROCESS	9	APPENDICES	30
1. Project Timeline.....	9	1. Living Wage.....	30
2. Data collection process Detailed.....	11	1.1. Definitions Fair Wage VS Living Wage	30
6. Data Collection Tools.....	12	1.2. Five principles of calculating Living Wages	30
6.1. Ksapa's Questionnaire	12	1.3. Living Wage – How is it calculated ?	31
6.2. Primary Data Collection Sources	13	2. Additional information provided to help assess the integrity of living wage thresholds.....	34
RESULTS OF THE ASSESSMENT	14	2.1. Other wages and data	34
1. Summary of the observations.....	14	2.2. Assumptions	34
2. Findings.....	15	3. Included or excluded in the Living Wage?.....	35
2.1. Gap Analysis in Mexico (MX)	16	3.1. Cash wages, allowances, and bonuses	35
2.2. Gap analysis in China (CN)	17	3.2. In-kind benefits (Limits et on amounts)	36
2.3. Gap analysis in Singapore (SG)	17	3.3. Fringe benefits and other benefits	37
2.4. Gap analysis in the United Arab Emirates (UAE)	18	4. Data collection questionnaire.....	38

This report is for internal audience only, including a detailed review of living wage risks across countries as well as concrete levers applicable for each market / site to mitigate risks

Example of recommendations



The graph shows the general steps guiding recommendations for each company to remediate living wage issues. For each step, Human Resources and other client stakeholders all benefit from concrete recommendations to execute an action plan mitigating living wage risks.



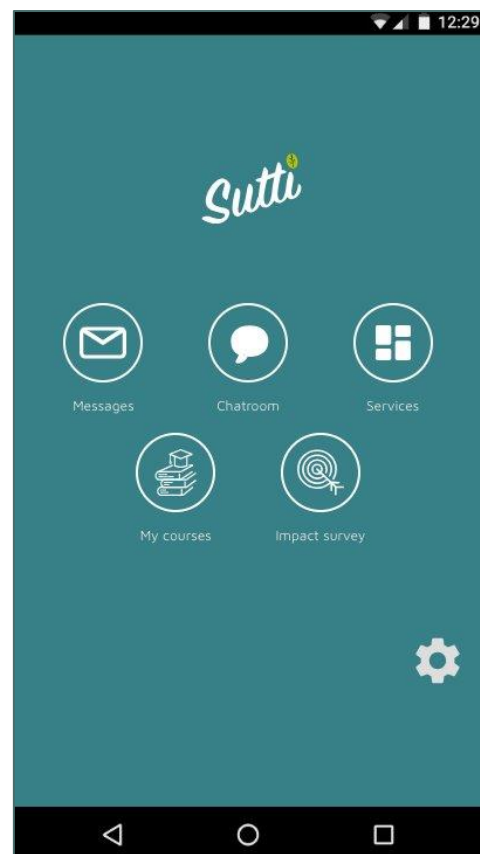
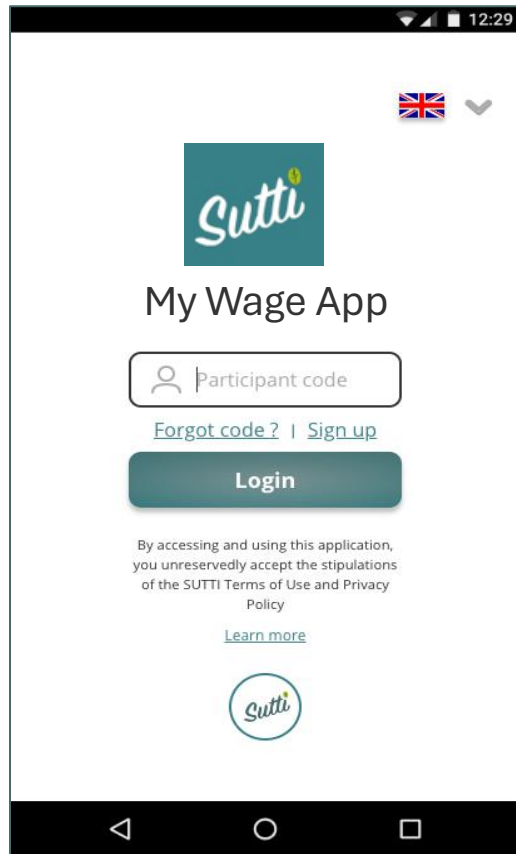
In your view, what is the future of living wage?



Digital Support for Monitoring – Each Worker Accesses a Unique Interface

Following a decent wage analysis that can be carried out by Ksapa, we propose a tool, the **SUTTI Low Tech App**, to collect data and support direct employees and the supply chain in managing their wages and ensuring that everyone has a decent wage.

Ksapa can deploy a **customizable application for direct workforce and supply chain contractors** to identify potential wage issues and remedial solutions and to monitor the corrective actions. This low-tech app is accessible even for low educated workers with limited equipment (no smartphone needed) and poor connection.



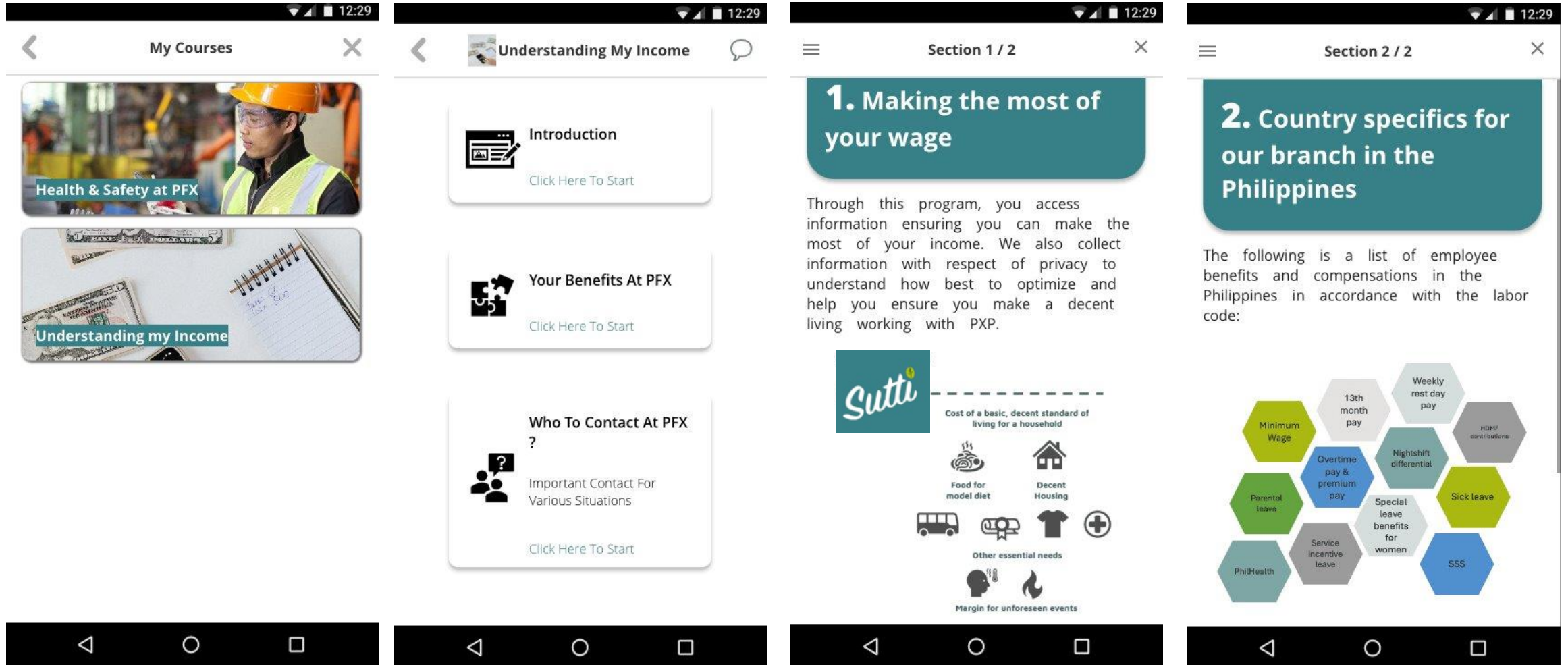
- Provide information to help a worker understand the structure of his/her wage as well as potential additional information of interest
- Calibrated in cooperation with HR team and other stakeholders as deem appropriate
- Worker is invited to respond to regular and simple questionnaires tracking information about his/her profile, primary expenses (transportation, food...), wage structure and access to bonuses / allowances.
- Reporting and monitoring table aggregate data at site / company level. Data collection is EU GDPR compliant, and no sensitive data is collected in aggregated manner, nor shared with clients or external organizations

*This SUTTI Low tech APP is a tool to collect data across workforce easily. **This makes living wage monitoring cost effective and meaningful for HR and workforce alike***

Moreover, the tool support all employees and contractors to understand better their salary and their contract with company. This tool has also a sensibilization objective for the stakeholders.



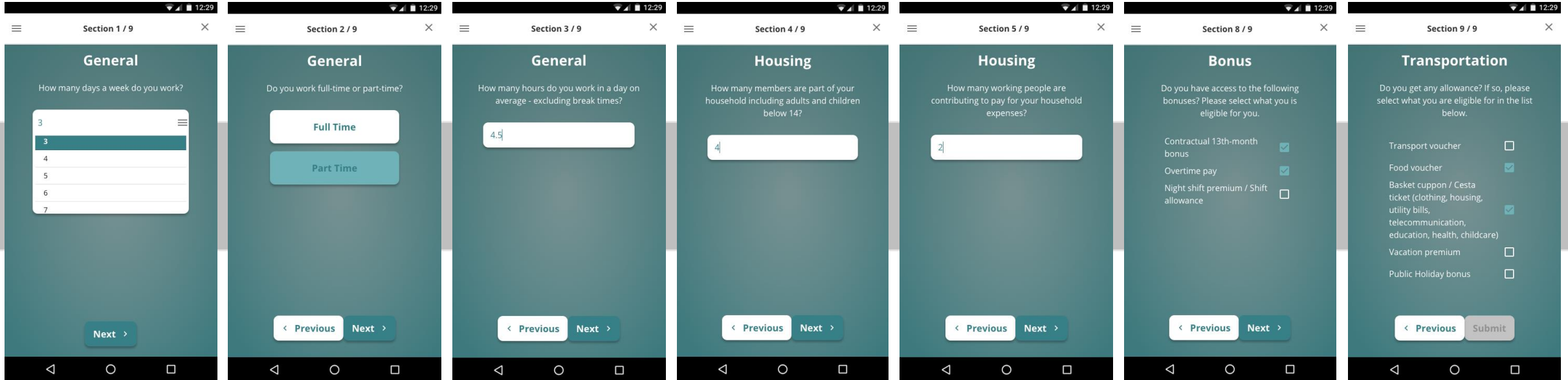
Digital Support For Monitoring: Inform Workers About Wages & Benefits



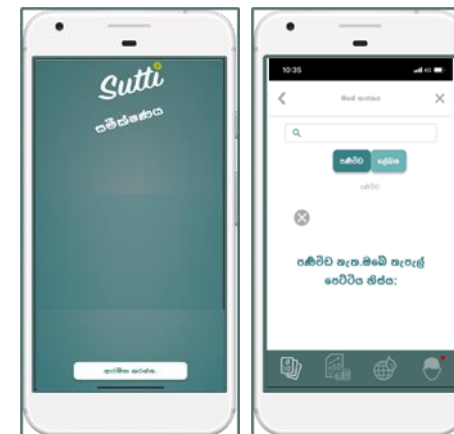
Workers often lack concrete information about what they can be entitled and how to activate benefits. We can tailor content and help workers understand their wages. Content can be expanded with any type of guidance and top down information useful for workers. Example: Safety procedures on site.



Digital Support: Collect Data From Workers to Understand Their Challenges, and Whether Benefits are Known, Pertinent and Leveraged

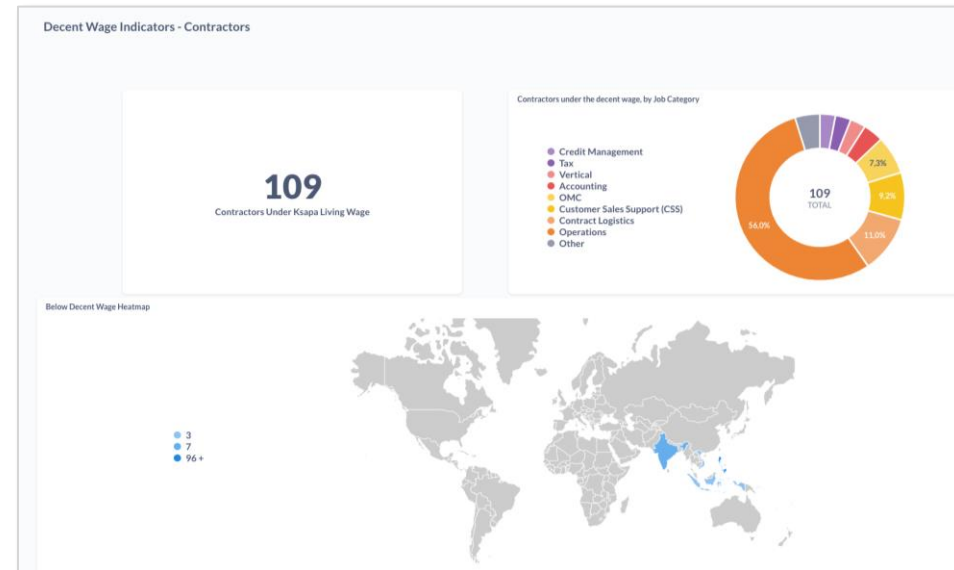
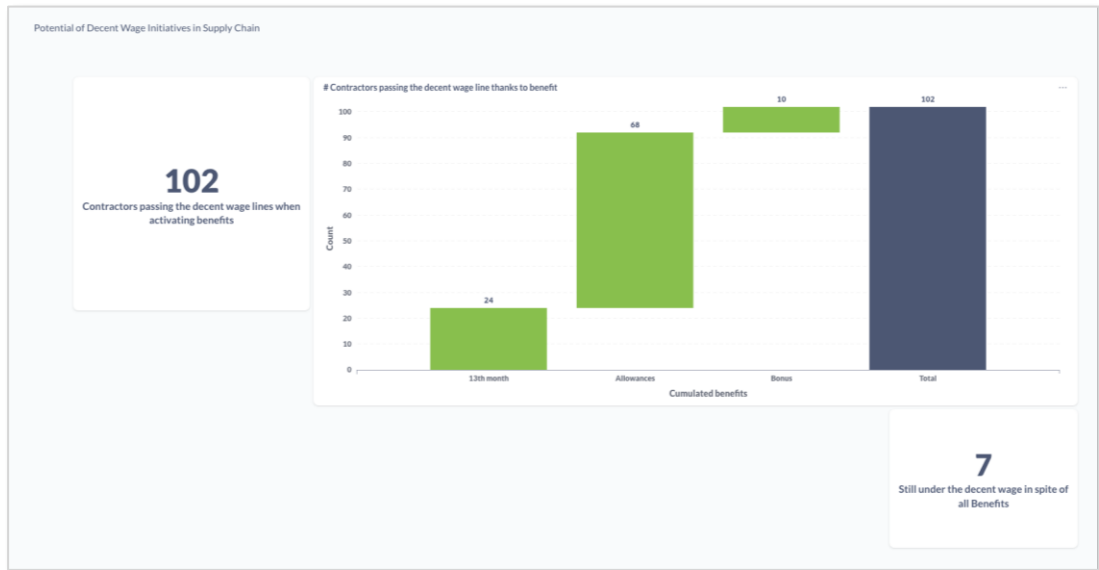
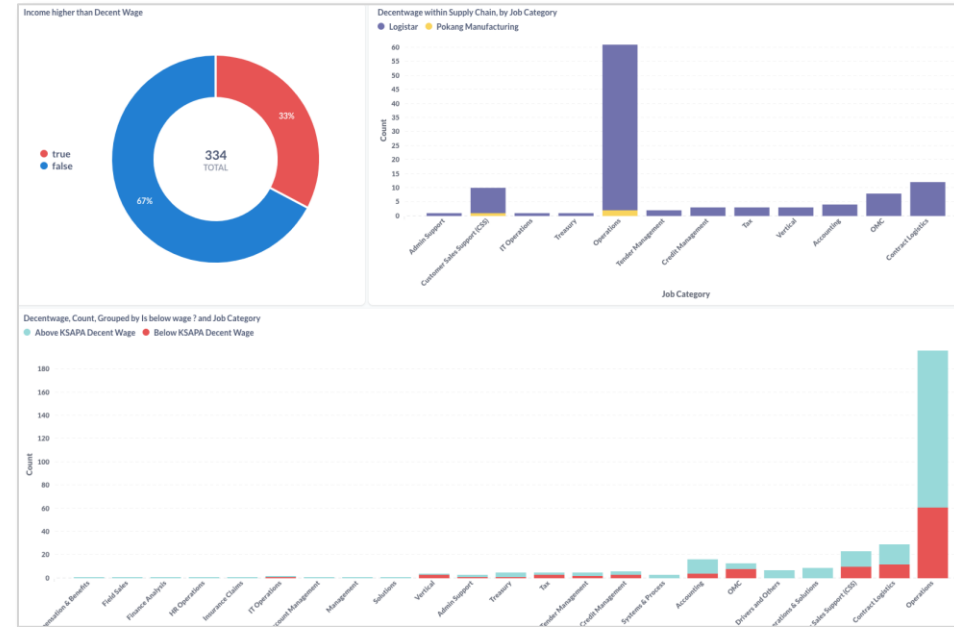
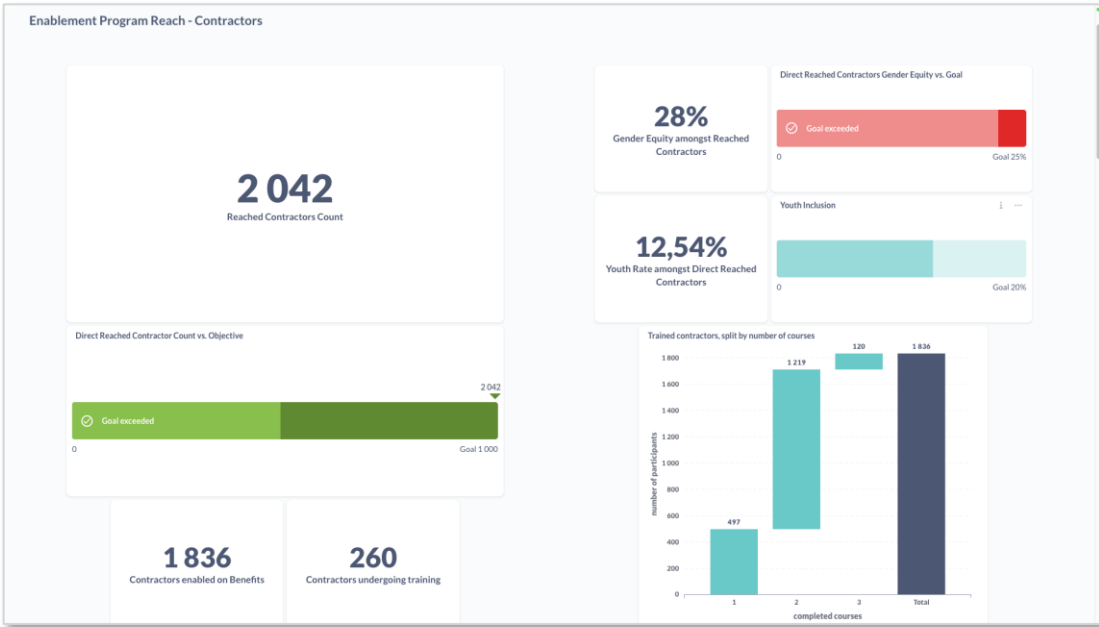


Content is already deployed across multiple geographies and languages including “latin alphabets” (e.g.: English, French, Indonesian Bahasa...) and other alphabets (e.g.: Sinhala, Sanskrit...) ensuring access by targeted workers





App Dashboard: HR Accesses Aggregated Anonymized Impact Monitoring Data





Q&A





Ksapa - Sample Advocacy Initiatives on Human Rights

A mission-native company, Ksapa's commitment to advocacy is built-in our corporative statutes. Themes: ESG & Sustainability, Impact Investing, Climate, Inclusive Growth, Circularity, Human Rights. **4000+ decision makers worldwide engage on a regular basis using global and practical insights from Ksapa. Ksapa convenes stakeholders to explore complex topics.** Participating organizations across our series of discussions (webinars, conferences, dinners...) comprises: ILO, Global Compact, OECD, Business Associations, Unions, Fortune 500 companies, Academia (e.g.: Harvard Belfer Institute, MIT Poverty Lab...), UN Administrations (e.g.: UN High Commissioner for Human Rights), COP Champions, Foundations...

REPORTS & BRIEFING PAPERS

Mitigating Human Rights Risks When Embedding Artificial Intelligence Across Products and Services

Understanding how to assess human right risks

5 principles calculating adequate wage expected by EFRAG ESRS S1 & S2 standards

BLOG & ARTICLES

How investors can conduct robust human right due diligence?

Adequate or living wage – Approach to comply with ESRS Adequate wage requirements

How to Calculate a Living Wage for Employees and Contractors?

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Paying the Living Wage Across Value Chains: Navigating ESRS & Human Rights

Using Effective Human Rights Due Diligence to Streamline Compliance Efforts

Mitigating Organizations' Human Rights Risks

1

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EDITORIAL

The scientific community has been emphasizing a crucial point: as climate change progresses, addressing inequalities is critical to work towards a just transition and overcome resistance. Companies and investors must decarbonize their products and assets while promoting a more equitable distribution of wealth along value chains and among the most vulnerable communities. This is vital for local anchoring, consumer loyalty, and strengthening ties with all critical links across value chains.

However, the political environment is currently not conducive, marked by the

2

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- IMPROVING CLIMATE RELATED SCOPE 3 EMISSIONS ACROSS OPERATIONS AND VALUE CHAIN
- IMPROVING ACCESS TO LIVING WAGE ACROSS OPERATIONS AND VALUE CHAIN WORKFORCES
- FREE PRIOR & INFORMED CONSENT WITH UNCONTACTED PEOPLE
- WHY STAKEHOLDER ENGAGEMENT IS IMPORTANT WHEN EXPLORING HUMAN RIGHTS ASSESSMENT?
- DOUBLE MATERIALITY ASSESSMENT - OPERATING MODE

3

Attend our upcoming webinar
Register and join us no later than next week here!

Partner Session - 2024 OECD Forum on Responsible Mineral Supply Chains

The Proactive Role of Investors in addressing forced labor risks in the green transition - What are the expectations?

21 May 2024 | 2-330pm (CEST) | 8am (ET) | 8pm (SGT)

With insights from expert panelists

- FABRICE WARNECK**
Director of Monitoring
- REMI FERNANDEZ**
Manager, Human Rights, Social & Governance Issues
- GINETTE BORDUAS**
Head of ESG and Sustainability
- ABIGAIL ROSS HOPPER**
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