

Guidelines on Diversity & Inclusion in the workplace:

UN Global Compact Network Italy
Observatory's experience



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UN GLOBAL COMPACT NETWORK ITALY

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Introduction

In recent years, the development of Diversity & Inclusion has become an essential condition for the growth of companies and the promotion of efficiency and competitiveness. In the path towards the 2030 Agenda and a fair transition, attention to people and valuing diversity cannot be ignored, and governments and businesses are called upon to do so through the "Leave No One Behind" appeal.

For the private sector, the business case is clear: in the face of constantly evolving society and work contexts, with ever-increasing attention to diversity and possible vulnerabilities, it is crucial to adapt the corporate structure and culture in order to make the work environment open to all resources. Heterogeneity, in fact, accompanied by a process of inclusion, makes it possible to improve company performance and, consequently, financial performance. Not only do good D&I practices attract talents, investors and consumers, but they also support innovative and creative processes, improve internal climate and enhance brand equity and reputation.

This D&I process, which is rooted in fundamental human rights and is in many cases provided for and regulated by Italian and international legislation, is not always easy to implement. The situation has since been exacerbated by the COVID-19 pandemic, which has worsened some of the differences and harshened some of the inequalities already present in our working structure.

Based on these considerations and also inspired by Principle 6 of the UN Global Compact which promotes the elimination of all forms of discrimination in respect of employment and occupation, the idea of creating an Observatory dedicated to D&I

in 2021, which could collect the experience of leading companies in different sectors, came about during the 5th Edition of the Business & SDGs Annual Forum in 2020. 17 companies from the banking, energy and multi-utility, agri-food stuffs and technology sectors were involved, with representatives from HR, Sustainability, CSR and D&I functions. The working group was coordinated by UN Global Compact Network Italy and integrated with the fundamental contributions of supranational players (International Labour Organization - ILO) and National Associations (Italian Association of Staff Management - AIDP), with the aim of providing local regulatory overviews and guidelines from the perspective of international Conventions.

The aim of the working group was to reflect and share the deep meaning of the concepts of diversity and inclusion, moving from the role of leadership, unanimously recognised as the starting point of D&I initiatives, and the differences most commonly found in the workplace: disability, ethnicity, gender and age.

The 8-month coordination of the group started in March 2021 and ended in October, with monthly meetings. An initial kick-off moment was followed by a meeting dedicated to inclusive leadership and 4 themed focuses. The subject of the discussion was the regulatory framework, methods for mapping people's needs and collecting data, the paths and projects of the companies participating, certifications and tools for measuring and communicating transparency not only to stakeholders but also within the company. Finally, the guidelines thus defined in this document have been enriched by business cases on the topics covered during the sessions.





INTRODUCTION

The result is set out in this paper, which gathers together not only best practices and reflections, but also challenges and critical issues that emerged around the working group, guided by initial ideas provided by UN Global Compact Network Italy, ILO and AIDP, aware that the path can be built with a view to collaboration, mutual inspiration and peer learning.

The hope is that this work can guide companies to overcome not only unconscious prejudices and stereotypes, but also to go beyond the mesh of legal obligations, beyond mere compliance and the principle of non-discrimination. It is essential to recognise the human value that good practices of inclusion can bring, implementing human rights inspired by the principles of justice and inclusion, valuing human resources in their enriching diversity and ultimately producing a positive effect for the economy and society as a whole.

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1. Definition of D&I



1. Definition of D&I

The need to reflect on topics of Diversity and Inclusion stems from the realisation that business has much to gain from more inclusive economies, through access to new markets, the release of more innovation and greater social stability; conversely, business has much to lose from an economy that fails to fully exploit human capital.

Diversity and inclusion are in fact closely related and interdependent concepts: the first as an expression of the characteristics that shape people, the second as a corporate choice to take them into account and enhance them.

Within the Observatory's working group, a definition of the two concepts was discussed and elaborated as the first task of the participants, taking into account both international Conventions as well as policies and programmes adopted by the various companies in the different sectors involved.

Diversity in a general sense refers to all differences between groups and individuals and configures people as distinct identities. In this sense, the definition of diversity includes everything that makes us unique and unparalleled, including **ethnicity**, **age**, **style**, **gender**, **personality**, **religious** and **political beliefs**, **experiences**, **sexual and emotional orientation**, **psychological**, **cognitive**, **physical and social differences unique to each individual**, and much more.

Company diversity policies and practices provide guidance in this regard to eliminate discrimination and ensure equal opportunities and treatment for all workers.

On the other hand, the concept of **inclusion** includes **recognising**, **understanding** and

valuing diversity as a resource and using it in a positive way, creating a fair and welcoming physical and social environment. Conscious inclusion therefore creates concrete value from diversity.

A person's perception of feeling included at work is related to their identity, their own and other people's behaviour and their environment. Creating an inclusive work environment, in the sense of culture and physical space, therefore provides opportunities for employees with diversities to empower themselves and influence business performance.

Although the importance of diversity and inclusion is now recognised, organisations struggle to implement change internally, often requiring a major effort to rethink organisational practices and address unconscious biases. There is therefore a need to promote new goals, policies and practices, but also more broadly to foster a truly inclusive culture.

Despite improvements in the area of human rights worldwide, women, migrants, people with disabilities and young people still experience situations of severe exclusion in the labour market and society in general. This constitutes a major social and economic risk for both companies and society as a whole.

The principles and core values for strengthening the culture of Diversity & Inclusion in the company, inspired by and related to human rights, are as follows:

- Equality
- Enhancement of human resources

UN Global Compact Network Italy Observatory's experience

1. Definition of D&I

- Inclusive internal culture
- Creation of value for the company

Equality is an essential part of achieving the 2030 Agenda and thus a more prosperous world for all, including the private sector. The prevention of discrimination and the establishment of equality in workplaces and value chains are, first and foremost, an ethical responsibility of companies and a matter of equity. Equity is the process of ensuring that processes and programmes are unbiased, providing equal outcomes for every individual.

It is essential to stress that inclusion and non-discrimination, before being social and economic issues, are a human rights issue. The Universal Declaration of Human Rights defines these rights for all persons as "universal, indivisible, inalienable, interdependent and interrelated". The same principle of non-discrimination and equal opportunities in the workplace is recognised and protected by Conventions 111 and 100 and by the 1998 ILO Declaration on Fundamental Principles and Rights at Work and sanctioned by all international instruments governing responsible business conduct from the 10 Principles of the UN Global Compact¹ to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy² and the OECD Guidelines3.

In 2011, the United Nations Human Rights Council also published the "Guiding Human Rights Principles for Businesses in the Framework of Protect, Respect and Remedy". These guiding principles define the following tasks for all companies and particularly for multinationals:

- respect international human rights standards
- 1. See "The Ten Principles of the UN Global Compact", Link
- 2. Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, 2017, Link
- 3. OECD Guidelines for Multinational Enterprises, 2011, Link

- refrain from violating human rights
- manage the negative effects of investments and business activities that cause human rights violations (remedy)

Companies are required to carry out a comprehensive risk assessment that includes the negative effects on human rights of their own company but also their supply chain, as well as the negative effects on human rights of the other organisations with which they collaborate and the states in which they operate.

Business plays a key role by being able to implement strategies and practices, internally and along its supply chain, to include those in society who are excluded. Discrimination and access problems faced by certain groups of people can seriously distort the employment market and threaten social harmony. Successful inclusion practices are not limited to employing people from different groups, but rather also include efforts to manage them appropriately. It is the process of inclusion that gives people the feeling that they are needed for the success of the organisation. When people feel valued and part of an organisation, they will work in full capacity, so valuing all human resources plays a key role in this challenge.

For all of these reasons, related to equity and performance, ensuring diversity and inclusion in the workplace should not just be an area of human resources responsibility, but should instead be part of a broader corporate strategy, of which top management takes the lead. Only then can there be the real change needed and innovation can take place, as it is not just about promoting new goals, policies and practices, but also more broadly about embracing a truly inclusive culture. To succeed in this, a major effort is needed to rethink customary modes of organisation and to address unconscious biases.



1. Definition of D&I

Inclusion paves the way for companies to tap into great potential. Organisations need both diversity and inclusion to be successful. It is well known that companies that embrace diversity and participation, that respect and recognise what makes

people different, be it age, gender, ethnic roots, religion, disability, sexual orientation, education or national origin, perform better than others, thereby **generating value for the company**.



UN Global Compact Network Italy Observatory's experience



2. Inclusive leadership

2. Inclusive leadership

The involvement of the company's leadership in the area of Diversity & Inclusion is essential to ensure that the policies and practices adopted in this area are concretely applied and translated into shared values. It is essential that **the attitude of the inclusive leader is respectful of diversity and is particularly demonstrated in moments of public visibility**; this reinforces the commitment of the company and has a positive impact on the internal sharing of values and consequently on their affirmation in the culture of the organisation.

The tools that corporate leadership has available to implement a concrete commitment to diversity and inclusion topics can be:

- the drafting, adoption and signing at all levels of a diversity & inclusion policy
- mechanisms for implementing and monitoring the diversity & inclusion policy
- actions to shape the corporate culture towards inclusiveness

What distinguishes inclusive leadership as characteristics are commitment, transparent discussion, awareness and measurement of impact.

The commitment stems from the awareness that inclusion requires initiative and investment in dedicated time: a convinced approach is therefore the basis for implementing tailored interventions to promote it. The leadership's positive influence on diversity and inclusion topics plays a role in promoting the removal of stereotypes and prejudices by empowering diverse talents through fair and respectful treatment and encouraging the participation of all people.

The company's capacity for inclusivity must be assessed and validated by the relevant stakeholders (e.g. employees, suppliers, ratings companies, trade unions, etc.) in a **transparent comparison**, as self-referential statements cannot be sufficient to confirm inclusivity. In fact, transparency must be recorded in all business processes, from job posting to recruitment, onboarding, etc.

ness of the responsibility for inclusion, not deferring this topic solely to the human resources department, while also being able to recognise their own cognitive biases in order to make fair decisions based on merit and contribution, following processes that are bias free, to ensure that decisions made are not influenced by bias. For inclusive leadership, in fact, the concept of choice is crucial as it implies a conscious willingness to put oneself at the service of the team to bring out talents, demonstrating knowledge of the subject with a humble and open approach.

Considering that inclusion is a profound process with positive repercussions in the long term which makes diversity feel welcome within the organisation, leadership must play a role in driving inclusivity embedded in a solid strategy, based on appropriate tools to ensure its impact. The role of measuring and monitoring indicators for the objectives set is therefore crucial in order to achieve maximum inclusiveness.

The inclusive leader has the following traits:

- listening skills
- awareness of own bias
- curiosity



- cultural and emotional intelligence
- propensity for collaboration
- determination
- courage

Being inclusive leaders means being effective leaders because it improves the performance of the team and the company itself; this topic is therefore also a strong leadership training lever with the aim of strengthening the inclusive approach.

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The preparation of a **business environment for inclusive leadership** should be hinged on the following pillars:

- ensuring emotional security, which allows the person to feel welcome and to be able to express themselves freely
- fair access to information and resources, tailored to people's abilities
- the removal of obstacles hindering full cooperation on the part of people
- the inclusive leader serves by influencing all components and processes of the company
- use of inclusive language



BUSINESS CASE 1

TOMORROW'S LEADER



Sector: Financial

D&I scope: Inclusive leadership

As part of a Diversity, Equity & Inclusion project launched in November 2020, the Mediobanca Group has finalized a specific action plan of activities to be implemented over the next two years, which will touch on various topics ranging from governance to the selection and management of human resources, to the recording and monitoring of specific KPIs.

In terms of training, we intend to develop the objectives of the multidisciplinary project implemented in 2020 entitled "Smart Collaboration", by continuing with the training and personal development paths implemented to improve the skills needed to work effectively and inclusively.

The primary objective is thus to embed a new way of working and culture based on a leadership style that values individual diversity and work by objectives, with a greater sharing of responsibilities and the effective participation of the whole team.

The implementation strategy envisages first of all a strong internal communication campaign, to convey the key messages of the Mediobanca Group's DE&I strategy, and create awareness of the importance of inclusive leadership.

The plan will then:

- Involve Mediobanca Group Leaders in dedicated training initiatives on:
 - The meaning of DE&I; evaluation of business cases
 - Definition of a common vocabulary and the distinctive features of an inclusive leader
 - Unconscious bias, through practical workshops with a focus on personal behaviour
- b. Identify a network of people to help embed DE&I values within the organization ("DE&I ambassadors")
- c. Launch training and development initiatives for the entire corporate population based on building inclusive leadership behaviours such as courage, awareness and elimination of biases, and management by objectives, to replace the culture of presenteeism with leadership based on trust and respect

The project will be carried out in several phases, initially providing for the training and involvement of senior management and then, once a network of supportive internal ambassadors has been con-



structed, the implementation of a more widespread training plan.

Based on the DE&I Mission and key priorities, KPIs will be defined on which the organization wants to work in order to address the priorities:

- Creation of a DE&I Dashboard to monitor KPIs on a regular basis (e.g. female representation in leadership, female promotion rate, gender of new recruits, age and background, turnover, DE&I/engagement survey results, inclusivity index, etc.)
- Organizing regular times to review the DE&I Dashboard and evaluate refinements and changes to the DE&I Action Plan
- Regular surveys to collect the precise needs of the corporate population and adjust the road map accordingly

Mediobanca's philosophy is therefore to promote a collaborative and inclusive culture based on trust, respect and integrity, because our business model is based on the belief that sharing different ideas and perspectives leads to better solutions for our clients.

BUSINESS CASE 2

DIVERSITY & INCLUSION, LEVERS FOR TRANSFORMATION AT EDISON



Sector: Energy

D&I scope: Inclusive leadership

Good practice in relation to Diversity & Inclusion and defined goals

In 2016, with a new strategy focused on the energy transition, a new organisation and a renewed brand identity, Edison underwent a moment of strong transformation; in order to guide the organisation towards a new operating model that will accompany the Company to the transformation also with interfunctional and cooperative projects, the **Transformation Team** was launched.

One of the project's sites is precisely linked to **Plurality and Inclusion** and is aimed at proposing effective and concrete solutions to enhance diversity by defining guidelines and action plans to promote inclusion and plurality in the short and long term.



Methods of implementation (strategy, processes, activities)

In order to define the programme, the Team conducted **an internal survey** to identify the priorities on which to focus actions. The Survey involved more than 2,300 employees, obtaining an important response rate (about 50%), and yielded four axes of work:

- Gender: enhancement of professionalism and female managerial skills
- Valuation and age: relationship between different generations and merit-based resource development
- Flexibility and reconciliation: increasing the effectiveness of benefits and promoting a healthy work-life balance
- Headquarters and territories: encourage proximity between territorial offices and the headquarters by promoting knowledge and synergy among colleagues with very different jobs and geographical locations.

The actions developed to reinforce awareness, managerial culture and widespread behaviour on the subject, to integrate colleagues from different company and territorial contexts and to promote empowerment and enhancement of the professions also in STEM terms, have led to various projects including: Gender Mentorship, The Lab - inclusive leadership workshops, Network Inspiring Ambassadors, implementation of new organisational rituals, Connecting Edison, D&I day with stories of leadership and inclusion, and "lunch with the CEO" events.

Stakeholders involved

The identification of relevant topics was carried out through a **panel of Edison's sustainability stakeholders**, joined by various **experts and colleagues**.

Monitoring and KPIs

The definition of a monitoring system through a dashboard with specific indicators (related to gender, awards and promotions, job rotation, flexibility, use of company welfare, exchange of cross-functional competences, etc.) to monitor the inclusion profile of the company with respect to the priority dimensions that emerged in the survey, paying attention to significance, measurability and ease of monitoring, was fundamental.

This tool, which is updated annually, has proved useful in assessing the progress made so far, the areas for improvement and in identifying the most appropriate actions for promoting inclusion.

Results and impact: value for the company and shared value

2018 saw inclusion and gender become part of Edison's sustainability goals, made public with concrete commitments.

The actions put in place involved more than 2,000 colleagues from 2018 to 2020.



The main result is undoubtedly a greater and widespread awareness of how to welcome and value diversity within the company, and what this really means: in addition to putting the person at the centre, enriching oneself with stimuli, different points of view and indispensable knowledge to face the new market so as to offer diversified and innovative responses to clients; inclusion policies, in fact, produce efficiency and competitiveness.

BUSINESS CASE 3

PEOPLE AT THE CENTRE



Sector: Telco – Tower Company

D&I scope: Inclusive leadership

Good practice in relation to Diversity & Inclusion and defined goals

As part of the path towards a sustainable business model and with a view to promoting the well-being and development of our people, starting late 2020, we began working on the topic of D&I, through the establishment of a dedicated internal team and the creation of a survey aimed at the entire company population to understand people's perceptions and needs on topics of inclusivity.

Last July, the Board of Directors approved the D&I Policy, which identifies the actions and conduct with which INWIT identifies in the fight against discrimination, social exclusion and prejudice in general.

The aim is to make the workplace an inclusive and plural environment, in which the exchange of ideas and the contamination of individualities can generate value for the Company.

Methods of implementation (strategy, processes, activities)

In order to promote full awareness of the value of the individual and their uniqueness, we are committed to fostering a strategy for the management and development of human resources that contributes to making inclusion the cultural paradigm of reference, also through the promotion of concrete and targeted actions.



In the Sustainability Plan, for example, we have set specific targets to involve all employees in skill development initiatives and to ensure gender balance in selection (50 percent female candidates).

To strengthen our commitment to inclusion, we have signed up to the Women's Empowerment Principles promoted by the UN Global Compact and UN Women.

Stakeholders involved

We believe that the culture of inclusion must first be acquired within one's own organisation, hence we started with our own people.

The D&I policy also applies to customers and suppliers. To raise awareness on these topics, at our first Stakeholder Forum, we also wanted to emphasise the need to accelerate gender equality.

Monitoring and KPIs

In order to monitor the correct implementation of D&I policies, the verification of any inappropriate conduct is entrusted to the internal control and risk management structures and to the HR function, which may go so far as to sanction conduct not in line with D&I principles.

At the same time, a series of quantitative and qualitative indicators were defined and reported in the Integrated Report, aimed at measuring the effectiveness of the initiatives undertaken and the achievement of specific goals.

Results and impact: value for the company and shared value

The commitment and determination with which we are carrying out the awareness campaign within the Company have received very positive feedback from the majority of employees, as they are strongly oriented towards combining ethics with business, combating discrimination in the workplace and generating value for the Company with positive effects on productivity.



BUSINESS CASE 4

LA LEADERSHIP INCLUSIVA



Sector: Energy and services **D&I scope:** Inclusive leadership

Good practice in relation to Diversity & Inclusion and defined goals

The Hera Group has had a Leadership Model in place since 2010, deeming it an important tool which, starting from the strategic challenges, describes the key behaviours that each employee must adopt in order to bring the company's mission and values to life on a daily basis.

The model is characterised by 4 dimensions (I; we; today; tomorrow), 4 areas of objectives (shaping results, establishing common ground, adding value, building the future) and 8 competencies (two for each area of objectives).

Having a leadership model means establishing certain behavioural standards on which everyone must align themselves to guarantee results and direct company performance in the best possible way. It also means enhancing people's professional skills rather than their personal ones.

Methods of implementation (strategy, processes, activities)

In 2016, a model review was launched in order to identify the key competencies and behaviours of excellence that can help the Company achieve its future objectives and face the new competitive environment

The behaviour of the leader who is inclusive, who values people and diversity, and who is non-directive were valued.

This review of the leadership model involved around 700 people (including top management, directors, executives, middle management and office staff), identifying the key skills and behaviours of excellence needed to implement the business plan and meet future challenges.

The previous model was based on the concept of exemplary leadership element which has been kept as a distinctive style of the current model as well and the concept of agility has been included so that it can be a pervasive approach to all leadership behaviours.

This model has been incorporated into all staff development and enhancement processes, from se-



lection to internal mobility, from training to performance management, and for this reason it represents the daily direction of the activities of every person in the Company.

Monitoring and KPIs

The leadership model pervades all business processes impacting all people. In order to consolidate the competencies described by the model, extensive training courses have been created, which are delivered on an e-learning platform for all employees.

In addition, the Company has adopted a development system that places at the centre of its operations a performance evaluation process that integrates quantitative (business objectives) and qualitative (leadership/behaviour) dimensions.

Therefore, performance is monitored annually, but also adherence to the leadership model.

Results and impact: value for the company and shared value

The model is aimed at every employee in the Group, it challenges people and invites them to invest in themselves in order to grow, acquire or strengthen skills and equip them with new behavioural guides; the aim is to provide people with additional "energy", to encourage them to collaborate more and more, to circulate relevant information, to innovate activities and processes in order to achieve the company objectives.



3. Equal treatment and equal opportunities

Equity in employment is determined by efforts to ensure that all people are offered **equal opportunity and economic recognition** and that all diversity is welcomed. It is achieved through the creation of an inclusive and supportive work environment in which people can feel safe and comfortable, ensuring that all situations of discrimination in the workplace are removed.

Equal opportunities and equal treatment are good for business as they improve human resource management and increase the resilience and competitiveness of the enterprise. The effects are therefore beneficial both outside the company in relation to **stakeholders** and internally with respect to **employee** satisfaction. While on the one hand they allow the panorama of qualified candidates to be expanded, thus enhancing the selection of staff, on the other, they strengthen the commitment and mood of the company's population. The result is an improvement in the perceived climate, image and reputation of the brand.

Through equitable human resource management, companies make a significant contribution to making the external economic environment more inclusive, becoming role models and influencers not only in the external community, but also throughout the supply chain.

Promoting inclusion and **mitigating exclusion** are essential investments to support an efficient, productive and stable operating and social environment.

To make equal opportunities and equal treatment a reality, however, concrete action is needed in the various areas of the company. For direct action to influence the business ecosystem, companies are advised to first carry out a **preventive** analysis of diversity inclusion in the company to identify gaps and needs, resulting in the drafting of a diversity and inclusion **policy** based on an open dialogue with relevant stakeholders. At the same time as adopting appropriate policies, it is essential to define diversity protection mechanisms involving **reporting and complaint procedures**, also in compliance with the **UN Guiding Principles on Business & Human Rights**.

It is then appropriate to work on an inclusive corporate vision that necessarily passes through leadership, with the provision of training for top management, possibly linking the remuneration of managers to inclusion objectives, and constantly raising awareness of human resources through communication and training. In general, the indication is to invest in the corporate culture, to which it contributes starting from the implementation of internal surveys on stereotypes in order to define consistent activities, stimulating the participation of employees in working parties on **D&I** and creating an internal committee dedicated to the management of inclusion, in which participate not only internal members, but also representatives of the most significant stakeholders.

HR can then apply D&I principles to both recruitment and training and career opportunities: on the one hand, it is useful to focus on the selection of new candidates taking into account diversity, and on the other, to take into account the representativeness of diversity in the assessment for career advancement.

The goal is to replace a preference for familiari-



ty with an approach that instead encourages new perspectives by addressing unconscious biases. The most virtuous companies have in this sense included educational sessions for human resources with a parental role aimed at stimulating a new way of managing the educational relationship with children, so that it can be transformed into an approach that goes beyond the stereotype even in

the workplace.

Finally, it is essential to pay attention to **transparency**, both internally and externally, in order to report on the progress made on this topic: companies can use people analytics tools for this purpose, being aware, however, that Artificial In-

UN Global Compact Network Italy recommendations

It is worth remembering that discrimination can unfortunately occur in many work activities: selection, remuneration, working hours, holidays, maternity, job security, assignment, training, performance appraisal, career and salary advancement, safety and health, and termination of employment.

The following are some practical suggestions for managing this risk and structuring a comprehensive inclusivity journey at all stages of an employee's career path:

During the **recruitment/selection** process:

- Transparent selection with public recruitment announcement
- Blind recruitment, the voluntary deletion of a candidate's personal information from the CV to avoid being influenced by it
- Indication in the vacancy of the acceptance of requests for specific needs of candidates and adaptation of the interview setting
- · In-house events with role models to create an attractive environment for diversity

During the **training** phase:

- Provision of adequate preparation for diversity management with coaching & mentoring (also through the Training of Trainers) also identifying forms of cross-mentorship and inspiring ambassadors
- Monitoring of training disaggregated by target group (gender, age, etc.)

During the process of career opportunities/advancement:

- Adaptation of promotion opportunities to the characteristics of the employee (travel, hours, etc.)
- Annual monitoring and reporting of promotions broken down by target audience
- Equity of remuneration on seniority of the person and seniority in the role for all targets
- Strengthening the objectivity of evaluations with integration of top down feedback with feedback from peers, not only internal but also external to the company, with a mapping of process flows between people and where possible also include bottom-up feedback
- Balancing applications for management positions

During the phase of job retention & return to work/job loyalty and reintegration:

- Introduction of flexible working time rules and work-life balance plans
- Creation of a D&I Committee
- · Internal climate surveys from which to derive intervention plans with respect to the evidence that emerged



telligence may involve a risk of reinforcing some stereotypes. Measuring diversity topics is indeed crucial to identify gaps, criticalities and strengths and to effectively target activities to remove barriers to inclusion.

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BUSINESS CASE 1

EQUAL TREATMENT AND NON-DISCRIMINATION IN TPER'S CORPORATE REGULATIONS



Sector: Transport of persons, utilities

D&I scope: Equal treatment and equal opportunities

Good practice with respect to Diversity & Inclusion and defined goals

For transport companies like Tper, people play a crucial role, considering that it is a human intensive service. This is why Tper's policies have always focused on the role of human resources.

In the past, the main aims were to ensure stable employment, accompanied by relevant training projects.

Over time, inclusion policies have been adopted for groups less well represented in the company, for example female staff. Indeed, in the late 1990s and for a number of years, quotas were reserved for women in the selection tests, even in the absence of the necessary qualifications for driving.

Today, diversity and inclusion topics are considered so important that they are included in the company's hiring regulations.



Methods of implementation (strategy, processes, activities)

Tper has adopted its own recruitment regulations, inspired by principles of inclusion, equal treatment, non-discrimination and transparency. New hires are based solely on professional skills and characteristics, with no distinction made on the basis of sex, race, gender identity, religious orientation, etc. Tper allocates a quota of hirings to disabled workers in order to guarantee that they are not excluded from the employment market. It also adopts a policy of redeploying staff who are no longer fit to lead.

TPER is a member of CapoD, a network of companies that promotes initiatives aimed at contrasting the gender gap in the educational choices of the younger generations and in the workplace.

Stakeholders involved

Staffing decisions were also made with the involvement of union representatives.

Monitoring and KPIs

Every year Tper monitors stability of employment, breakdown of employees by age group and gender, turnover levels, male/female salaries, training levels and use of parental leave and reports on this in the non-financial statement.

Results and impact: value for the company and shared value

Tper does not have a high turnover rate, demonstrating stability of employment. For the reintegration of company functions in recent years, priority has been given to hiring staff under the age of 29, providing specific training and induction courses (amounting to about 60% of total training).

The remuneration system and the structure of bonuses and incentives are homogeneous for all employees and are based on collective bargaining agreements at levels I and II. Therefore, with equal roles and seniority, there are no differences in pay between men and women, nor are there different criteria for defining or assigning company bonuses.

Welfare measures for all workers take into account family, children, health, free time, trying to achieve a diversification of treatment, both in terms of regulations and organisation, for example through the choice of part time or the optimal management of work shifts.

Parental leave (maternity/paternity leave) is granted to all employees. Due to the health emergency caused by the Covid-19 virus, extraordinary initiatives have also been implemented, such as support for parents, greater flexibility in shift choices, and more widespread use of optional part-time work.



BUSINESS CASE 3

EQUAL OPPORTUNITIES: ENCOURAGING DIVERSITY TO CREATE VALUE



Sector: Babycare & Wellbeing

D&I scope: Equal treatment and equal opportunities

Good practice in relation to Diversity and Inclusion and defined goals

As reported in the Sustainability Report, Artsana Group has chosen to align its objectives with the United Nations Sustainable Development Goals (UN SDGs), with the desire to contribute across the board to the entire 2030 Agenda according to UNGC principles.

In particular, the Group is committed to guaranteeing equal opportunities and combating all forms of discrimination (e.g. gender, religion, political orientation, nationality, etc.), focusing more closely on two specific SDGs, which are very close to our mission:

- 1. Ensuring a healthy life and promoting well-being for all at all ages: guided by strong and shared values, Artsana has always cared about personal health and well-being and sees sustainability as a daily promise to nourish children, families and individuals.
- 2. Ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all: Artsana has been operating in the world of childcare for 60 years and continues to invest and build on this experience, with the aim of understanding and supporting children and parents at every stage of growth, with professionalism, active passion and dedication.

These SDGs are also included in the "Materiality Matrix 2020", a matrix that includes all the topics of corporate relevance from an internal and stakeholder point of view: it is used to carry out a series of analyses (e.g. sector study, benchmark analysis, media review, etc.) and verify the importance of each topic from an internal and external point of view. In particular, "Respect for human rights" and "Diversity & Equal Opportunities" are of equal importance for the Artsana Group and the stakeholders involved, a fact that underlines how these topics are essential requirements for both parties.



Methods of implementation (strategy, processes, activities)

People who hold key roles within the organisation encourage the development of individuals by promoting behaviour in support of equal opportunities and by constantly monitoring exchanges and relationships, so that any dissonance and conflicts can be prevented and addressed by listening and constructive confrontation.

To support the continuous development of our people, we have designed an internal appraisal programme for all employees: Wave - We are the Value of the Enterprise.

This is a 180° assessment process (self-assessment, assessment of the manager and assessment of internal customers/suppliers) based on the company's values and observable behaviour, followed by an individual development plan, on the basis of which each individual can be valued according to their individual contribution to the company.

In addition, guided by a systematic analysis of training needs in response to people's needs, we proactively offer training at all levels of the organisation, with the aim of enriching the skills of the individual. During the training sessions, the exchange between the different professionals present in the Company is also encouraged.

Finally, Artsana manages the selection processes in full respect of Equal Opportunities: we want to make the candidate experience a moment in which all aspiring candidates can feel at ease, with the aim of selecting People only on the basis of their skills and the added value they can bring to the Company.

During staff searches, the Artsana Group takes an approach based on equity, meritocracy and transparency: we promote inclusiveness and diversity in all its forms, against all types of discrimination, as we believe that diversity can foster mutual respect, creativity and productivity.

We are committed to identifying talented people, valuing the motivation, skills and experience needed to grow in our dynamic and complex environment: our goal is to select and retain the best talent, offering the same opportunities to all candidates, without differentiating on the basis of age, ethnicity, nationality, religion, gender, disability, sexual orientation, political affiliation, civil and social-economic status.

Applicants deemed suitable are contacted to begin the selection process.

Although with some variations depending on the seniority sought, the selection is conducted through several steps, preparatory to each other:

- First telephone contact
- Initial interview with HR
- Communication of initial feedback
- Technical-professional interview with Line and HR Managers
- Communication of final feedback
- Possible employment



In addition, we ensure that all people in the company have equal professional opportunities by building a growth path through the Wave assessment process, training at all levels and internal sharing through job postings.

All the search and selection processes are managed by the HR Department, which oversees the phases, from the collection of the line's needs to the insertion of the new resource, taking into consideration both the needs of the Company and those of the candidates.

Results and impact: value for the company and shared value

Artsana Group aims to continuously improve the internal climate and relations with its employees, in order to offer them all equal opportunities at work. We believe that training and raising employee awareness on this topic is essential to create a shared corporate culture that supports diversity management actions.

We want to make the enhancement of equal opportunities a distinctive trait of the Artsana Group, in order to promote a socially aware and responsible organisation, characteristics which, as demonstrated, positively influence competitiveness and business success.



UN Global Compact Network Italy Observatory's experience

4. D&I focus: Disability



4. D&I focus: Disability

The regulatory context

Over the last decade, the topic of disability has taken on a prominent role in the debate on human rights and social inclusion. Firmly linked to principles of non-discrimination and full and effective participation in social life, it is recognised in the fundamental right of persons with disabilities to decent work, as a substantial indicator of a modern and inclusive welfare system.

This is the starting point for our reflection as an Observatory: in addition to the commitment of institutions and civil society, what is the role played by the private sector in responding to the needs of persons with disabilities and in guaranteeing them not only access to the world of work, but also an educational path and the possibility of career advancement? What projects, services and technologies have been developed and can be shared so that this engagement also forms a business case for companies?

On the one hand, the fundamental connection between disability and work was already enshrined in 2006 in the **UN Convention on the Rights of Persons with Disabilities**, which represents the international legal and philosophical framework on the topic. **Article 27** recognises "the right to work [...], on an equal basis with others; this includes the right to the opportunity to gain a living by work freely chosen or accepted in a labour market and work environment that is open, inclusive and accessible to persons with disabilities". The Convention in question, adopted in 2008 and signed by 180 countries, including Italy, all Eu-

ropean Union countries and even the European Union itself, includes generally recognised and accepted fundamental rights, seen through a disability lens; it also provides guidelines to both governments and individuals in order to guarantee equal opportunities to the specific target in the various spheres of the socio-occupational sphere. It is important to point out that the International Labour Organization (ILO) had already provided for a specific Convention on the Inclusion of **Persons with Disabilities** in 1983². from which. however, the conception of the subject has radically changed. However, this instrument (Convention 159 and Recommendation 168) on the vocational reintegration into employment of persons with disabilities was found to be appropriate because of the importance attached to the training and social reintegration of the target group.

While the topic of the rights of persons with disabilities had until then remained in the background, with the 2006 Convention it finds a prominent role at the heart of the human rights agenda. It is in this context that we begin to talk about the social model of disability, which imposes a change from the perspective adopted until now: the problem does not concern the individual, but rather society, which finds itself unprepared to deal with the different types of fragility. It is acknowledged here that it is the surrounding environment that must adapt to people with disabilities and not the other way around, as stated by the international standards of health and disability classification established by the World Health Organization. It also develops the concept that inclusive solutions

^{1.} UN Convention on the Rights of Persons with Disabilities, ratified in Italy by Law no. 18 of 3 March 2009

^{2.} C159, Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983, $\underline{\mathsf{Link}}$





should be applied to every area of a person's life, from education to vocational training and access to the world of work. In this regard, the concept of **reasonable accommodation** is introduced, according to which people with disabilities need, in addition to an accessible environment, specific attention to vulnerability.

On the other hand, the topic of disability, contrary to the orientation of the Millennium Development Goals in which it was invisible, is widely present in the targets and indicators of the 2030 Agenda and transversal to many Sustainable Development Goals: it is in fact mentioned 11 times in the 2030 Agenda and explicitly included in 5 SDGs³. The areas touched upon range from education (goal 4), to decent work and economic growth (8), the reduction of inequalities and equal opportunities in access to services and social life (10), sustainable cities and communities (11) and the value of partnerships towards inclusion (17). Principle no. 6 of the Global Compact, which provides for the elimination of all forms of discrimination in employment and occupation, hinges on and complements these objectives.

Finally, in the international context, it is worth mentioning the **ILO Convention 190/2019** on Gender-based Violence and Sexual Harassment in the Workplace, which indicates persons with disabilities as more vulnerable and exposed to the risk of violence and therefore entitled to special protection and attention.

As far as national legislation is concerned, approximately 100 countries have adopted *ad hoc* legislation, which includes obligations to hire a percentage of disabled workers for companies with more than 25, 50 or 100 employees. The Italian legal system protects the right to work of persons with disabilities through **Law 68/1999**⁴, which, with subsequent

amendments in 2015, regulates the procedures for compulsory recruitment, incentives for the private sector and penalties in case of non-compliance. The people affected by the law include a wide range of people with a reduction in working capacity of more than 45%, war invalids, blind or deaf-mute people, holders of disability allowances, etc. As for the companies involved in the obligation, the numbers change according to size: companies with 15 to 35 employees are obliged to include at least one worker with a disability, which becomes 2 in the case of companies with up to 50 employees and changes in percentage (7% of the employed workers) in the case of companies with more than 50 employees.

The legislation and business case are clear: "Promoting the rights of people with disabilities and including them in society as managers, employees, suppliers and consumers is a triple win: a win for persons with disabilities, a win for business, and a win for the society in general."

It is therefore not necessary to understand why to include people with disabilities, but it is essential to understand how to implement this process.

Mapping & monitoring

According to the World Health Organization, 15% of the world's population has a recognised disability. Italy: Recent ISTAT data show that the number of people with disabilities amounts to 3,150,000, 1.5 million of whom are not of working age; of the 15-64 age group, only 32% are in the workforce (less than half a million people). According to a survey carried out in 2020 by IREF commissioned by FISH⁶, 40% of disabled people of working age

^{3.} Sustainable Development Goals and Disability, UN, Department of Economic and Social Affairs Disability, $\underline{\text{Link}}$

^{4.} Law no. 68 of 12 March 1999, "Standards for the right to work of disabled people" $\,$

^{5.} Guide for Business on the Rights of Persons with Disabilities, LINGC & II Ω , 2017. Link

^{6.} Survey carried out from February to April 2020 by IREF on commission of FISH (Italian Federation for overcoming disability), Link



are graduates, but the level of employment is often lower than the qualification, posing a problem of **overqualification** - as denounced by 1/3 of those interviewed, who have credentials above the job description. A worrying figure is also the number of **unemployed** people: In fact, 1/3 of employed disabled people stopped working⁷.

Although the impact of the pandemic is not yet measurable due to the lack of structured reports, the consequences on workers with disabilities are easily guessed, also in view of the suspension of the obligation to include protected categories established by the Circular of 21 December 2020 of the Ministry of Labour⁸, which put a brake on hiring. The latest data available are for the three-year period 2016-2018. Although there has been an increase in the number of people registered with the targeted employment service, there is an important split with regard to geographical location: only 15% of the disabled workforce is actually employed in the south.

In addition to complex access to employment and the phenomenon of overqualification, often linked to the lack of recognition of adequate remuneration, workers with disabilities are still faced with an objective cultural difficulty linked to prejudice and the risk of discrimination. There are therefore many challenges, not only at an individual level, but also at a social level, in order to guarantee full inclusion, the enjoyment of fundamental rights, the breaking down of cultural barriers and participation in daily life, which the Sustainable Development Goals also call for.

From the experience shared within the Observatory, the private sector is investing in the removal of barriers, not only physical but also cultural, that still prevent the full participation of people with disabilities.

At the level of mapping needs within the work context, companies have implemented **tools and mixed working parties**, involving disabled and non-disabled employees, in addition to external surveys, in order to collect data relevant to business strategy.

Some of the most popular tools are:

- Employee resource groups, which take into account the heterogeneity of physical and intellectual disabilities
- Joint Observatory on the inclusion of resources with disabilities, inspired by the experience of the Disability Observatory of the Ministry of Labour
- Questionnaires at entry with the resource and periodic follow-up interviews. Use of customer satisfaction surveys to assess the level of satisfaction of employees with disabilities
- Internal mixed monitoring groups
- Three-year climate surveys
- D&I Committee as a transversal body and as a place for listening and collecting reports

Policies & best practices

In terms of workplace disability management, the figure in charge that the largest companies, also within the Observatory, have adopted is the **Disability Manager**, as a point of reference for the person with a disability throughout the life cycle of work, from the entry or emergence of disability. This figure plays a role that is not merely organisational, covering transversal skills that straddle human resources, knowledge of regulations, management of relations with colleagues and stakeholders.

^{7.} Ninth report to Parliament on the status of implementation of Law no. 68 of 12 March 199 "Standards for the right to work of disabled people", 2021, Link

^{8.} Ministry of Labour Circular of 21 December 2020, Suspension of obligations to hire workers with disabilities, $\underline{\text{Link}}$

For those who have not appointed a disability manager, there is still the obligation to adopt measures in accordance with reasonable accommodation, defined as "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"9. In a broad sense, reasonable accommodation therefore includes not only structural and technical-material interventions, such as physical access to the workplace and the provision of a suitable workstation, but also organisatio**nal interventions**, such as the granting of hourly flexibility, smart-working or tele-training, or even better individual agreements. Here, it has become evident that the commitment of many companies extends to accessibility not only in the physical sense, but also in the digital and technological sense, envisaging usable computer systems and specific technologies related to disability (e.g. readers for the visually impaired). Indeed, digitisation is seen as a key element of the D&I strategy, which cannot ignore the inclusion of people with disabilities in the digital economy.

The adoption of **policies** is the starting point for most companies, whether they are drafted as stand-alone policies on non-discrimination and equal opportunities or integrated into the code of ethics.

A common point is also represented by the attention paid to the training of **Human Resources**, aimed at identifying the potential and needs of candidates, starting from the recruitment phase, which is fundamental for a correct assessment of their skills. Reasonable accommodation can be expressed here in an adjustment of the interview setting, both physical and organisational, and in

9. Art. 2, paragraph 4, UN Convention on the Rights of Persons with Disabilities

the possible provision of extra time in the conduct of written tests. In one case, *ad hoc* certification was also created for group assessors and recruiters aimed at managing and valuing candidates with disabilities. Finally, it is crucial to pay attention to the vacancy, both in terms of inclusive language and in terms of having the announcement run throughout the territory.

The planning of some of the participants in the Observatory also extends to two types of disability, including both **neurodiversity** pertinent to the autistic spectrum and **reflex disability**, i.e. that which impacts the caretaker, among the situations deserving protection and attention with specific support programmes.

Finally, the world of work increasingly believes that the inclusion of diversity is an invaluable social value this awareness has given rise to a number of projects, including working parties that stimulate a continuous comparison between competitors and companies in other sectors with a view to peer learning. In addition to this working party coordinated by the UN Global Compact Network Italy, the following should be noted in this regard:

- ILO's "Business & Disability Network" initiative. I involves dozens of companies in different sectors at global level, aggregated with their subsidiaries, with the aim of fostering the inclusion of people with disabilities, raising the level of awareness of the private sector and highlighting both good practices and positive relationships between business and inclusiveness
- AIDP's working group "Abilitiamo la disabilità" (Enabling disability). It aims to promote the culture of inclusion of people with disabilities in thekworkplace, proposing ambitious reform objectives. This project brings together companies, institutions and non-profit organisations in a constructive dia-





logue, in order to enable a process of transformation of the way of understanding disability. It therefore represents an opportunity for growth and construction of shared value, with the challenge and ambition to find a meeting point between the obligation to hire, the social value of the inclusion of people with disabilities and the needs of companies

Reporting & communicating

In terms of monitoring and reporting, disability is one of the topics on which the private sector has made most progress in recent years, in the knowledge that transparency and communication allow companies to improve their performance and reputation.

The **Global Reporting Initiative** includes the topic in most of its standards, which are the most widely used indicators of sustainability.

The standard in charge of diversity and equal opportunity is no. 405, which provides for the collection of data on the company population broken down by disability, gender and age.

At a general level, other standards provide for disclosure on disability with reference to policies and procedures, to incidents of discrimination, and to training delivered and awareness-raising activities.

GRI standards relating to persons with disabilities:

- 102: General disclosures. External initiatives stipulated, values, business principles and code of ethics related to disability
- 103: Management approach. Policies, business processes and specific actions against discrimination
- 406: Non-discrimination. Reporting mecha-

nism and response to reported cases of discrimination

 412: Human rights assessment. Hours dedicated to staff training on disability topics

Needs & gaps

From the reflections gathered around the table, critical issues emerge on cross-cutting topics that are widely shared. One priority is the **recognition** and inclusion of invisible disabilities (neurodiversity spectrum, learning disabilities, chronic diseases, temporary frailty), accompanied by the need to provide an adequate response and specific support both in the selection phase and in career advancement.

No less important is the topic of the role of the caregiver, which requires the private sector to raise awareness and provide facilities and flexibility to enable an improvement in work-life balance.

Finally, mention should be made of the focus on **inclusive language**, which still lacks shared definitions in the private sector. The recommendation is to follow the indications of the International Conventions, speaking of "person with disabilities", an expression highly supported also by the same associations promoting the rights of the target in question. Indeed, putting the word "person" before the word "vulnerability" means putting the subject at the centre and including him or her in the entire inclusion process, whereas the term "functional diversity" is instead connoted more by a social-health meaning than by a work meaning.



UN Global Compact Network Italy recommendations

Disability Manager & D&I Committee

- It is essential for large companies to provide a reference figure with transversal skills
 for the entire career path of the person with disabilities, with the aim of reconciling the right
 to work and to work inclusion of the person concerned with the needs of the company
- In order to implement productive paths and projects, the engagement of stakeholders in the policies that affect them should be encouraged as much as possible. In this regard, the creation of a D&I Committee is ecnouraged to include people with different physical and intellectual disabilities, together with participation in surveys and joint working parties

- Job satisfaction
- One of the biggest challenges for society and the private sector is overcoming cognitive biases towards people with disabilities. It is therefore advisable not only to promote measures aimed at encouraging an increase in the employment of people with disabilities, but also to make such employment easier and more productive, making the most of the actual skills of male and female workers and not underestimating the phenomenon of overqualification
- It is useful to consider how the job satisfaction of workers with disabilities is closely linked not only to **ergonomic factors** of accessibility to the workplace, but also to **economic and relational factors**. The integration of the person with disabilities is effective and productive when a salary is paid that is appropriate to the role and skills and when colleagues and superiors respect the time and pace of work and involve the worker

Inclusive language

International Conventions and local Associations provide clear indications on the type
of language to be used in communication, including business communication. The term
"person with a disability" is appropriate as it puts the individual at the centre, while it
is advisable to avoid medical expressions and labels, which tend to reinforce stereotypes
and stigma

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BUSINESS CASE 1

ON-LINE INTRODUCTORY COURSE TO SIGN LANGUAGE AND LIP-READING



Sector: Banking and Insurance

D&I scope: Disability Management

Good practice in relation to Diversity & Inclusion and defined goals

At UniCredit, diversity, equity and inclusion are strategic assets for our business, growth, innovation and performance and are an integral part of our corporate culture. This also helps to ensure continued development and new business opportunities, a strong drive for innovation and creativity, as well as an overall improvement in the working environment, with a positive impact on productivity, well-being and engagement of our people.

UniCredit's commitment to disability topics, strengthened since 2018 with the appointment of the Disability Manager, is central within our Diversity, Equity and Inclusion agenda. We remain strongly committed to fostering an inclusive environment towards all types of disabilities and free from barriers, for the benefit of our people and our customers.

The chosen good practice is the on-line course "Introduction to sign language and lip-reading", with the aim of building the best place to work based on the respect of colleagues and their needs avoiding any form of discrimination.

Methods of implementation (strategy, processes, activities)

The course was created following a proposal from the Employee Resource Group composed by deaf colleagues to involve and bring UniCredit employees closer to the language used by the deaf. The design of the training module was co-created with the support of 4 deaf colleagues, 2 oralists and 2 signers, who were the protagonists of the course. Together, we prepared a work plan choosing some topics of common and working life and then we went on to examine the structure of the sentence in LIS and its logic of construction, different from Italian. Participants were shown the technique of lip-reading, as the ability to recognise the words spoken by the interlocutor by interpreting them from the movements of the lip and mouth apparatus, and the importance of the exploration made by the eyes for deaf colleagues who are aware of the language in its grammatical structure. This initiative is exemplary in that for the first time it was colleagues with disabilities who were included, who stepped forward, to help their colleagues in the team understand what their way of communicating was.



4. D&I focus: Disability

Stakeholders involved

Disability manager, Learning Functions, Retail Sales Functions

Monitoring and KPIs

In order to monitor the effectiveness of this initiative and concretely measure its impacts, the following KPIs were taken into consideration:

- People satisfaction index
- Number of uses
- People survey

Results and impact: value for the company and shared value

The knowledge of the communication procedures of deaf people has further facilitated their job placement, fully exploiting their talents and skills, breaking down cultural, sensory and physical barriers. This specific project has contributed to the improvement of relations at work, an increase in productivity and a consequent reduction in absenteeism, generating savings in terms of company and personal costs. This virtuous loop of well-being has enabled deaf colleagues to feel integrated and has helped to improve their work life balance, benefiting both their families and the communities in which they live. At UniCredit, we continue to work to build and facilitate disability inclusion on an ongoing basis, striving to manage diverse needs through appropriate support structures and targeted initiatives.

4. D&I focus: Disability

BUSINESS CASE 2

THINK OUT OF THE CHAIR



Sector: Energy and Services

D&I scope: Disability

The project THINK OUT OF THE CHAIR is part of the activities and initiatives that are being carried out within the broader project of global scope, Value for disability.

The initiative was carried out from May to July 2021 and involved the entire Enel Italia population with the aim of raising awareness of the corporate culture on the topic of disability with the aim of "sparking" an active reflection on the world of disability in broader terms than those usually stereotyped.

Not all disabilities are visible and they should not all be treated in the same way. Disability means many things, and often the word disabled is associated with illness and this causes the rooting of stereotypes and prejudices that at the same time penalise the disabled person and the company ecosystem.

The project consists of a cycle of 3 meetings of 90 minutes each:

1. "Disability a new narrative"

Starting from the language and the analysis of the words "disabled" and "disability", a new narrative was defined, made up of positive descriptors that spread an inclusive culture rewarding for all the people who make up the company ecosystem.

We reflected together on how the language we use can construct and modify reality and on how words can change the destiny of people.

The topic of the meaning of disability was then addressed by taking up and evolving the concept from two fundamental statements:

the WHO states that disability can be defined as the personal condition of someone who, as a result of one or more impairments, has a reduced capacity for interaction with the social environment compared to what is considered the norm, and is therefore less autonomous in carrying out daily activities and often at a disadvantage in participating in social life;

from the UN 2030 Agenda, which adopts the credo "Leave no one behind", that is, disability for employment, and then move to inclusive design and accessibility both physical in a Design for All perspective and digital, Digital Accessibility.

4. D&I focus: Disability

2. "Disability and Bias"

The nature of the stereotype was analysed. Stereotypes represent the cognitive aspect of our relationships; in particular stereotypes are the beliefs we hold about the characteristics that others might have simply because they belong to a certain category of people.

Starting from this general reflection, we moved on to a deepening on the topic of prejudices about disability.

This second phase defined the most common and unconscious biases about disability and how these slow inclusion within organisations. Disability is actually a value in business.

Through video and storytelling we reflected on Case Histories that testify best practices in the recruitment, insertion and development of people with disabilities to overcome the concept of compulsory employment.

3. "Invisible Disabilities"

This addressed in detail what invisible diseases/disabilities are and how they impact the company.

Invisible disability refers to a type of disability that cannot be easily recognised or identified.

It is often underestimated and not respected.

People with invisible disabilities are seen by society as "able-bodied", i.e. not disabled. This is why they receive frequent criticism about their disability status from family, friends, colleagues and the community.

Fear of contempt from the community makes them prefer not to talk about their status.

Some people with invisible disabilities often prefer not to talk to their employers about their needs, fearing prejudice.

Hiding their disabilities for fear of stigma can also create additional anxiety: the stress of hiding a disability in both social and work environments can affect health and well-being.

The target of these 18 webinars, replicated throughout the country, was, as already mentioned, all Enel Italia colleagues (around 29,000 people).

The methodology used involved the use of instant pools that actively involved the audience. A large number of participants took part in the initiative, which was made interactive thanks to the use of gamification and instant polls.

Many colleagues with disabilities were able to follow the webinars and intervene thanks to the presence of LIS interpreters in all the meetings.

The project has actively contributed to spreading a culture of awareness of inclusion topics, that the company has always pursued, and is part of the wider **Value for Disability** project, dedicated precisely to disability.



UN Global Compact Network Italy Observatory's experience

5. D&I focus: Migrants

5. D&I focus: Migrants

The regulatory context

The international regulatory framework on migration and labour is articulated in a series of Conventions, which take into account the complex and historical migration phenomenon and recognise the right to work of the migrant population, that intersects with the needs of the national private sector. According to recent surveys, the economic and productive fabric of Italian companies is in fact positive towards accepting applications for qualified work from people with migrant backgrounds1.

The correlation between migration and human rights is evident; in fact, the regulatory framework on migration and labour is rooted in the Universal Declaration of Human Rights of 1948 (Art. 13: Freedom of movement; Art. 14: Right to seek asylum in another country; Art. 23: Right to work and to just satisfactory working conditions), as well as in Article 1 of the 1951 Geneva **Convention**, which defines a refugee and protects their rights.

Note that all international labour standards apply to migrant workers (working hours, wages, leave, holidays, health and safety, etc.). In consideration of the greater vulnerability of migrant workers, also due to the mobility between the country of origin and the country of destination and the potential exposure to phenomena of trafficking and exploitation, specific ILO Conventions have also been issued and ratified by Italy. These instruments reinforce the principles of equality and non-discrimination, clear recruitment rules and access to collective rights (trade unions), with a specific focus on the world of work:

- 1) Convention no. 97/49 on migrant workers (rights)
- 2) Convention no. 143/75 on migrant workers (Supplementary provisions - employment)

Both instruments are part of the 1990 UN International Convention on the Protection of the **Rights of All Migrant Workers and Members** of Their Families - not yet ratified by our country.

In addition, there are general conventions which nevertheless contain specific provisions on migrant workers:

- 1) Convention no. 181/97 on private employment agencies: adopted in the light of the sensitivity of recruitment (think of the phenomenon of 'illegal hiring') and in order to combat illegal forms of private intermediation, it provides that recruitment costs cannot be charged to the worker. All intermediaries are also subject to national registration and monitoring;
- 2) Convention no. 189/2011 concerning decent work for domestic workers, which protects foreign workers in this category and reaffirms their equal rights and treatment.

Migration is also a cross-cutting topic in the **2030** Agenda goals. In particular, inclusiveness and the elimination of social, economic and access inequalities are a key principle in the agenda, reiterated by the appeal to the business sector and governments "Leave No One Behind". In fact, migrants

^{1.} Diversity & Inclusion, Difficulties and opportunities for inclusion of foreigners in companies - survey commissioned by UNGCNI on the occasion of the Business & SDG Forum, IPSOS, October 2021, Link

must be considered in the application of the Sustainable Development Goals not only as a vulnerable category, often characterised by intersectionality, but also as an enriching resource for the diversity of the company and society as a whole. According to IOM's migration data portal, the topic is explicitly reflected in 10 goals, as well as in some of the 169 targets of the 2030 Agenda. With regard to the intersection of migration and work, particular attention should be paid to **Goal 8**, Decent work and economic growth, as a commitment by companies to protect the right to work also of migrant workers and migrant women, and Goal 10, Reducing inequalities, which calls on governments to promote social and labour inclusion without any discrimination with regard to ethnicity.

The UN's most recent strategies for making the 2030 Agenda operative also include the principles of the **ILO's Fair Migration Agenda**. Like all international instruments on the subject, it promotes safe, orderly and regular flows, in order to avoid dangerous situations that could lead to human trafficking and labour exploitation.

At the national level, migration is recognised as a constitutional principle: the legal position of the foreigner is in fact protected by several **constitutional principles** (Articles 10, 1 and 4, 3 and 36). The Consolidated Act on Immigration also equates the rights of foreign workers regularly residing in the territory with those of Italian citizens. To access work, there are, according to current legislation, 2 possibilities:

- 1) **Visa** (including for work purposes), maximum duration 3 months; or
- 2) **Residence permit**: this gives the right to reside in the territory and varies according to the type of permit (annual, five-year, etc.)

With regard to the legal status of foreigners in Italy, it is important to clarify the semantic and legal dif-

ference between the definitions of refugee - i.e. the holder of international protection - asylum seeker and (economic) migrant, since the categories are holders of different residence permits, all of which allow them to carry out work activities.

- who has obtained status through the international asylum application process. The status is granted by the Territorial Commission for the Recognition of Refugee Status for 5 conventional reasons (well-founded fear of persecution due to race, religion, nationality, belonging to a particular social group, political opinion). The related residence permit lasts 5 years, is renewable and equates the rights of the refugee with those of the Italian citizen;
- ASYLUM SEEKER (Consolidated Act on Immigration; Art. 10 Constitution): the person who has started the asylum application procedure. The residence permit is issued after submission of the C3 form at the police station and gives the right to work after 60 days;
- MIGRANT (ECONOMIC): According to the IOM definition: anyone who crosses an international border, regardless of their legal status, whether the movement is voluntary or not, what the causes and duration of migration are.

In dealing with the topic of migration and work, we cannot fail to mention the phenomenon of **labour exploitation and forced labour**, which occurs in the absence of the virtuous mechanism of regular and orderly migration related to the search for work. In recent years, Italy has often focused on reception, leaving out the socio-occupational integration of migrants. This void, together with the weight of irregular migration, has also produced in our country phenomena of labour exploitation - characterised by taking advantage of the state of need and indicators such as intermediation and working and living conditions (e.g. in agriculture).

UN Global Compact Network Italy Observatory's experience

5. D&I focus: Migrants



Mapping & monitoring

Taking into consideration the latest **ILO World Report on International Labour Migration**², the trends show that migration is steadily increasing, both for political and labour reasons: as of today, 2.5 million foreign workers are actively engaged in the employment market in Italy³. Age and education trends are also positive. The average age of the migrant population recorded in the EU countries is 23.9 years and the level of education is medium - although with considerable differences depending on the contexts of origin.

In general, the employment rate of the population with a migrant background is worsening, with a greater impact on women. The most common **are-as of employment** are unskilled occupations for men, while women, who are employed less than 50%, are often employed in trade and services (42%).

With reference to the sectors of employment, a polarisation between low-skilled jobs and the phenomenon of **overqualification** is confirmed. The majority of regular foreign workers are in fact employed mainly in less qualified professions, although 12% of migrants are graduates. 80% of domestic work in our country is performed by foreign women workers and, among these, more than half of the Filipino women employed in personal services have a degree in a health profession4. In addition to the risk of social exclusion, there is therefore a problem of qualifications, also linked to the lack of recognition of qualifications and training obtained in the countries of origin or transit. In this regard, it should be noted that many universities are equipping themselves with systems for the recognition of qualifications, including those obtained in third countries. In this scenario and in the continuous process of inclusion, the role of companies as lead players in social cohesion is therefore fundamental, so that they also work in partnership with universities for the certification of knowledge and labour inclusion.

The intervention of the private sector also affects the **type of contracts** offered to the population with a migrant background, which are usually more precarious, shorter and with a longer probationary period.

With regard to **pay**, there is also often a pay gap vis-à-vis the migrant worker for the same function, since the employment market may underpay in the belief that the state of need leads to accepting lower negotiating conditions.

In terms of **mapping and monitoring**, the inclusion pathway involves:

- an assessment at the entrance of the resource, in order to evaluate the real social, work and family needs
- interim check-ups and internal climate analysis with line managers and colleagues
- dedicated training plans
- D&I committees as places to listen and report complaints

Policies & best practices

For companies, it is important to intervene at key moments in the life of the worker, focusing especially on **staff selection that is attentive to cultural diversity** and on tools and policies that can maintain the loyalty of workers.

It should be noted that, from the point of view of attracting resources with a migrant background, the-

^{2.} ILO Global Estimates on International Migrant Workers, 30 June 2021, Link

^{3. 2020} Reports on migrant communities in Italy, Ministry of Labour and Social Policies, 2021, <u>Link</u>

^{4.} Immigrants in the Italian economy: between necessity and opportunity, research by Laboratorio Futuro of the Toniolo Institute, 2021, Link

re is a lack of institutional and structured system policies aimed at mapping skills. There are operational tools at the European level: the European Community has in fact developed a **skills profile** in the form of a questionnaire to be administered to migrant workers, although there is no systematic collection at the time of entry and there is a lack of access to data.

Nor indeed in Italy are data regarding the skills of the migrant collected, as only the educational qualification is recorded on the specific entry forms. Moreover, in accordance with privacy legislation, such data cannot be made available to the public, thus preventing the needs of companies from being linked to the skills of their workers.

The institutional gap in Italy has been filled over the years both by the private sector, through large intermediary agencies that deal with skills mapping, and by **third sector** services that act as a glue for the world of work by carrying out skills assessments, albeit in an uneven manner. It is good practice, therefore, for companies to work in synergy with players in the third sector to carry out assessments and enhance, also with the support of cultural mediators, the strengths of the migrant resource.

With regard to **inclusive** and diversity-conscious **selection** of candidates, the following should be promoted:

- alternative recruitment channels
- D&I section on company websites and dedicated committees
- acceptance of mixed methods for testing candidates' skills (e.g. video applications)
- training to HR for the recruitment and selection of people with a migrant background

In terms of career path and **job maintenance**, the following is recommended:

- organisation of business courses of Italian language L2
- reverse mentoring paths with the provision of seminars on the integration of the refugee person in the work context
- management training and all teams
- specific mentoring and tutoring programme for new hires, including employees with migrant backgrounds

Reporting & communicating

Transparent reporting and communication

is crucial to both attracting diversity-conscious talent and improving companies' ESG indexes. In this regard, **GRI no. 405**, a useful reference for Migration, Diversity & Inclusion, should again be noted. The demand for **disaggregated data**, which take into account both recruitment and promotion of migrant workers, is increasingly compelling in the private sector. In compliance with the indications of **SDG no. 17**, target 18, companies are in fact explicitly called upon to collect **data disaggregated** by gender, age, race, **ethnicity and migration status**.

Finally, it is useful to explore **KPIs** as a cue for companies to promote reporting. In the absence of any obligation, it is nevertheless a matter of statistical and objective data to photograph a multi-year trend from the time of selection to the retirement of foreign resources.

Some of the most relevant **KPIs** are:

- Number of recruitments broken down by origin (EU and non-EU)
- Number of promotions disaggregated by ethnicity
- How many management hires
- Turnover as an indicator of loyalty
- Average seniority in the company
- Lead of specific cross-functional committees
- Position held (and weighted) according to educational qualification in the country of origin

Needs & gaps

The criticalities found during the discussion of hiring foreigners touch different areas; the points of balance are certainly difficult to find in order to keep together the linguistic, cultural and religious diversities that migration brings and to understand how multiculturalism can be an enrichment as it brings new paradigms and new points of view.

Among the participating companies, questions emerged mainly about the institutional tools for mapping the skills of migrant workers, the outcome indicators that companies could adopt for effective data collection and the issue of monitoring along the value chain - which are the priorities to invest in at institutional and private level.

In general, there is agreement that there is a lack of a snapshot of workers' skills to match the needs of businesses. This topic is fundamental as it affects both the allocation of human resources in the workplace and the recognition of skills acquired elsewhere, and is one of the critical points and priorities to be worked on.

Finally, with reference to the supply chain, it should be noted that many multinational companies have developed awareness and experience of the most critical issues related to migration, such as illegal recruitment and undignified working conditions. One of the priorities of the private sector is therefore to set standards throughout the supply chain as well. The standards that have been developed so far mainly concern the use of migrant workers along the supply chain and the definition of the conditions of employment (voluntary work, no child labour, promotion of decent work also for migrants), with the final objective of being able to better control and monitor the supply chain. The topic of the development of foreign human resources is in fact at the attention of several countries and is also part of the proposed European directive on due diligence. The non-discrimination of migrants and the assurance of decent working conditions throughout the supply chain are fundamental objectives, as well as being a moral duty, to avoid negative repercussions on the image of Italian companies, difficulties in forming valuable partnerships, less interest on the part of institutional investors and customers increasingly attentive to ESG criteria.

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UN Global Compact Network Italy recommendations

Overqualification and career enhancement

- It is essential to assess the real **skills** of the migrant population employed in the company in order to avoid the widespread phenomenon of overqualification. In this regard, it is important to start with surveys and mapping, collecting **disaggregated data** that also take into account the positions held in countries of origin and transit
- It is also useful to envisage **cooperation with the academic world** in order to make it easier to recognise the qualifications obtained

Inclusive selection and career

- Companies are advised to **include** the foreign resources employed in **D&I Committees**, also in order to fully exploit any underdeveloped skills
- In this regard, selection paths are recommended that take into account cultural diversity, with adaptation of the setting, and the provision of **Italian language courses L2** to facilitate the socio-occupational integration of foreign workers
- Finally, in addition to coaching and mentoring, reverse mentoring projects should be envisaged in order to enhance the soft skills of the target





BUSINESS CASE 1

SOSTENIAMOCI, THE INTEGRATION PROJECT PROMOTED BY BREMBO AND THE CESVI FOUNDATION



Product market: Automotive

D&I scope: Migrants

Good practice in relation to Diversity & Inclusion and defined goals

Sosteniamoci (or SOS-teniamoci, which can be approximately translated as "Let's support each other" or "SOS - let's hold each other") is a programme of development, progress and sharing launched in 2016 with the aim of supporting young unaccompanied foreign minors residing in the territory of Bergamo (northern Italy) in the realisation of their life projects and to bring them with a programme of job placement towards social integration and economic autonomy. Young people arriving in Italy are often excluded from quality training courses that can identify and enhance talents, thus forcing them to live in a condition of constant disadvantage compared to their peers. Thanks to this project, the youth are supported from a psychological and linguistic point of view, they are oriented through *ad hoc* training courses and accompanied in their integration into the world of work, taking into account their attitudes and aspirations.

Methods of implementation (strategy, processes, activities)

Students attend courses of study that include participation in training courses held in training agencies or schools in the area and vocational activities or workshops, followed by periods of apprenticeship in businesses in the province of Bergamo. All the participants in the project have signed an "educational pact of responsibility" in which they undertake to complete the two-year course with seriousness and constant commitment. The youth involved are selected on the basis of their motivation to build a life in Italy and to be reunited with their families. Their attitudes and personal characteristics are assessed through a skills assessment that allows to determine the paths to be taken within the project.

Stakeholders involved

SOSteniamoci is the result of Brembo's collaboration with the Cesvi Foundation, a humanitarian organisation founded in Bergamo in 1985, the AFP Patronato San Vincenzo, an association that provides





professional training, education, assistance and social promotion activities, and the Children and Family Service in Bergamo's Local Authority Area 1. Cooperation with social workers, host communities, associations and the children themselves is also fundamental to the programme.

Monitoring and KPIs

The first and second edition of the project involved a total of 41 young unaccompanied foreign minors who received diplomas certifying the achievements of their training.

Results and impact: value for the company and shared value

For *SOSteniamoci*, on 21 March 2019 Brembo was awarded as part of the project "Welcome. Working for refugee integration", an award given by UNHCR, the UN Refugee Agency, to companies that have distinguished themselves in promoting the professional integration of refugees and supporting their integration process in Italy.

SOSteniamoci was also narrated through "*NumerUomini*", a short 12 minutes film, by the director Gianfranco Ferraro, which documents the life path of the youth from the escape from their countries of origin to the arrival in Italy and the inclusion in the project. "*NumerUomini*" received a special mention during the Foreign Press Golden Globes Award Ceremony on 13 June 2018 in Rome.

For Brembo, a company that operates in 15 countries on three continents and employs over 12,000 people, encouraging multiculturalism and valuing differences is fundamental. In this sense, the *SOSteniamoci* project represents an exemplary case, having involved in the two editions young people from Albania, Bangladesh, Ivory Coast, Egypt, Gambia, Guinea, Kosovo, Mali, Morocco, Nigeria, Pakistan and Senegal.







6. D&I Topics: Women

The regulatory context

"Women's rights are human rights," was declared in 1995 at the Fourth World Conference on Women in Beijing, and it is a motto that is worth recalling here. Equality between men and women is in fact expressed and protected in the main international sources of human rights: from the Charter of the United Nations of 1945 to the Universal Declaration of Human Rights of 1948, the equal level of dialogue between the genders is reaffirmed. The Convention on the Elimination of All Forms of Discrimination (CEDAW)¹ of 1979 also provides a definition of discrimination against women, covering all areas and sectors of social, cultural, political and working life.

A step forward in the linkage between gender discrimination and business was made in 2019, with the issuance of an appendix to the UN Guiding Principles on Human Rights and Business². These recommendations call on countries and the private sector to adopt a gender lens in preventing and responding to human rights abuses caused by business, taking into account that women and girls are at greater risk of vulnerability and marginalisation.

There are also well-established international instruments issued by the International Labour Organization on gender equality in employment. In general, all ILO standards apply equally to men and women, with the exception of maternity-only provisions. Almost all of these conventions have been subsequently ratified by Italy; however, even

where an individual country has not adopted a ratification law, companies can adhere spontaneously and include the legislation in their policies.

Some of the most important and up-to-date conventions for the protection of women include:

- Equal Remuneration Convention, 1951 no. 100 and Recommendation no. 90
- Convention on Discrimination (Employment and Occupation), 1958 no. 111 and Recommendation no. 111
- Convention on Workers with Family Responsibilities, 1981 no. 156
- Maternity Protection Convention, 2000 no.183 and Recommendation no. 183
- Convention on Violence and Harassment, 2019, no. 190 and Recommendation no. 206

In addition to equal treatment and equal opportunities, the key topics of the Conventions in question are the promotion and protection of motherhood in the world of work, which includes the provision of related leaves and permits and the right to job reintegration without demotion, as well as women's health in a broad sense, also understood as freedom from gender-based violence in the workplace.

The same topics - equal pay, equal opportunity, freedom from gender-based violence, leadership, childcare benefits - are at the heart of the gender mainstreaming of the 2030 Agenda. In particular, Objective 5 provides guidance for companies' commitment to end

^{1.} Convention on the Elimination of All Forms of Discrimination against Women, UNGA, 1979, $\underline{\text{Link}}$

^{2.} The Gender Lens to the UN Guiding Principles on Business & Human Rights, 2019, $\underline{\sf Link}$



discrimination against women and girls also in the workplace (target 5.1), to eliminate any form of violence against them (target 5.2) and to ensure full and effective female participation and equal leadership opportunities (target 5.5).

In terms of Italian legislation, our **Constitution** has consolidated the topic of gender equality in the workplace, stating in **Article 37** that a working woman has the same rights and, for equal work, the same remuneration as her male counterpart. Just like the international conventions, the same article also recognises the right to fulfilment of the essential family function.

Recently, gender equality has been included in the National Recovery and Resilience Plan (PNRR) as one of the priorities in terms of social inclusion, in order to boost national development following the pandemic³.

The five-year Strategy for Gender Equality 2021-2026 adopted therein has the concrete objective of increasing by at least 5 points the score of the ranking of the **Index on Gender Equality (EIGE)**, which currently places Italy in 14th place at 63.8 points, 4 points below the European average⁴. The measures of the Strategy largely concern the promotion of employment and female entrepreneurship, through incentives for hiring young people and women and the inclusion of *ad hoc* clauses in projects financed by the National Recovery and Resilience Plan (PNRR).

Confirming this growing attention, the **Equal Pay Act** was approved in October 2021⁵. The measure provides incentives for hiring women and tax relief of up to 50,000 euros for those who adopt policies that help reconcile the work and life times of female workers.

In order to increase transparency, companies with

50 or more employees (where previously it was only for companies with more than 100 employees) will be **obliged to present a periodic public document**, in which they will have to report on the situation of male and female staff and their policies in favour of the gender day gap, from salaries to grading to leave and recruitment.

The innovation lies in the fact that the report of the companies will be made public, with fines for those less virtuous who do not prepare the document or enter untrue data. From 1 January 2022, gender equality certification will be introduced, a kind of quality stamp for companies working to reduce the gender gap.

Mapping & monitoring

Despite adequate, albeit improvable, national and supranational legislative prescriptions, the gender gap in Italy still involves all sectors, from civil to political, economic, social and cultural.

Globally, the World Economic Forum's 2021 **Global Gender Gap Report** ranks us 63rd out of 156 countries, highlighting the work still to be done in the political and economic spheres. The situation has certainly worsened due to the pandemic, as a result of which it has been estimated that it will take 136.5 years to achieve gender parity, 37 more than was stated in 2020⁶.

According to recent ISTAT data⁷, 70% of the people who have lost a job in the last year are women; the reason is to be found in the weight of care and domestic work and in the widespread use of precarious, fixed-term and part-time contracts.

Italy is last in Europe for the rate of female employment: only 48% of women between 15 and 64 years of working age are in fact employed, compared

^{3.} Gender Equality, Chamber of Deputies, May 2021, Link

^{4.} See Gender Equality Index, European Institute for Gender Equality, Index Score for Italy, 2021, Link

^{5.} Bill no. 2418 of 13 October 2021, Link

^{6.} Global Gender Gap Report, World Economic Forum, April 2021, Link

^{7.} ISTAT data, 2021



to 67% of their male counterparts; the percentage of women is increasingly high not only for unemployment (10%) but also for inactivity (45.3%)⁸.

Among the factors affecting the enjoyment of equal employment opportunities, motherhood is one of the most important: women with children not only have fewer opportunities for employment and career advancement, but usually earn less for the same amount of work done (so-called employment penalty, leadership penalty and wage penalty). There is also a lack of female access to STEM (Science, Technology, Engineering & Math) professions and jobs of the future such as cloud computing and artificial intelligence, where salaries are generally higher. In addition to ensuring access to the employment market, it is therefore a priority to resolve the wage gap and the lack of career opportunities.

Lastly, it is essential to invest in two directions: on the one hand, to make legislation against gender-based violence in the workplace effective, considering that only 130 countries have adopted ad hoc laws. On the other hand, it is necessary to promote work-life balance, in compliance with the recent European Directive⁹ which encourages, among other measures, equal paternity leave, increasing it to a minimum of 10 days. Despite the recent efforts made by Italy, which saw it ratify, in October 2021, Convention no. 190 of 2019 against gender-based violence and has with the Budget Law 2021 increased the days of paternity leave, the path towards gender equality and cultural awareness is still uphill, especially in comparison with other European countries.

How is the private sector moving in this direction, starting with the mapping of women's needs? The companies involved in the Observatory show great attention to the data collection phase, which is also fundamental for participating in the eva-

luation of performance indices (e.g. Bloomberg) to which more and more companies are referring. The assessment parameters for these indices revolve around women's leadership and talent development programmes, pay equity and gender pay equity, inclusive culture and policies against sexual harassment.

In this direction, some companies have developed surveys and climate surveys addressed to the entire company population on the topic of diversity, adopting a gender lens and allowing to collect the wishes of male and female workers on the subject.

In addition to internal surveys, there are often annual feedback with a bottom up approach and three-yearly climate surveys, always flanked by the Permanent D&I Committee and dedicated working parties.

Policies & best practices

The level of attention and awareness of the private sector towards gender equality is certainly higher in the last years and rather advanced especially from the point of view of the policy and governance. Many companies have already adopted non-discrimination and equal opportunity policies, along with zero tolerance provisions against gender-based violence in the workplace and incentives for maternity and paternity leave. It is hoped that the established commitment will continue to be pursued, integrating company policies in order to ensure a minimum percentage of female participation at all levels and in all sectors, together with the duty to implement due diligence and establish remedies to identify and counter violations and gender discrimination, also with reference to the gender pay gap.

Despite the implementation of equality policies over the years, however, in most of the sectors covered by the companies participating in the Observatory,

^{8.} ILO data, Labour statistics on women, ILOSTAT, Link

^{9.} Work-Life Balance Directive 2019/1158, Link

UN Global Compact Network Italy Observatory's experience

6. D&I focus: Women



mostly related to STEM areas, there is a strong gender gap and difficulty in attracting female resources. In particular, some companies in the banking, technology and energy sectors have planned specific projects aimed at the delicate selection phase. Adopting a gender diversity approach to recruitment has in these cases included investing in specific human resource training for the recruitment and hiring of women, providing for the elimination of cognitive bias and the adoption of objective performance evaluation systems. Good practice has also been shown in the publication of vacancies, requiring the use of gender-neutral language, in the guarantee of gender-balanced panels for the assessment of candidates, and in the avoidance of irrelevant personal questions at the interview stage. The work of many companies in two directions is also interesting: training of the executive class through training on inclusive leadership and promotion of projects to raise awareness among young people interested in STEM subjects. In the latter case, the companies involved are collaborating with the territory to promote role models starting from middle schools, which are considered the most interesting pool of users to inspire the new generations and train them in technical-scientific fields.

At the level of **job maintenance**, all the players involved have adopted projects to promote the professional growth of female workers and equal career opportunities. With this in mind, great attention has been paid to mentoring and leadership coaching programmes with specific support for women.

The topic of **work-life balance** is a priority for career development, and is achieved above all by guaranteeing female workers work flexibility and support during and after maternity leave. In addition to the leave and the contribution guaranteed also for the months of maternity leave that

are not compulsory, there are widespread programmes to support new parenthood and reintegration into the workforce, especially through the use of platforms dedicated to interaction with the corporate community of new parents and to mapping and enhancing their skills. At the same time, many realities are working to ensure an equal paternity leave of at least 10 days and on the awareness of new fathers to use it, in order to lighten the burden on women and fight the frequent gender stereotypes. As far as working mothers are concerned, good practices of large companies in the field of welfare involve the establishment of crèches and play **centres** to fill the gap of state tools and services for families and the territory; however, these solutions may have to be revised as a result of pandemic work flexibility, as they are potentially no longer functional to the hybrid reality that has been created. The working group therefore hopes for the future creation of new shared solutions that take into account the dialogue of the private sector with the public sector, such as the case of shared crèches between several working contexts.

Finally, on the subject of **harassment in the workplace**, virtuous projects have been launched in relation to raising awareness in the company through compulsory courses for employees on harassment and gender-based violence, as provided for by ILO Convention no. 190, communication campaigns to make the policies adopted known and the creation of listening centres dedicated to reporting any cases and providing psychological support.

Good practices in companies in the field of women and gender

Leadership and equal opportunities:

- Mentoring and leadership coaching programmes
- · Offering female training, upskilling and reskil-





ling opportunities

- Adoption of policies and procedures to ensure leadership commitment
- Ensuring at least 30% female participation at all levels in all sectors

Equal pay for work of equal value:

- Social dialogue and collective bargaining
- Pay equity policy (disaggregated salary data collection, pay equity committee)
- Assessment of the gender pay gap
- Transparency in salary and reporting

Prevention of gender-based violence in the workplace:

- Zero tolerance approach
- Policy on gender-based violence in the workplace
- Awareness and training activities aimed at improving the corporate culture
- Mitigating the impact of gender-based violence (measures to support victims and include domestic violence in workplace risk assessment)

Work-life balance:

- Prevention of direct and indirect discrimination against pregnant women and workers with family responsibilities
- Paid paternity leave
- Return to work after pregnancy
- Breastfeeding at the workplace (provision of suitable places and leave for breastfeeding)
- Nurseries in the office or nearby
- Work flexibility

Reporting & communicating

In terms of transparency, the 7th principle of the Women's Empowerment Principles calls on companies to measure their progress through common indicators and to report on it annually. **Transparency on the topic of gender equality helps to develop an action plan, to identify any gaps in existing policies and procedures, to measure performance against competitors and finally to demonstrate commitment to all stakeholders (investors, NGOs, employees, trade unions)**, involving them in order to understand and integrate their perception of equality.

The Gender Gap Analysis Tool, the self-assessment tool developed by the UN Global Compact and linked to the WEPs, also supports companies in establishing a baseline.

Another fundamental reporting tool are the GRI (Global Reporting Initiative) Standards defined in partnership with UNGC. In particular, **Standard 405** on Diversity & Inclusion requires the private sector to collect and analyse most of the data (number of recruitments, number of promotions and salaries) disaggregated by gender.

Recently, starting May 2021, the ISO 30415:2021 certification on Diversity & Inclusion was also introduced, which allows, through an audit with an accredited Certification Body, to ascertain its inclusive capabilities at international level, with a strong component dedicated to gender.

The general recommendation is therefore to keep reports as accurate as possible and to give disclosure of the evidence collected, even when the data are not complete (think for example of multinationals with numerous subsidiaries in different countries and with different data) or the topics are particularly sensitive, as in the case of data on the gender pay gap or gender-based violence.

UN Global Compact Network Italy Observatory's experience



6. D&I focus: Women

Needs & gaps

In addition to the criticalities already highlighted with regard to monitoring and transparency, among the difficulties collected by the participants in the Observatory, certainly emerges the attraction of young girls to STEM professions, an area on which companies are called to a decisive inversion of trend.

In terms of work-life balance, however, it is interesting to note how the smartworking forced during the pandemic has altered the balance and pre-existing projects in favour of women and new mothers, now often transformed by companies in economic aid. This calls for a rethink of work-life balance that takes into account how the workplace increasingly coincides with the home.

UN Global Compact Network Italy recommendations

Transparency should inspire reporting through **disaggregated and consistent data** collection across all areas to enable communication to new resources and stakeholders of its commitment to gender equality. **International certifications** and indices can also be used to this end

Transparency

 Lastly, this principle touches on the sensitive topic of gender-based violence in the workplace, on which we must maintain zero tolerance positions and it is appropriate to disclose data and procedures in place

STEM

- The business case for companies is to invest in the science and technology sectors of the future. In this regard, it is necessary to activate **projects** in the area, both with universities and already in secondary schools, in order to make cultural changes and attract more and more young female talent to the areas of interest

Work-life balance

European legislation is clear in indicating that the path to gender inclusion passes through a
good level of working flexibility (in terms of time and place) and the adoption of policies
that allow equal paternity leave. Policies and projects should not only aim at non-discrimination of working mothers, but should also favour reintegration into work, breastfeeding
and work-life balance through welfare

Cognitive bias

- The private sector must aim to eliminate cognitive bias at all stages of the working life of female workers, based on the principle of non-discrimination: from **recruitment to career opportunities**, including the closure of **gender pay gap** also taking into account the recent Italian legislation adopted on equal pay
- It is useful in this sense to provide *ad hoc* training in the company on the subject of D&I and unconscious bias for the entire workforce, starting with top management and human resources





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BUSINESS CASE 1

INCLUSIVE COMPETITIVENESS IN LEONARDO: WOMEN & STEM



Sector: Aerospace, Defence & Security

D&I scope: Gender

In a sustainable progress, gender equality is a central topic. For Leonardo it is a factor of competitiveness, talent attraction and enhancement of human capital within the value chain. It is a key element in the new approach of Leonardo's Sustainability Plan, which envisages actions and projects aimed at promoting gender equality in the Group; these initiatives are articulated in a path supported by the commitment of top management and made explicit in sustainability targets and related KPIs: 32% of women in total hires (2022), 20% of women executives (2025), and 30% of women in total hires with STEM degrees (2025).

The gender topic is linked to the skills of the future, combining inclusion, training and growth: in a high-tech industry such as Aerospace, Defence & Security, female participation in scientific activities is particularly important. Leonardo has therefore committed itself to supporting its gender policies by introducing a long-term remuneration scheme for the CEO and top management that includes as a criterion the percentage of women with STEM degrees.

To guide the gender equality strategy, Leonardo makes use of a robust data analysis activity on its human capital, associated with maximum transparency on the subject towards its stakeholders. Among the specific initiatives, Leonardo, in collaboration with Valore D, took part in the first research on the topic of STEM women conducted on companies in Italy; the survey represented an opportunity to take a more in-depth look at an identikit of the Group's female workers in the STEM field, with the results shared with the company population to increase awareness on the subject. The most significant data includes: for 70% of the STEM women in Leonardo, the interest for the STEM world has already matured in middle school or high school

A cultural evolution is also necessary to strengthen the link between gender and STEM not only within the company but also in the surrounding ecosystem - training and professional; for this reason, Leonardo is committed - in contexts of scientific dissemination or linked to the educational system - to enhancing the presence of women in STEM study and career paths, also through the testimony of Role Models trained within the company. The STEM Role models are the protagonists of interviews on the Group's web and social channels, to promote awareness of the subject also with respect to the attraction of talent from the new generations.



Finally, Leonardo's inclusive approach is reinforced through listening, mentorship and coaching initiatives, training on gender bias, and development programmes for managers and employees to spread inclusive leadership.

To sum up, it is a vision that sees a strong synergy between objectives, managerial commitment and cultural promotion. These are key aspects in promoting gender equality in a technology company, to strengthen competitiveness, the value of human capital and the company's international positioning, as confirmed in 2021 by global awards such as inclusion in Bloomberg's Gender Equality Index.

BUSINESS CASE 2

SNAM'S COMMITMENT TO STRENGTHEN THE ROLE OF WOMEN, FROM SCHOOL TO WORK



Sector: Energy

D&I scope: Gender

Snam sees the topic of gender as a commitment that starts in society, from the school benches, and arrives at the workplace on a daily basis. Snam's commitment to expanding and strengthening the role of women starts from a solid awareness that looks to the past, present and future.

From the need born of the Group's past, which, like the entire sector to which it belongs, has historically been characterised by a strong male presence, to the result of the present, which sees a growing presence of women in Snam, professionals whose role is enhanced in positions of responsibility that are reflected in concrete actions and precise objectives.

This is the objective pursued by the highest governing bodies. In fact, the Group's Articles of Association were amended to include a gender balance criterion that reserves at least 40% of the members of the Board of Directors for the less represented gender.

Snam also joins the Equal by 30 Campaign, a public commitment by public and private sector organisations to work towards equal pay, equal leadership and equal opportunities for women in the energy sector by 2030.

In 2020, the company implemented a gender policy and a diversity recruiting policy with the aim of offering guidelines to be implemented through HRO practices and processes for the creation of a work environment with equal gender opportunities throughout the entire cycle of selection, management, development and career of people.

The presence of women in managerial positions, equal to 21.75% of the total in 2021, should gradually increase to 25% in 2023. In the succession plans of the first, second line and key positions, women, who are 25% in 2021, will be 27% in 2023.

In order to achieve these objectives, the number of women among new recruits has already been increased to 31%, a percentage that rises to 42% in staff functions. The growth of the female component is also one of the elements that weigh in the variable part of top management remuneration: 10% of the long-term plan is in fact related to the increasing proportion of women in leadership positions.

Before work, however, you have to start with school. And it is important for girls to also focus on STEM subjects, four areas of study that are crucial to opening doors to the world of work: Science, Technology, Engineering, Mathematics. Today, girls perform at least as well if not better in these subjects at school than their male counterparts, but when it comes to enrolling in university they tend to choose humanities subjects (only 5% of 15-year-old girls plan to pursue a STEM pathway and only 16% of STEM graduates are women), with negative effects on their employment and pay. Snam has chosen to make a strong commitment to encourage them to follow these courses, even financing scholarships for female engineering students as it has done with the Milan and Bari Polytechnic Universities.

BUSINESS CASE 3

LIFEED



Sector: Innovation food

D&I scope: Gender

Good practice in relation to Diversity & Inclusion and defined goals

LIFEED is the life-based digital training platform that transforms life transitions, such as becoming a



parent, into effective soft skills training gyms.

Andriani, in collaboration with Lifeed, has defined a project dedicated to parenting and especially to working mothers to:

- encourage stress reduction: people tell their stories, share and focus on emotions, fears, uncertainties and desires, finding new reference points within themselves (SDG 3) and discovering unexpected skills and energies, while the company has the opportunity to improve processes and innovate (SDG 4);
- implement a welfare intervention with a view to social responsibility, change management and development of human resources (SDG 8);
- enable the entire company population to learn new key competencies and co-create a new corporate culture: each employee is at the centre of the process and becomes a driver of change (SDG 10).

The initiative is part of a broader, long-term project related to Diversity & Inclusion topics, which the company is pursuing in order to implement an increasingly inclusive corporate culture that values women's careers: the course helps mothers transform the lessons learned from caring for their children into professional skills that can be put into practice at work.

Methods of implementation (strategy, processes, operations)

The pathway is based on a life-based learning method that allows you to learn how to bring what you acquire from your parenting experience (and vice versa) to work, and is articulated in digital micro-learning modules, multimedia and interactive content to reflect, question, narrate, practice and experiment with soft skills.

Through digital modules dedicated to self-reflection, accompanied by real-life missions and the MultiMe self-awareness tool (based on Lifeed proprietary technology and an algorithm from the Kellogg School of Management), people can express and explore their own identity dimensions, identifying character traits and gaining awareness of how these dimensions enrich each other and change over time.

A Lifeed survey (2020 Annual Survey conducted on more than 1,000 participants in Lifeed training courses) shows that for mothers, the main discovery concerns themselves: 56% recognise themselves as stronger than they thought (+79% compared to fathers); a perception that in the case of new mothers is even higher: 62% (+82% compared to new fathers). 89% of mothers feel more knowledgeable and 74% of new mothers acknowledge an improvement in their leadership skills.

Stakeholders involved

All Andriani's human resources related to the topic of new parenting and parenting until their children reach adulthood.

Monitoring and KPIs

The contextualised prompts and reflections written by participants are an integral part of Life Based Learning® and serve a dual purpose:

- 1. they are beneficial for the participants, who through self-narration become more aware, lower their stress levels and feel heard;
- 2. they then become a source of insight for the company with which to get to know its people extensively and put in place personalised and more effective growth, wellness and engagement plans.

From the analysis of the reflections it is in fact possible to look at people beyond their professional role, grasping deeper and more subjective aspects such as emotions, needs and levels of effectiveness that they manifest in all the roles of their personal and professional lives. How is it possible to obtain this knowledge?

Thanks to the analysis - with qualitative-quantitative techniques and the use of Artificial Intelligence tools - of complex and meaningful data such as the reflections that participants generate in response to "contextualised stimuli" present during the Lifeed training experience.

Since the project's launch in May 2021, 17 Andriani parents (71% female, 24% male, 5% prefer not to say) have already joined Lifeed, 77% of the potential target audience of parents in Andriani. 38% of participants indicated that they have a managerial role, of these 23% are women. Participants generated a total of 290 reflections within the course, training relational, organisational and innovation skills. The mothers enrolled in the path in Andriani have trained some soft skills with higher levels than the average of the participants of the companies that adhere to Lifeed programmes: analysis and problem solving, innovation, emotional intelligence, flexibility and change management.

Results and impact: value for the company and shared value

- discovered they had talents they didn't know they could use at work
- · reduced sense of stress in work-home management
- greater energy and awareness: general well-being that is also clearly expressed in relationships with colleagues.



BUSINESS CASE 4

SHE, KOHLER



Settore Merceologico: Industrial

D&I scope: Gender

Good practice in relation to Diversity and Inclusion and defined goals

In the context of best practices, "She, Kohler" falls under the D&I macro topic. The company has started a concrete path on Diversity & Inclusion and has identified specific KPIs related to the number of women in the company for the next 5 years. The goal of this programme is to increase the number of female candidates on our short lists so that, in the not too distant future, we will have women in positions of responsibility within the company. In addition, "She, Kohler" is an opportunity to make our reality known to the outside world and act as a bridge with the Italian academic world that sometimes turns out to be very far from the reality of work, bringing uncertainties and fears in the younger generations that are not aware of the practical job opportunities that they may have.

Methods of implementation (strategy, processes, activities)

The "She, Kohler" project, now in its fourth year, has become a consolidated project for us because of its aims. Specifically, our main target, shared with management, is the increase in the percentage of female employees in the company and the commitment and concrete support for the various initiatives and projects for the inclusion and development of human capital promoted in the company: female role modelling, training for the company population on the subject and in particular for managers and D&I communication initiatives.

This year the She, Kohler event will take place on November 12 in an on-line mode (due to the current health emergency situation) and is the fourth edition of the project. Between 40 and 50 people attend She, Kohler events. Following the event, the participants are involved in the Kohler world as they are included in a dedicated newsletter that aims to keep them updated on our company situation. Participants, therefore, constitute an essential pool of potential candidates to which we also refer following the She Kohler event.

From a timing perspective, project construction begins in May/June for general planning. From that point on, weekly feedback sessions are scheduled, to monitor progress and make any changes to the

design. Once the target audience, the timing of the event, the method of implementation and the various stakeholders involved have been defined, in September, the communication and sponsorship of the event to the universities will begin. To date, the universities that have actively participated are: University of Modena and Reggio Emilia, University of Bologna, Polytechnic of Turin, University of Naples Federico II and University of Calabria. Two "reminder" emails are also planned between September and November to engage stakeholders at the event. Therefore, we e-mail both the participants who sent CVs (by registering for the event) and the universities from which we did not receive CVs.

This year's event, similarly to previous editions, begins with a presentation of the company profile and the objectives of the project, after which the female engineers, who hold roles within the company in different bodies and with different levels of seniority, talk about themselves, their experience and their career path. Subsequently, the participants are given the opportunity to enter a selection process that will lead one of them to win, through a small contest, an internship in the company.

Stakeholders involved

The internal stakeholders involved are the human resources, communication and marketing team and a group of engineers working in different entities of the company. While the external stakeholders are the universities that have joined the project by promoting the event on their bulletin boards and/or social profiles the event itself and the undergraduates or recent graduates (with Bachelor's and Master's degrees) in Industrial Engineering from all over Italy who have registered for the virtual event by sending their CV.

Monitoring and KPIs

The KPIs we consider are: the number of participants at the event, the number of partnerships with universities and the number of feedbacks received from participants after the event, how many people over time are potential candidates for our selections and how many result in a recruitment.

Results and impact: value for the company and shared value

Since the previous editions, the results have materialised in the inclusion of recent graduates in the company that today act as Sponsors of the project and allow us to talk concretely about topics related to the enhancement of diversity and how to be inclusive.

Through projects like this we celebrate diversity by conveying the message that our differences strengthen work teams, make communities more inclusive and most importantly, are good for business. Finally, through projects like this, we strive to create an environment where opinions are encouraged, valued and respected; an environment where there is freedom to be who we want to be. Our commitment to creating a discrimination-free environment begins with valuing and respecting people, which we also convey at events like She, Kohler.





7. D&I focus: Youth

The regulatory context

The definition of young people conventionally includes the age group from 15 to 24 years, although this figure tends to vary depending on the country of reference. In Italy, for example, the population considered by ISTAT within the target reaches 34 years of age.

At the international level, although there are no ad hoc Conventions dedicated to young people in the working environment, there are many that also apply to this category. These include the **ILO Declaration on Fundamental Principles and Rights at Work**, adopted in 1998 and embodying 4 fundamental rights and principles:

- Freedom of association and recognition of the right to collective bargaining;
- 2) Elimination of all forms of forced labour;
- 3) Elimination of child labour;
- 4) Elimination of all forms of employment discrimination.

In general, the labour standards recognised in this and other Conventions place emphasis on the fundamental rights of youth and the need to protect them. It is not enough in this case to simply promote them, rather, we must also make the owners aware of them, not only in terms of access to work, but also in terms of guaranteeing minimum conditions with regard to safety and dignity. In actual fact, there are many **risks of underpaid employment or employment in the informal economy for those entering the labor market for the first time**, also due to the low negotiating power of the target group.

In the **2030 Agenda**, young people are once again a topic that is touched upon and deserves special attention. In particular, **Goal 4**, which prescribes quality education, calls on governments to increase the number of young people and adults with the skills needed for employment by 2030. **Goal 8** on decent work further elaborates on target 8.5: the indication is to ensure full and productive employment and decent work for men and women, including young people and people with disabilities, as well as equal pay for work of equal value.

At a national employment law level, the most widespread forms of employment for young people are represented by alternation between school and work, internship and apprenticeship, which have different targets, characteristics and limitations.

- With regard to alternation between school and work, this is the option that allows companies to introduce a large number of students to the world of work. If the aim is to provide them with soft skills and guidance, however, it is worth remembering that the benefit is for the whole company and the company population, so introduced students are often a new element;
- The **apprenticeship**, introduced in 1997, is instead aimed at a more adult group and can be distinguished in curricular, without compulsory remuneration and linked to university credits, or extra-curricular, in which there is a minimum gross compensation ranging from 300 to 600 euros. It is a suitable instrument for introduction to the world of work, even if it runs the risk of being exploited as a trial contract;



Apprenticeship, introduced in 2003, is divided into 3 types, which determine different categories of remuneration. It is mainly aimed at young people up to 29 years of age, although other formulas are also available. The advantages are various for both the apprentice and the company: the former enjoys a precise training plan and protection equal to that of other workers; from the company's point of view there is tax relief, which leads the private sector to prefer this form of contract.

Mapping & monitoring

Despite the recognition of the need to protect young people, the numbers recording the economic impact of the pandemic are discouraging and have suspended progress, especially towards young women.

There are now 74 million unemployed globally. The employment rate in fact dropped globally by 8.7% in 2020¹, turning unemployment into inactivity, which is considered a worse phenomenon as it is often characterised by anxiety, depression and mental health effects. Data show that the risk of psycho-social consequences doubles in the case of NEETs (Not in Education, Employment or Training) where there is a lack of educational and work references and hopes.

In Italy, in particular, recent ISTAT data² show that 390,000 jobs have been lost from February 2020 to August 2021, mainly to the detriment of under-35s and women, often with fixed-term contracts. In percentage terms, the incidence of unemployment rises to 30.6%, compared to the European average, which is 17%, placing us fourth to last in Europe. This figure is further worsened by the growth of the inactive population: Italy holds the European

record for the number of NEETs, which amount to 12 million.

Lack of employment, unemployment and inactivity are therefore the great challenge in this field. While on the one hand it is appropriate to invest in technological skills, working on the strong mismatch between supply and demand in order to make young people competitive and suitable for technical profiles, on the other hand the private sector should ensure a concrete commitment on contractual stability and on combating job insecurity.

The companies in the Observatory show themselves to be committed to the subject and attentive to the needs of the target audience. The most common practices concern the inclusion of young people in D&I committees, surveys at the time of onboarding, climate surveys and focus groups divided by age group and the use of gamification (e.g. selfie videos) to discover talent.

Policies & best practices

The best practices on the subject of young people take on many facets and invite companies to work in several directions, starting with investment in sectors that can create job opportunities, such as digital and green.

Moreover, as far as **suitable contractual forms** are concerned, the participating companies confirm that **apprenticeship** is the most appropriate tool for investing in young resources. **Internships**, in fact, while widespread, must be used properly: not, therefore, with the aim of filling the staff shortage, but rather as an opportunity for training and mutual evaluation.

From a policy point of view, it is also useful to include policies that allow direct recruitment without going through the internship or that set post-stage

^{1.} ILO Data, An update on the youth employment market impact of the COVID-19 crisis, 2021, ${\it Link}$

^{2.} Employment and unemployment statistics, ISTAT, August 2021, Link

UN Global Compact Network Italy Observatory's experience

7. D&I focus: Youth



recruitment targets. Policies that promote a **work-life balance and corporate welfare**, together with space-time flexibility, are fundamental for the target, as these are work characteristics that are strongly considered by millennials.

Particularly in the light of the data on inactivity and mental health of this group, it is also important for the private sector, as well as the public sector, to provide for measures aimed at the inclusion of young people with particular vulnerabilities (ethnic minorities, women, etc.).

Among the companies in the Observatory, common good practices go mainly in two directions: on the one hand, **reverse mentoring**, aimed at enhancing the skills and innovative abilities of young people, while at the same time developing new skills in colleagues in the 40-50 age bracket; on the other, **gamification aimed at attracting millennials** and used not only in recruitment processes, but also in some specific integration programmes for new recruits and in training courses.

Lastly, it is essential to ask line managers for constant feedback in order to assess and improve both hard and soft skills, together with participation in multifunctional projects that allow job rotation within the company as far as possible.

Best practices Recruiting & hiring

- Investing in vocational training
- Improving the link between school, academia and work (open house events, university workshops)
- Rewarding merit
- Facilitate remote applications and interviews through the use of technology, gamification and social media recruiting

Job maintenance

- Coaching and mentoring programmes for young people
- Reverse mentoring programmes
- Facilitate job rotation and skills development

Reporting & communicating

In terms of reporting, the indications are to make the data transparent and give visibility through a non-financial statement or mission statement, in order to improve the rate of attraction and retention of young people, especially millennials, attentive to the procedures and values related to D&I.

The collection of indicators and disaggregated data that take into account not only gender but also age is essential. In fact, young people are also included by the Global Reporting Initiative among the vulnerable groups, i.e. particularly at risk of suffering the consequences of socio-economic inequalities. **GRI no. 405**, for example, invites companies to disclose not only the total number of workers, but also the percentage of individuals participating in corporate governance bodies, broken down by age, with particular focus on the **under-30 age group**.

Finally, it is worth mentioning the increasingly popular **Sustainability Indexes**, which take into account the company's approach to young people, as well as the recent **ISO diversity 30415:21** certification, which can provide concrete help to companies in their efforts to be transparent and communicate their commitment to their target audience.

Example of KPIs:

- How many internships turn into employment
- Youth turnover rate
- % of young people participating in internal technical committees and inter-functional working parties
- How many employees under 30
- How many under 30 promotions
- % under 30 in decision-making bodies

Needs & gaps

In the sectors covered by the Observatory on the subject of young people, it emerges how best practices overcome the problems detected, as participating companies agree to adopt programmes and procedures that attract more and more young talent.

Among the areas of development in which to continue to invest, on the one hand there is the difficulty of allowing young people to gain **cross-cutting experience** that allows them to have a view of the whole group, where the experience often offered is more vertical. On the other hand, there is the recognition of the large and diverse group of **millennials** and the continuous adjustments that need to be made to understand what their demand is and how to invest in order to be more appealing.

Lastly, the critical issue of the **intersection** between young people and women remains, with the category of girls being given particular attention and targeted by specific projects to include the category more and more, especially in areas that are still distant. To this end, linking businesses to universities and promoting the study of STEM subjects could narrow the gap between young men and young women.

UN Global Compact Network Italy recommendations

- Companies are called upon to continue to innovate in order to be appealing to young people, especially millennials, whose needs and desires are constantly evolving and who have a lower company loyalty rate than in the past. Strategies involve ad hoc policies, the continuous engagement of the target through surveys and constant feedback, the creation of alternative recruitment channels and finally the use of gamification

Innovation

- Young people can also be a great driver of innovation for companies, bringing new paradigms and innovative proposals, especially if they are part of interdisciplinary working groups and taskforce

Enhancement

 We need to recognise the value of young people by providing appropriate forms of contract, minimum wages and opportunities for medium- to long-term prospects. In terms of employee retention, coaching and training programmes in various company areas, as well as reverse mentoring, which can benefit the entire company population, remain valid UN Global Compact Network Italy Observatory's experience

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7. D&I focus: Youth



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BUSINESS CASE 1

NURTURING TALENT TO FOSTER INNOVATION



Sector: Babycare&Wellbeing

D&I scope: Youth employment

Needs mapping

The search for Young Talents and their engagement in the Company are today two fundamental aspects for business development. In a rapidly evolving world, with disparities between the experiences and skills of different generations, the use of junior professionals makes it possible on the one hand to bring innovation and new ideas within the company, and on the other hand to pass on the valuable know-how gained by seniors in the organisation. Artsana Group dedicates attention and commitment to the enhancement of its people, developing processes aimed at the continuous improvement of the entire organisation: guided by the company values, identified thanks to the contribution of the employees themselves, spaces are found for the inclusion of Young Talents, considered as an opportunity for enrichment for the entire organisation. Observing the Millennials generation (those between 25 and 34 years old) and Generation Z (between 18 and 24 years old), during the selection processes of the last few years, the Artsana Group has noted a growing interest in company welfare policies, training opportunities, values and the Group's value proposition. It is therefore no longer enough to publish attractive job advertisements to capture the attention of those who are taking their first steps into the world of work.

Policies and good practices

"Taking care of people" is the commitment that has always distinguished Artsana, not only with reference to customers, but also and above all to its own employees.

At the end of 2020, the total workforce was 3853 employees, 12.3% of whom were under the age of 30; despite the pandemic emergency, the company continued to pursue its commitment, enhancing the skills and potential of the Young Talents present in the organisation, thanks to digitalisation and the technological tools available. The Group continued to plan a series of meetings between younger employees and the CEO: the purpose of this initiative, dedicated to under-30s from all areas of the company, was to discuss and compare different topics including Sustainability, Diversity & Inclusion, Responsibility, Welfare, Communication and Digital Evolution. In addition, the meetings represented

an opportunity to share, when everyone could recount their experience in the company, drawing ideas for reflection and improvement, in an informal and spontaneous context. To encourage growth within the organisation, Artsana promotes customised programmes and specific training dedicated to junior figures, enriched by contacts with international colleagues and meetings between people from different functions and business units. The path in the company often begins with an internship, an important training moment where young graduates have the opportunity to put into play the skills acquired during their studies, proactively supporting the tutor in daily activities and challenges. The development of know-how, the sharing of experiences and the integration within the team represent the primary goals and are promoted throughout the entire duration of the experience. Subsequently, Junior figures are involved in a three-year course planned in collaboration with certified external partners: each year involves the exercise and consolidation of important soft skills, including autonomy, planning skills, problem-solving and project management, through classroom lessons and on-the-job training, alongside their manager. Gradually empowering younger people and involving them in decision-making processes represents an opportunity for our Group to continuously innovate and promote organisational development, bringing different generations closer together and improving mutual satisfaction.

Reporting and measurement

In a complex context like the one that characterises our company, knowing how to recognise, manage and develop the wealth of skills of each individual is fundamental for innovation and growth. The evaluation of people passes through the analysis of different aspects: not only the performance, but also the potential and the ability to pursue objectives in line with the company values. For this reason, younger employees are also involved in our internal evaluation programme: Wave - We Are the Value of the Enterprise. The process is repeated annually and includes an assessment based on the company's values and observable individual behaviours, followed by structured feedback, and an individual development plan, aimed at consolidating the person's strengths and working on areas for improvement.

Critical issues in the company

The organisational challenge for Artsana, as for all other companies, is to respond effectively and coherently to the evolution of the socio-cultural contexts in which it operates and to the emerging needs of the new generations, offering a context that is always attractive and stimulating, attentive not only to the needs of the corporate community but also to the individual needs of each person.



BUSINESS CASE 2

ENERGY IN MOTION



Sector: Financial

D&I scope: Youth employment

The Crédit Agricole Italia Banking Group has always paid close attention to its younger colleagues with dedicated projects aimed at accelerating their growth and development.

August 2021 saw the launch of "Energia in Movimento" (Energy in motion) involving 430 colleagues from across the Group, under 32, with a maximum of 3 years' seniority within the company.

The objective of the project, which will last about 1 year, is to strengthen the overall vision and sense of belonging of colleagues, contextualising the strategy and enhancing the topics of Sustainability and Inclusion.

The path of *Energia in Movimento* was conceived as a path in stages: it started with a company survey of the entire target population, to get to know colleagues better in terms of expectations and ambitions, and continued with the organisation of a Smart Meeting lasting about two hours, during which, with the participation of the company's strategic management and external guests, colleagues were given the opportunity to listen to transversal experiences, diversity and inclusion, as well as the stimulus to adapt to changes in the context and more generally in professional life.

The next initiatives will include the recording of a video-selfie in which project participants will be able to talk about their talents, then the activation of reverse-mentoring paths with senior figures who do not hold positions of responsibility, with the logic of promoting the exchange and sharing between different targets and the organisation of a corporate hackathon, in the spring of 2022, which will allow HR to identify potential figures for whom to accelerate the development path.

Instead, an accelerator of the acquisition of skills and strategic vision will materialise with transversal experiences for part of the pool of participants.

All the initiatives foreseen in the project are voluntary.

