

## **34 leading global firms commit to tackling inequality by joining G7 Business for Inclusive Growth (B4IG) coalition powered by the OECD**

*Companies joining forces are investing a combined total of over 1 billion USD in more than 50 current and future initiatives, benefiting 100 million people to date*

- ***B4IG business coalition to be launched in connection with the G7 Leaders' Summit in Biarritz, France***
- ***Initiative sponsored by French President Emmanuel Macron, spearheaded by Danone and coordinated by OECD***
- ***Call to action for other companies to join first-of-a-kind B4IG coalition***

**Paris, Thursday 22<sup>nd</sup> August, 2019** - In recognition of record-high levels of inequality, a coalition of 34 leading international companies has committed to step up business action to advance human rights throughout their value chains, build inclusive workplaces and strengthen inclusion in their internal and external business ecosystems. In doing so, they will advance G7 government-led efforts to strengthen equality of opportunity, tackle regional disadvantages and fight gender discrimination.

B4IG members have a global footprint, cover a broad range of sectors, employ more than 3.5 million people around the world and have combined annual revenues of over 1 trillion USD. The B4IG coalition is the first business-led initiative of its kind, thanks to its 360° approach to tackling inequality, international dimension, and multi-stakeholder approach focused on building synergies between companies, governments and philanthropic organizations. The coalition's strategy rests on three pillars:

- ***A Business Pledge Against Inequalities to advance human rights, workplace inclusion & diversity and value chain inclusiveness;***
- ***An incubator to design or expand new inclusive business models, piloting social innovation and private-public collaboration at the micro-economic level; and***
- ***An inclusive growth financing forum to promote innovative financing mechanisms between business, governments and philanthropic actors.***

The G7 B4IG coalition will be coordinated by the OECD, whose work has shown that inequalities hamper growth and social mobility. The coalition will benefit from OECD economic and social evaluation expertise as it advances on this agenda over the next three years. Progress and lessons learned will be shared during an annual board meeting, with CEOs and key figures from public and civil society sectors, including the International Labour Organisation and the Bill & Melinda Gates Foundation. B4IG results will be shared with the Business 7 and Labour 7 to help inform their preparation and contributions to G7, with a view to foster more inclusive macro-economic growth policies.

B4IG will be presented to President Emmanuel Macron at the Elysée Palace on Friday, August 23, ahead of the G7 Leaders' Summit in Biarritz.

**Danone Chairman and CEO Emmanuel Faber** said: *“The middle-class is shrinking in most G7 countries, whereas it is the foundation of market economy around the world. And we know that beyond a certain threshold, inequalities are economically damaging. Smartphones used by gen Z make inequalities more visible than ever, and shift social consensus. The result is that market economy will not last without more inclusiveness. It’s not a matter of ideology, it is a hard realism that calls us to a collective and inclusive action, for both governments and companies. With B4IG, our aim is to build a constructive dialogue to advance social inclusion, pilot and scale innovative, inclusive micro-economic business models, and thereby help inform macroeconomic policies.”*

**Gabriela Ramos, OECD Chief of Staff and G7 Sherpa**, said: *“Growing inequality is one of the biggest social challenges in the world today. It is perpetuating poverty, undermining social cohesion and trust. Sustainable economic growth means inclusive economic growth. It means giving every individual the opportunity to fulfil her or his potential, the chance not only to contribute to a nation’s growth but to benefit from it, regardless of their background or origins. The OECD welcomes this initiative by France to involve some of the world’s most important companies to work hand-in-hand with governments and the OECD to tackle inequalities. For our part, we will continue to lead the way in its policy analysis, research and expertise.”*

## **APPENDIX – G7 Business for Inclusive Growth pillars**

### **1/ Pledge ensuring benefits of economic growth are shared more widely**

The Business Pledge Against Inequalities commits signatories to advance human rights throughout their production chains, fight child and forced labour and respect freedom of association. Signatories agree to build equitable and inclusive working environments, including by providing decent wages, promoting gender equality and helping prepare employees for the future of work through training and upskilling programs. The companies also pledge to tackling inequalities of opportunity (such as those caused by regional disadvantages) by supporting community development programs, strengthening inclusive sourcing and expanding access and affordability of basic services.

B4IG companies will commit specifically to a three-year programme aimed at advancing the ambitions laid out in the Business Pledge. Underpinning the Pledge is the view that such engagement is not just good corporate citizenship but rather the future of successful business. Business benefits from more inclusive growth models through a more educated and engaged workforce; a larger middle class of consumers with greater purchasing power; more stable operating environments; and a high level of trust from employees, customers and stakeholders.

### **2/ Business for Inclusive Growth (B4IG) Incubator: a platform where companies can incubate, share, scale-up and replicate new inclusive business approaches.**

The B4IG incubator will act as a laboratory to test, scale and replicate social innovation projects. It aims to ensure micro-economic action can inform macro-economic policies at the G7 level and beyond.

B4IG members have already earmarked over 50 projects to the platform, mobilizing more than one billion USD in private finance and benefiting 100 million people to date. Through B4IG, they will look to build on these projects to strengthen their collective social impact worldwide.

Certain projects will be accelerated, scaled or replicated through the B4IG incubator, leveraging collaboration with other coalition members, philanthropic organisations and the public sector. In addition,

companies will share learnings from projects that are already underway and that can serve as inclusive business models to be emulated or replicated. Among the projects earmarked are schemes to tackle homelessness, help the unemployed back into work and improve access to basic services such as finance, insurance and transport in deprived and remote regions in G7 countries.

### ***3/ An Inclusive Growth Financing Forum to bring synergies between financing streams***

B4IG members will also establish an Inclusive Growth Financing Forum to catalyse innovative, hybrid financing for social impact, and to assess how to build greater synergies between private, public and philanthropic funding streams. The Forum will look at how to leverage promising financing mechanisms such as results-based financing, including through the B4IG incubator.

#### **About B4IG**

*Business for Inclusive Growth (B4IG) is a global coalition, powered by the OECD, which aims to pool and strengthen efforts by private companies to reduce inequalities linked to opportunity, gender and territories, and to build greater synergies with government-led efforts. Current members include: Accenture, Agropur, AXA, BASF, BNP Paribas, Groupe BPCE, CareCentrix, Cogeco, Crédit Agricole., Danone, Edelman, Engie, GINgroup, Goldman Sachs, Henkel, Ingka Group | IKEA Retail business, JPMorgan Chase & Co., JAB, Johnson & Johnson, Kering, Keurig Dr Pepper, Legal & General, L'Oréal, Mars Incorporated, Groupe Renault, Ricoh, Schneider Electric, Sodexo, Suez, TIAA, Unilever, Veolia, Virgin and Ylva.*

#### **About the OECD**

*The OECD is an international organisation that works to build better policies for better lives. Together with governments and civil society, it establishes standards and seeks evidence-based solutions to a range of social, economic and environmental challenges. The OECD website provides further information on the [B4IG](#) initiative and on its work on [inequality](#) and [inclusive growth](#). Additional enquiries on OECD work on inclusive growth and for the G7 should be addressed to [gabriela.ramos@oecd.org](mailto:gabriela.ramos@oecd.org), to [romina.boarini@oecd.org](mailto:romina.boarini@oecd.org) or to the OECD's [Media Office](#).*