



10 Community Engagement

PolicyLink

FSG REIMAGINING SOCIAL CHANGE

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This is a living document intended to facilitate public feedback on draft business standards (the “draft standards”) developed by the Corporate Racial Equity Alliance (the “Alliance”), an initiative by PolicyLink, FSG, and JUST Capital. The primary goals of the draft standards are to promote and support the improved sustainability performance of U.S. businesses related to social issues, including advancing equity and inclusion, eliminating bias and discrimination, and ensuring equal opportunities for all, regardless of race, gender, ethnicity, socioeconomic status, or any other social category or characteristic protected by applicable law. The draft standards do not call for and should not be read as recommending or requiring businesses to make employment or other decisions based on any protected characteristic in violation of applicable law. Any such application constitutes a misuse of the draft standards.

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Learn more about the Alliance and the draft standards in our latest report, *Introducing the Business Standards for 21st Century Leadership: Public Consultation Report and Draft Standards* available at <https://corporateraciaequityalliance.org/corporate-standards>.

Reviewing and Submitting Feedback

How to Navigate This Standard

Each draft standard begins with an overview, including:

- The outcome that the standard supports achieving
- The basic requirement of the standard
- A list of the currently proposed performance targets for the standard
- The value proposition of adopting the standard
- The most closely associated equity outcomes, showing how achievement of the standard contributes to positive societal impact
- A non-exhaustive list of related sustainability standards and frameworks

Following the overview is a glossary of key terms. Then, each performance target is presented with specific requirements, metrics, implementation guidelines, and resources. To support companies in getting started, suggested interim targets and metrics are included as well.

Navigation links are provided at the bottom of each page, beginning on page 5.

Submitting Feedback

This is a living document and your participation in strengthening this work is important to us. Alongside our ongoing research and testing with companies, we look forward to feedback on these questions:

- Is the standard clear and compelling?
- Do you agree that the performance targets for this standard cover critical ways for companies to address discrimination and exclusion, and advance socially responsible business practices within the given topic? If not, why not?
- Are there additional or alternative performance targets you recommend for this standard?
- What additional guidance, if any, would be helpful for a company to get started and/or make steady progress toward achieving this standard?

Submit your feedback by completing [this survey](#) (letter submissions will also be accepted) or attending one of our virtual roundtables. [Find more information here on providing your feedback.](#)

10

The company supports thriving, diverse communities.





Requirement

■ Support the well-being of communities within the company's operational footprint, including through regular community engagement and by ensuring business practices contribute to, and do not hinder, thriving communities.

Performance Targets

- P10.1** The company is meaningfully connected to and champions communities within its operational footprint.
- P10.2** Material government-funded privileges enjoyed by the company (if any) include tangible benefits to local communities.
- P10.3** The company takes concrete action to mitigate any impacts it may have on gentrification, segregation, and displacement.
- P10.4** Community controversies are rare and addressed promptly and effectively.
- P10.5** Unaddressed historical human rights violations are acknowledged and addressed.

Associated Equity Outcomes

-  Accountability Through Transparency
-  Reckoning and Repair
-  Balanced Power
-  Thriving, Diverse Communities
-  Climate, Environmental, and Spatial Justice

Key Connections

- SDGs 8, 10, and 11
- ESRS 2 and S3
- IFRS S1
- UNGPs 11, 13, 15, 18, 21, 22, 29, 30, and 31

Business and Societal Value Proposition

Businesses are inextricably connected to and have an impact on the communities in which they operate.

Among the most important direct impacts businesses have on communities are the employment opportunities they offer (Standards 5 and 6), the products and services they sell (Standard 7), and the small business growth catalyzed through their procurement practices (Standard 8). To support greater success in each of these areas and others, it is vital for businesses to proactively engage and build strong relationships with local communities.

Doing so will help build loyalty and trust; increase brand affinity; attract and retain workers; fuel innovation; and strengthen the company's reputation and credibility. For many companies, this is already top of mind: according to a business survey, [58% of respondents](#) said their organizations' CEOs treat the management of external engagement, including with communities, as a top three or top priority on their agendas.

Overlooking community engagement or failing to manage the company's impacts on local communities can undermine investments in the workforce, weaken stakeholder trust, heighten stakeholder scrutiny, and harm brand reputation.

The performance targets for this Standard therefore focus on ensuring the company fosters strong, equitable, and inclusive community relationships; mitigates negative impacts on communities; and proactively contributes to equitable economic opportunity.

Glossary

Contingent workers

Individuals who are contracted to provide labor for the company, whether part-time, full-time, or on a temporary basis, such as gig workers, self-employed individuals, or workers from staffing agencies and other vendors.

Community-based organizations

Nonprofit organizations operating within and representative of specific communities or geographic areas that aim to improve the well-being of community members.

Controversies

Lawsuits, arbitration demands, or other formal complaints against the company brought by one or more stakeholders (such as regulators, **direct workers**, indirect workers, customers, end users, suppliers, affected communities, or competent authorities). This includes, but is not limited to, tax disputes, labor disputes, discrimination claims, customer or end user complaints, and human rights or civil rights issues, whether reported to the company or to competent authorities.

Demographics or demographic groups

Characteristics of a specific human population, such as geographic location, socioeconomic status, race, ethnicity, gender, sexual orientation, disability, and age.

Direct workers

Individuals who are in an employment relationship with the company, such as full-time and part-time employees.

Disaggregate

To collect and separate compiled data into smaller units or subcategories so that component parts can be isolated and examined for trends and patterns (e.g., data organized by specific racial and ethnic groups versus “people of color” as a single grouping).

Disparity

A statistically significant difference in access, opportunity, use, or outcomes for one or more **demographic groups** that has no valid justification (i.e., cannot be explained by legitimate, nondiscriminatory business reasons). Disparities are indicative of unequal treatment and/or opportunities. In the context of the Standards, disparities can be addressed by adopting new systems, policies, and practices that promote fairness for all people regardless of their background.

Displacement

When long-time or original neighborhood residents move away from a gentrified area because of (i) higher rents, mortgages, and property taxes or (ii) lease non-renewals, evictions, foreclosures, and other mechanisms resulting in loss of housing. [Learn more here.](#)

Diversity

Of a group, possessing variation on the basis of social demographics, such as across race, ethnicity, gender, sexual orientation, disability, and age (e.g., a diverse workforce).

Equity

Just and fair **inclusion** into a society in which all can participate, prosper, and reach their full potential. When everyone is treated fairly according to their needs and no group of people is given special treatment.

Gap analysis

A comparative analysis of the current state of a set of quantitative or qualitative factors against a given Performance Target, including the Guidelines. Conducting such an analysis is step one across every Performance Target.

Gentrification

The process of neighborhood change that occurs as places of lower real estate value are transformed into places of higher real estate value through mechanisms that often result in **displacement**. [Learn more here.](#)

Grassroots organizations

Nonprofit organizations that rely on community members to take action to make a difference on the issues they collectively care about.

Grass-tops organizations

Nonprofit organizations that have strong brand identity, typically with national reach, and whose leadership have connections to or significant influence on decision makers in sectors they focus on.

Human rights

The range of rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. These rights are listed in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights) and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. These rights are elaborated further in international human rights instruments focusing on the rights of indigenous

peoples; women; national or ethnic, religious, and linguistic minorities; children; people with disabilities; and migrant workers and their families. The role of business respecting these rights is set out in the UN Guiding Principles on Business and Human Rights (UNGP) and the Ten Principles of the UN Global Compact.

Impact

The effect the company has or could have on its **stakeholders** over the short, medium, or long term through its activities, including its operations, products, services, and business relationships, whether positive or negative, intended or unintended. This term is intended to be equivalent to the defined term “impacts” in the [European Sustainability Reporting Standards](#) (ESRS).

Inclusion

The values, practices, and policies that ensure all people, across all social demographics, feel respected, safe, and valued, including and accommodating people who have historically been excluded such as due to their race, ethnicity, gender, sexual orientation, or disability. Inclusion values and leverages **diversity**, recognizing it as a source of strength for organizations.

Intersectionality

The interconnected nature of inequality across social categorizations, such as race, ethnicity, gender, sexual orientation, disability, and class, which in turn results in overlapping and interdependent systems of discrimination or disadvantage for a given individual or group of people. As described by professor [Kimberlé W. Crenshaw](#) of Columbia Law School, who coined the term over 30 years ago, intersectionality is “[a lens... for seeing the way in which various forms of inequality often operate together and exacerbate each other.](#)”

Leaders or leadership

Senior leaders, as defined below, plus:

- Middle management, including people managers who have oversight of, but are not directly managing, non-managerial workers; and
- Any other internal leaders with decision-making power over non-managerial workers.

Low-income communities

Communities where many residents are economically insecure. In the U.S., economic insecurity means living on income at or below 200% of the federal poverty level, which is equivalent to \$30,120 annually for a single individual household or \$62,400 annually for a family of four in 2024. [See the 2024 poverty thresholds here.](#)

Material decision

A decision made by the company that has or could have a significant **impact** on profitability/shareholder value and/or one or more of its stakeholder groups, including **direct workers, contingent workers**, indirect workers, customers, end users, communities, and society at large. This includes, among other things, the health and safety of the company’s and its suppliers’ workplaces; the health, safety, accessibility, and pricing of products and services; the environmental impacts of the company’s and its suppliers’ operations; and any practices that could result in excluding marginalized or underinvested groups from fair opportunities.

Material government-funded privileges

Public or fiscal incentives, such as cash grants, rebates, and/or tax credits, provided by a government entity at the state, local, or national level, and intended for a specific economic development project and/or to entice the company to relocate, expand, or stay in a specific geographic location.

People of color and communities of color

The term **people of color** includes all people who are of a race/ethnicity other than non-Hispanic white. This includes people who are Black, Indigenous (or Native American), Asian American and Pacific Islander, Latinx, Arab-Middle Eastern American, multiracial, and immigrants of color. The term **communities of color** refers to groups of people of color within neighborhoods, cities, or regions.

Segregation

The separation or isolation of a race, class, or ethnic group by enforced or voluntary residence in a restricted area, by barriers to social intercourse, by separate educational facilities, or by other discriminatory means. [Learn more here.](#)

Senior leaders or senior leadership

- Officers as defined in the company’s bylaws;
- Named executive officers as defined under U.S. Securities and Exchange Commission reporting rules;
- C-suite or equivalent senior leaders; and
- Leaders with overall ownership and responsibility for department or divisional budgets.

Stakeholders

Individuals and groups who have an interest in the policies and practices of companies not only because they are affected by them, but also because they have rights to be respected and protected by companies, e.g., workers’ rights to fair wages, consumers’ rights to safe products, suppliers’ rights to transparency, investors’ rights to be informed of material facts, communities’ rights to clean and safe neighborhoods, and society’s rights to a healthy environment, among others.

Stakeholder-informed decision-making

The action or process of making decisions, especially **material decisions**, informed by the needs, expectations, and rights of the company's stakeholders—including **direct, contingent, and indirect workers**; customers; end users; suppliers; shareholders; communities; and society at large.

Stakeholder-informed decision-making recognizes that each of the company's stakeholders is essential to its success and honors the company's fundamental commitment to deliver value to all of its stakeholders. This is the foundation of socially responsible business.

Stakeholder engagement

As defined by the [World Benchmarking Alliance](#), “[a]n ongoing process of interaction and dialogue between a company and its stakeholders that enables the company to hear, understand and respond to their interests and concerns, including through collaborative approaches.”

Stakeholder mapping

The process of identifying the company's stakeholders, their relationships with each other, and their relevance to the activities of the company.

Underrepresented groups

A **demographic group** whose representation in a given setting or context is disproportionately low relative to their numbers in the general population. Historically underrepresented demographic groups include people of color, women, LGBTQ+ people, and people with disabilities.

PERFORMANCE TARGET 10.1

The company is meaningfully connected to and champions communities within its operational footprint.

Requirement

Establish a deep understanding of, and regularly engage with, the communities within the company's operational footprint by conducting community [stakeholder mapping](#) and adopting equitable community engagement practices.

Metrics

Policy metric: One or more formal written policies consistent with the guidelines.

Practice metrics: (i) One community stakeholder map updated within the last two years; and (ii) percentage of engaged individuals or organizations who report the company's engagement practices are transparent, inclusive, and accessible.

Share Progress & Achievement

Disclosure available to the public of the company's community engagement practices, either on the company's website or in an annual report (or other publicly available filing). Update disclosure in the event of material changes.

Rationale, Tips, and Guidelines

RATIONALE:

As Standard 1 emphasizes, [stakeholder-informed decision-making](#) is at the heart of operating an equitable, inclusive, and socially responsible business. Alongside workers, shareholders, and customers, the local communities within the company's operational footprint are key stakeholders of the company. They have an interest in the policies and practices of the company because they are affected by them and because they have rights to be respected and protected, such as the right to a clean and healthy environment. Accordingly, proactively understanding and engaging with local communities is a vital practice for long-term business success.

For many companies, community engagement is already top of mind: according to a business survey, [58%](#) of respondents said their organizations' CEOs treat the management of external engagement, including community engagement, as a top three or top priority on their agendas. External engagement has also been on other leaders' minds: just over half of respondents said the topic has been a top or top three item on their boards' agendas.

IMPLEMENTATION TIPS:

1. The company's community stakeholder mapping and engagement activities should be scaled to the company's size and relative resources and informed by the stakeholder risks and opportunities in the company's line of business.
2. If engaging community stakeholders is a new practice for the company, first build the company's stakeholder engagement skills with the Board and workforce. Building in-house expertise will support more effective engagement with external communities.
3. Larger companies are encouraged to conduct community stakeholder mapping and engagement more frequently than required by the guidelines below to more promptly identify and address any community issues before they become business risks.

GUIDELINES:

1. Proactively establish a deep understanding of, and regularly engage with, the communities within the company's operational footprint by taking the concrete steps outlined below and formalizing the company's practices in a written policy.
2. The policy may be incorporated in any existing policy on community engagement and should be formally approved by the most senior leader(s) with oversight of such matters, as reflected by their signature(s) on the policy.
3. **When conducting community stakeholder mapping**, take the following concrete steps:
 - a. Start by taking inventory of the following:
 - i. [Community-based organizations](#) within the company's operational footprint.

- ii. [Grassroots](#) and [grass-tops organizations](#) that advocate for the company's key stakeholders, including workers and consumers (if applicable) and advocacy for [underrepresented groups](#).
- b. After conducting and documenting the inventory, review and analyze how the company's [impact](#) and sustainability agenda compares to the mapping, seeking to understand the following:
 - i. How the areas of focus among the organizations align or differ with those of the company.
 - ii. Any clear opportunities for the company to change its practices and/or contribute to community needs with the company's particular assets and resources.
 - iii. Any opportunities to partner with community-based organizations to support direct engagement with community stakeholders.
- c. Share the draft mapping, which may be in the form of a memo or report, across relevant functions for further feedback and refinement.
- d. The mapping memo or report should include an overview of the goal of the exercise, the findings of the inventory, key learnings (including engagement gaps and opportunities), and any recommendations for the company's value proposition and ongoing business strategies.
- e. Share the final mapping memo or report broadly within the company to support other business units and functions in developing

strategies and goals informed by the learnings.

4. **In adopting equitable community engagement practices**, take the following concrete steps:
- a. Informed by the community stakeholder mapping, establish a plan and regular cadence of engaging with local communities. Ensure the cadence is at least annual.
 - b. Ensure relevant personnel conducting engagement have the appropriate training and expertise.
 - c. The engagement plan should incorporate soliciting feedback from communities (and community groups) on the company's equity, inclusion, and social responsibility efforts. See specific areas to engage with local communities and community groups under Standards 2 (internal infrastructure), 7 (products and services), 8 (value chain), 9 (climate and environment), 11 (philanthropy), 12 (inclusive and authentic communications), 13 (civic and political engagement), and 14 (investments, profits, and tax).
 - d. When engaging, adopt the following principles:
 - i. Treating all stakeholders with dignity and respect, even if feedback is not positive.
 - ii. Being clear and transparent about the company's outreach, including the purpose, desired outcomes, and process the company will follow.
 - iii. Understanding in advance the history of engagement with the relevant communities.
 - iv. Investing in relationship-building first to build trust. See more in [The Principles of](#)

[Trustworthiness](#).

- v. Engagement at multiple levels (across community-based organizations, grassroots organizations, and grass-tops organizations), not just where the company is most comfortable.
- vi. Respecting stakeholders' time and expertise by providing them ample time to review any relevant materials and offering reasonable compensation or other consideration. Not all will need or accept it, but making the offer demonstrates the company's recognition of the value it receives from stakeholder time and input.
- e. Regularly evaluate the company's efforts including by soliciting feedback from engaged communities (or community groups) on ways the company's engagement practices can be improved, especially around transparency, inclusion, and accessibility.
 - i. The company should determine the appropriate cadence and channels for feedback based on its context, with input from stakeholders to ensure the cadence is not overly burdensome.
 - ii. Adjust the company's practices based on the feedback received and communicate accordingly with the stakeholders engaged.
 - iii. Over time, strive to achieve overwhelmingly positive feedback on transparency, inclusion, and accessibility from the majority of engaged individuals and organizations.

- f. Periodically share learnings from community engagement with senior leaders, the broader workforce, and the Board, as appropriate, including how the learnings may inform new strategies and goals.

Example Interim Targets

Note: these examples are not intended to be exhaustive. At launch, guidance on setting interim targets will be available.

- [Gap analysis](#) conducted of community stakeholder mapping and engagement practices.
- New or updated community engagement policy drafted and presented to applicable [senior leader\(s\)](#) for approval.
- Education and training on new policy for all functions involved in community engagement.
- New or updated community stakeholder map prepared and shared with relevant [leaders](#) and functions.

Example Interim Metrics

Note: some metrics may apply to more than one Example Interim Target; not necessarily one-to-one alignment.

- Record of gap analysis results shared with senior leadership.
- Final draft of new or updated community engagement policy.
- Communication and training materials for all functions involved in community engagement.
- Final draft of new or updated community stakeholder map.

Relevance to Other Frameworks

Coming with the launch of the final standards: mapping to other standards and frameworks that address similar issues.

Resources

[The Principles of Trustworthiness](#) (Center For Health Justice, Association of American Medical Colleges, accessed September 2024)

[Walking the Talk: Valuing a Multi-Stakeholder Strategy](#) (Ariel Babcock, et al., FCLTGlobal and Wharton School, University of Pennsylvania, January 2022)

[The Corporate Social Responsibility Report and Effective Stakeholder Engagement](#) (Noam Noked, Harvard Law School Forum on Corporate Governance, December 2013)

[What Does It Take for Companies to Engage Communities More Equitably?](#) (Chris Carlson, Christine Auwarter, and John Harper, FSG, March 2022)

[Companies Need to Translate Their Commitments to Stakeholder Engagement into Meaningful Action](#) (Corporate Human Rights Benchmark, World Benchmarking Alliance, November 2022)

[Standard on Applying Principle 1: Involve Stakeholders](#) (Methodological Sub-committee, Social Value International, March 2019)

[Guidance Note: Board Duties in Ensuring Company Engagement with Affected Stakeholders](#) (Global Future Council on Human Rights, World Economic Forum, May 2022)

[The Community Engagement Guide for Sustainable Communities](#) (Danielle Bergstrom, et al., PolicyLink and Kirwan Institute, 2012)

[Engaging Stakeholders in Developing Strategies: A Field Guide](#) (Community Wealth Partners, Share Our Strength, accessed September 2024)

[Best Practices for Equitable Engagement: Regional Housing Technical Assistance Program](#) (Regional Housing Technical Assistance Program, Association of Bay Area Governments, June 2022)

[Shifting Power Through Authentic Corporate Community Engagement](#) (Rifat Mursalin and Nikhil Bumb, FSG, March 2022)

[Stakeholder Engagement: FAQ](#) (BSR, April 2023)

[Community Engagement Toolkit](#) (Leading Inside Out and Collective Impact Forum, FSG, March 2017)

PERFORMANCE TARGET 10.2

Material government-funded privileges enjoyed by the company (if any) include tangible benefits to local communities.

Requirement

Proactively ensure communities in which the company operates receive or realize tangible benefits from any [material government-funded privileges](#) the company enjoys by taking multiple concrete steps related to defining, documenting, tracking, and following through on community commitments.

Metrics

Policy metric: At least one formal written document reflecting the company's commitments to relevant communities consistent with the guidelines.

Practice metrics: (i) Percentage of tangible benefits actually received or realized by each relevant community and (ii) percentage of relevant communities for which commitments are being tracked and managed.

Share Progress & Achievement

Disclosure available to the public of the company's commitment(s) to local communities related to any material government-funded privileges the company may enjoy (with periodic progress updates provided), either on the company's website or in an annual report (or other publicly available filing). Update disclosure in the event of material changes.

Rationale, Tips, and Guidelines

RATIONALE:

Equitable economic opportunity and development are critical to the health and well-being of communities, which in turn directly support a robust and healthy labor force, an economically secure consumer base, and much more on which business success is dependent. To spur economic growth and development, governments at the local, state, and federal level annually offer billions of dollars in financial incentives, such as cash grants, rebates, and/or tax credits, to businesses large and small. These incentives are effectively material government-funded privileges.

The goals of these incentives range from encouraging businesses to expand to new areas to creating more jobs. At the state and local level, fiscal incentives provided to businesses are valued at about [\\$90 billion a year](#) and the subsidies are increasingly being provided to larger corporations. [One study](#) found that communities most in need provide larger incentives to firms at a higher cost per job. For example, counties with an average wage of less than \$40,000 annually pay over \$400,000 per job in the average subsidy deal, compared to less than \$100,000 per job for counties with average wages over \$100,000.

To support the company in contributing to equitable economic opportunity and development, this Target focuses on ensuring local communities tangibly benefit if and when the company seeks or is the recipient of material fiscal incentives.

IMPLEMENTATION TIPS:

1. Regardless of whether this Target currently applies to the company, senior leaders should be made aware of its requirements in the event it becomes applicable in the future.
2. Certain fiscal incentives include legal requirements related to community benefits. This Target is intended to be complementary with, and additive to, such requirements. This Target is not intended to be and should not be read as in conflict with any such requirements.
3. Economic development projects can have the negative effect of displacing communities of color and low-income communities. See Target 10.3 on the key steps the company should take in the event an economic development project involves one or more existing or new company locations. "Tangible benefits to local communities" under this Target are in addition to any action the company may take under Target 10.3.
4. If and when applicable, the company should approach its assessment of community needs with a high level of respect and responsibility, as opposed to a sense of charity (see Target 10.1).
5. If the company provides funding to support community engagement, take care to ensure such funding does not unduly influence the commitments requested by the engaged communities.
6. Ensure relevant government officials are supportive of the company's efforts; however, avoid solely relying

on such officials' input to determine the company's community commitments.

GUIDELINES:

1. This Target only applies in instances where the company is seeking, is offered, or has already received material government-funded privileges related to the company's current or future operations.
2. Proactively ensure local communities receive or realize tangible benefits from material government-funded privileges by taking the concrete steps outlined below and codifying the company's commitment in a written document, formally approved by the most senior leader(s) with oversight of such matters, as reflected by their signature(s) on the document.
3. To meet this Target, the tangible community benefits must be measurable positive benefits to a given community within the company's operational footprint that are based on an assessment of community needs and desires, conducted in collaboration with such communities. The most appropriate community benefits will depend on the community and the circumstances but may include the following:
 - a. Entering into a Community Benefit Agreement (see the Resources for examples).
 - b. Creating a Neighborhood Stock Ownership Plan (see the Resources for examples).
 - c. Making a meaningful multi-year financial contribution to one or more community land trusts.
4. In assessing community needs and desires and defining and documenting the company's commitment, take the following concrete steps:
 - a. Work with or help build a community coalition

that reflects the diversity of the community and has a track record of effectively representing the interests of the community. The community coalition can then facilitate direct community engagement.

- b. If there is no community coalition for the company to engage with, the company should conduct its own community engagement and needs assessment to determine what should be included in its commitments (see Target 10.1).
- c. Before defining any community commitments, conduct a project review process in collaboration with the engaged communities (or community coalition), providing the maximum level of community input as possible.
- d. In defining community commitments, work in partnership with the engaged communities (or community coalition). Only negotiating with government bodies and/or handpicked local bodies does not meet this Target.
- e. Solicit feedback from engaged communities (or the community coalition) on whether the commitment development process is sufficiently transparent, inclusive, and accessible for all.
- f. Ensure the final community commitments made by the company (i) are concrete, meaningful, and connected to what the community needs and/or desires and (ii) have a legally binding enforcement mechanism to ensure the company's accountability in following through.
- g. Ensure the final documentation of the company's community commitments include clear protocols for the assumption of the company's obligations in the event of any

transfer of the company's interest in the material government-funded privilege(s) (e.g., incorporating a strong "successors and assigns" clause in the event a new developer takes on the company's economic development project).

5. To track and follow through on community commitments, take the following concrete steps:
 - a. Regularly share progress the company is making toward its commitments, which may involve an independent assessment of progress.
 - b. Establish a clearly defined, formal means by which the community can raise concerns and hold the company (and other involved parties) accountable to the commitments. This may include a formal grievance mechanism or channel.
6. If the company has received material government-funded privileges in the past, take the following concrete actions:
 - a. Assess whether previously made community commitments have been realized by the relevant communities.
 - b. If prior commitments remain substantially unmet, collaborate with community organizations with a historical presence to determine the appropriate community benefits the company can meet within a reasonable period and consistent with the guidelines above.

Example Interim Targets

Note: these examples are not intended to be exhaustive. At launch, guidance on setting interim targets will be available.

- [Gap analysis](#) conducted of material government-funded privileges enjoyed by the company (if any) and commitments to local communities related to such privileges.
- New or updated documentation of commitments to local communities with accountability measures, drafted and presented to applicable [senior leader\(s\)](#) for approval.
- New or updated processes in place to assess the needs and desires of local communities in connection with soliciting and/or receiving any material government-funded privileges.
- More than half of the tangible benefits promised to local communities are received or realized by the relevant communities.

Example Interim Metrics

Note: some metrics may apply to more than one Example Interim Target; not necessarily one-to-one alignment.

- Record of gap analysis results shared with senior leadership.
- Final draft of new or updated documentation of commitments to local communities with accountability measures.
- Documentation of new or updated processes to assess the needs and desires of local communities.
- Percentage of tangible benefits received or realized by relevant local communities.

Relevance to Other Frameworks

Coming with the launch of the final standards: mapping to other standards and frameworks that address similar issues.

Resources

[Will That New Development Benefit Your Community? The People's Guide to Community Benefits Agreements and Alternatives](#) (Alma Campos, Sarah Conway, and Phoebe Mogharei, City Bureau, February 2022)

[Evaluating State and Local Business Tax Incentives](#) (Cailin Slattery and Owen Zidar, PrincetonEconomics, January 2020)

[Expert Insights on Best Practices for Community Benefits Agreements](#) (Matthew Eisenson and Romany M. Webb, Sabin Center for Climate Change Law, University of Columbia Law School, September 2023)

[Community Benefit Agreements](#) (David C. Blount, et al., In "Research Guide: Pursing Housing Justice: Interventions for Impact," Urban Institute, May 2023)

[Which Community Benefits Agreements Really Delivered](#) (Alex Williamson, Shelterforce, August 2021)

[How State and Local Governments Win at Attracting Companies](#) (Christian Gonzales, et al., McKinsey & Company, September 2019)

[Common Challenges in Negotiating Community Benefits Agreements – and – How to Avoid Them](#) (Partnership for Working Families and the Community Benefits Law Center, January 2016)

[Neighborhood Equity Ownership Plans: How Would They Work?](#) (Cary Goodman, Gotham Gazette, January 2020)

[Building for the All! Infrastructure Standards for Transformation of the Built Environment](#) (PolicyLink, March 2023)

[About Community Benefits Plans](#) (Department of Energy, accessed September 2024)

PERFORMANCE TARGET 10.3

The company takes concrete action to mitigate any impacts it may have on gentrification, segregation, and displacement.

Requirement

If the company has physical locations, conduct an assessment of key existing locations and proposed new locations to proactively identify and mitigate any impacts on [gentrification](#), [segregation](#), and [displacement](#) in [communities of color](#) and [low-income communities](#).

Metrics

Policy metric: Documentation of assessment consistent with the guidelines.

Practice metric: Number of concrete actions taken to address any identified issues from a siting/location assessment consistent with the guidelines (if applicable).

Share Progress & Achievement

As applicable, disclosure available to the public of the main findings from existing or new siting/location assessment(s) and concrete actions being taken to mitigate any potential impacts on gentrification, segregation, and displacement in relevant communities, either on the company's website or in an annual report (or other publicly available filing). Update disclosure in the event of material changes.

Disclosure to the Board of the detailed findings from such assessment(s) and concrete actions being taken to mitigate any potential impacts on gentrification, segregation, and displacement in relevant communities.

(Disclosures related to this Target are not intended to require disclosure of any information under attorney client privilege or attorney work product protections.)

Rationale, Tips, and Guidelines

RATIONALE:

Displacement plays [a prominent role in U.S. history](#)—from the forced removal of Indigenous People from their lands to the displacement of people of color for urban renewal after the passage of the Fair Housing Act of 1949, the demolition of Black neighborhoods for infrastructure development in the 1960s, and displacement in the aftermath of natural disasters, such as Hurricane Katrina. Displacement is also an issue in economic development projects, including popular green space development.

Gentrification is closely related to displacement and occurs when housing costs and the cost of living steadily rises, pushing low-income community members out of their neighborhoods without the opportunity to access new benefits brought to the community.

Because income and discrimination are inextricably linked, displacement and gentrification often perpetuate segregation where communities are separated by race and/or ethnicity. It is estimated that nearly [5 million people in the U.S.](#) are forced from their homes every year due to eviction, mortgage and tax foreclosure, and other mechanisms of loss. Business practices in siting new locations, as well as local policies supported by business lobbies, continue to play a role in these issues. In particular, the location siting decisions of large corporations can be a key driver of the economic circumstances surrounding housing costs, displacement, and gentrification.

With the health and well-being of communities of color and low-income communities still deeply affected by racial and economic segregation, gentrification, and displacement, this Target accordingly focuses on ensuring that when the company is making location siting decisions, it is aware of and proactively manages potential negative impacts on communities of color and low-income communities.

IMPLEMENTATION TIPS:

1. Regardless of whether this Target currently applies to the company, senior leaders should be made aware of its requirements in the event it becomes applicable in the future.
2. Adopting Target 10.1 (community engagement) will support success here by ensuring the company has an active community engagement practice in place that is rooted in equity and inclusion.
3. In the event one or more existing or new company locations are related to a government-funded economic development project, see Target 10.3 (equitable economic development) and ensure “tangible benefits to local communities,” as referenced in that Target, are in addition to any action the company may take under this Target.

GUIDELINES:

1. This Target is not applicable to the company if it does not have any physical locations in the U.S.
2. This Target is applicable to the company if it has any physical locations in the U.S. However, this Target is not applicable to locations where there are less than [XX] workers (whether [direct](#) or [contingent](#)). If the company grows at such location(s), this Target may become applicable in the future. *(Note to reviewers: this guideline, in particular, is undergoing further research and testing.)*
3. If the company has any existing physical locations with over [XX] workers or it is contemplating a new physical location where there may be over [XX] workers (in each case, whether [direct](#) or [contingent](#)), then take the following concrete steps:
 - a. Determine whether any of those locations are or will be in areas at-risk of issues of gentrification, segregation, and displacement by conducting desk research and expert consultation, including with [community-based organizations](#) and [grassroots organizations](#).
 - i. If the locations are or will be in a low-income community, then the area is at-risk of gentrification, segregation, and displacement.
 - ii. Larger companies with numerous existing locations may conduct the evaluations steadily over time, such as focusing on particular regions to make the process more manageable.
 - b. If one or more locations are or will be in areas at-risk of issues of gentrification, segregation, and displacement, conduct an assessment in line with Guideline 4 and implement at least three of the best practices in Guideline 5 for such locations.
 - c. Conduct regular stakeholder engagement with local communities in such locations in line with Target 10.1 to ensure the actions taken by the company are meaningful and support mitigating issues of gentrification, segregation, and displacement.
4. For any company locations that are or will be in areas with known issues of gentrification, segregation, and displacement, assess the following:
 - a. Whether the company is offering jobs attuned to the existing local workforce.
 - b. For consumer-facing companies: whether the products and services offered at the location will address the needs of local residents (see Target 7.2).
 - c. Whether the location was selected based on the anticipation of gentrification and the arrival of new residents.
 - d. Whether the company's presence at the location will signal the opportunity for gentrification.
 - e. Whether the company supports or plans to support local businesses through new sourcing opportunities.
 - f. Whether local residents will be displaced to build a new company location.
5. If applicable, the following are best practices the company can adopt to help combat issues of gentrification, segregation, and displacement.
 - a. Implement multiple talent pipeline-building and recruitment strategies to ensure that job opportunities at the company include roles that are attuned to the existing local workforce and consistent with Standard 6 (job quality). This may include the following:
 - i. Adopting Target 5.1 (casting a wide talent recruitment net).
 - ii. Investing in local skills development, including connecting with local workforce development groups and creating or expanding apprentice and training programs.
 - b. For consumer-facing companies: review the products/services that the company offers to ensure they also address the needs of local residents (see Target 7.2).
 - c. Support local businesses by expanding sourcing from local suppliers and helping them improve their capabilities (see Target 8.1).
 - d. For new company sites: avoid selecting locations based on the anticipation of gentrification and the arrival of new residents.
 - e. Follow the [Three P's anti-displacement framework](#):
 - i. **Protect** long-term residents and tenants by advocating for the protection of affordable housing (e.g. through rent stabilization, community land trusts, and just cause evictions).
 - ii. **Produce**, or work with partners to produce, increased affordable housing for low- and moderate-income households.

iii. **Preserve** existing affordable housing stock.

6. If Guidelines 3 and 4 apply to the company, then to meet this Target, the company must take at least three concrete actions set forth in Guideline 5 to address any identified issues from a given siting/location assessment.

Example Interim Targets

Note: these examples are not intended to be exhaustive. At launch, guidance on setting interim targets will be available.

- [Gap analysis](#) conducted of practices and policies related to siting company locations/facilities.
- Assessment of one or more existing or planned sites/locations completed and results shared with [senior leadership](#).
- One or more concrete actions taken to address identified issues from a siting/location assessment.

Example Interim Metrics

Note: some metrics may apply to more than one Example Interim Target; not necessarily one-to-one alignment.

- Record of gap analysis results shared with senior leadership.
- Documentation of assessment and actions planned or taken to mitigate any identified issues.
- Number of concrete actions taken to address any identified issues from a given assessment consistent with the guidelines.

Relevance to Other Frameworks

Coming with the launch of the final standards: mapping to other standards and frameworks that address similar issues.

Resources

[Causes and Consequences of Separate and Unequal Neighborhoods](#) (Margery Austin Turner and Solomon Greene, Urban Institute, accessed September 2024)

[The Macroeconomic Benefits of Racial Integration](#) (Moody's Analytics, October 2021)

[Understanding Gentrification and Displacement](#) (The Uprooted Project, University of Texas, accessed 2024)

[Localized Anti-Displacement Policies](#) (Justin Dorazio, Center for American Progress, September 2022)

[Housing Loss in the United States: Our National Rankings and Maps](#) (New America, accessed September 2024)

[Shifting Neighborhoods](#) (Jason Richardson, Bruce Mitchell, and Juan Franco, National Community Reinvestment Coalition, March 2019)

[Gentrification and Pioneer Businesses](#) (Kristian Behrens, et al., The Review of Economics and Statistics, January 2024)

[Investment Without Displacement: From Slogan to Strategy](#) (Anna Cash and Miriam Zuk, SPARCC, accessed September 2024)

[Investment Without Displacement: How a Surge of Development Changed—and Didn't Change—One Detroit Neighborhood](#) (Andre M. Perry and Hannah Stephens, The Brookings Institution, January 2024)

[Developing an Anti-Displacement Strategy](#) (Local Housing Solutions, accessed September 2024)

[How to Stop Gentrification](#) (Colin Kinniburgh, The New Republic, August 2017)

[Gentrification and Neighborhood Change: Evidence From Yelp](#) (Edward L. Glaeser, Michael Luca, and Erica Moskowsky, National Bureau of Economic Research, December 2020)

[Community Land Trusts: An 'Old-School' Innovation with 'New School' Structural Applications](#) (Andre M. Perry and Manann Donoghoe, The Brookings Institution, June 2024)

[Homeownership, Racial Segregation, and Policy Solutions to Racial Wealth Equity](#) (Rashawn Ray, et al., The Brookings Institution, September 2021)

[Impact of the US Housing Crisis on the Racial Wealth Gap Across Generations](#) (SSRC and ACLU, 2015)

PERFORMANCE TARGET 10.4

Community controversies are rare and addressed promptly and effectively.

Requirement

Annually analyze [controversies](#) involving communities within the company's operational footprint, take concrete action to steadily decrease such controversies (if any), and ensure those that occur are addressed promptly and comprehensively.

Metric

Number and types of community controversies for the current year and past three years, with demographics of affected parties and status of resolution.

Share Progress & Achievement

Annual disclosure to the Board of the (i) number, types, status, and manner of resolution of community controversies for the current and past three years, with [demographics](#) of affected communities; (ii) any recurring issues and/or [disparities](#); and (iii) concrete actions being taken to reduce community controversies.

Avoid sharing [disaggregated](#) demographic data when group sizes are too small to ensure individual anonymity (typically N < 25).

(Disclosures related to this Target are not intended to require disclosure of any information under attorney client privilege or attorney work product protections.)

Rationale, Tips, and Guidelines**RATIONALE:**

Community-related controversies—from environmental issues to human rights violations—can cause severe consequences for the affected communities and for companies. A high number of controversies or frequently recurring types of controversies are indicators of weak internal controls and a disconnect between the company's values and its actual [impacts](#). Regularly tracking community controversies, including the types of issues that arise, taking concrete action to steadily decrease them, and ensuring those that occur are addressed promptly and comprehensively are therefore an important component of being a socially responsible business.

IMPLEMENTATION TIPS:

1. This Target recognizes that perfection is not always possible. While the company should always aim for zero community controversies annually, it is just as important to promptly and effectively address controversies if and when they arise.
2. Because community controversies do not typically happen at regular or expected intervals, and because the impact of controversies can be long-lasting, this Target considers performance over the last three years in addition to the current year.
3. Adopting Targets 2.5 (human rights due assessments), and Standards 8 (value chain), 9 (climate and environment), and 13 (civic and political engagement) can help surface issues early on and contribute to reducing the incidence and severity of community controversies.

4. See Targets 4.6, 7.3, and 8.4 for controversies related to direct workers, customers and end users, and indirect workers, respectively. The guidelines below are designed to be consistent with such Targets so they can be implemented together.
5. Though not the main focus of this Target, tracking material fines, sanctions, and compensation that the company pays to resolve community controversies is also important.

GUIDELINES:

1. Annually track and analyze the number, types, status, and manner of resolution of community controversies, including the demographics of affected parties where possible.
 - a. Categorize controversies by their severity, including (i) the nature of the claim or issue, (ii) the impact on affected parties, (iii) the impact on the company, and (iv) whether controversies are due to policies and practices (i.e., systemic in nature) or rogue actors.
 - b. Disaggregate controversies by business unit, department, supplier, business partner, vendor, and geography.
 - c. Apply an [intersectional](#) lens in the analysis of results.
 - d. Identify any disparities across affected parties, such as in the outcomes of controversies.
 - e. Identify any trends, such as in severity or higher or lower rates with a particular supplier, business partner, or vendor, or within a particular business unit, department, or location.
 - f. For large companies, measuring more frequently (such as quarterly or monthly) is

recommended to more promptly identify and address recurring issues.

2. To meet this Target, community controversies should be addressed promptly and comprehensively and either be (i) steadily decreasing in number compared against the last three years or (ii) [below the benchmark for the company's industry]. *(Note to reviewers: this guideline, in particular, is undergoing further research and testing.)*
3. Addressing controversies promptly and to the satisfaction of affected parties requires the following:
 - a. Promptly conducting fair and impartial investigations where necessary or advisable.
 - b. Taking prompt action in the event of inappropriate conduct.
 - c. Ensuring reporting parties and any workers or other stakeholders who cooperate with the investigation are not retaliated against.
 - d. Ensuring efforts to mitigate liability do not conflict with or hamper the company's responsibility to protect affected parties and treat them fairly.
 - e. Where possible, confirming the satisfaction of affected parties in the resolution of controversies by soliciting their confidential feedback.
4. Concrete and immediate action is required if there are a high number of community controversies, a high number of controversies of a particular type, or any disparities related to the affected parties. The company should determine the most appropriate course of action based on its circumstances, which may include the following:
 - a. Acting on any troubling patterns, such as

particular types of issues frequently arising or controversies arising from the same department(s)), geographies, suppliers, business partners, or vendors.

- b. Ensuring that controversies are resolved equitably, discipline is consistent, and no undue favor is given to any party.
 - c. Implementing or adopting one or more actions based on lessons learned, such as related to improving community engagement practices, procurement practices, and/or how controversies are handled and resolved.
5. When sharing community controversy data with the Board, follow the lead of the legal team or counsel to ensure confidentiality and attorney client privilege are protected. (See Targets 1.2 and 1.3 on Board oversight.)

Example Interim Targets

Note: these examples are not intended to be exhaustive. At launch, guidance on setting interim targets will be available.

- **Gap analysis** conducted of the number, types, status, and manner of resolution of community controversies over the last three years.
- Legal and/or community engagement functions track community controversies, including the number, types, status, and manner of resolution, and demographics of affected parties.
- **Leadership** training conducted on preventing and effectively addressing community controversies, informed by any recurring issues in the company's context.
- Meaningful year-over-year reduction in community controversies.

Example Interim Metrics

Note: some metrics may apply to more than one Example Interim Target; not necessarily one-to-one alignment.

- Record of gap analysis results shared with **senior leadership**.
- Data tracker with high-level statistics of community controversies.
- Documentation of regular leadership training.
- Number and types of community controversies for the current year and past three years, with demographics of affected parties and status of resolution.

Relevance to Other Frameworks

Coming with the launch of the final standards: mapping to other standards and frameworks that address similar issues.

Resources

[Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Frameworks](#) (United Nations Human Rights Office of the High Commissioner, 2011)

[The Corporate Responsibility to Respect Human Rights in Supply Chains](#) (Organisation for Economic Cooperation and Development, UN Secretary-General on Human Rights and Transnational Corporations and other Business Enterprises, June 2010)

[Principle One: Human Rights](#) (Ten Principles of the UN Global Compact, United Nations Global Compact, accessed May 2024)

PERFORMANCE TARGET 10.5

Unaddressed historical human rights violations are acknowledged and addressed.

Requirement

If the company was founded before [1970], conduct a targeted assessment of business practices prior to [1970] for any unaddressed [human rights](#) violations and, if applicable, take concrete action to acknowledge and meaningfully address such matters with affected communities.

Metrics

Documentation of historical assessment consistent with the guidelines.

Documentation of public acknowledgement and actions planned or taken to address identified issues (if applicable).

Share Progress & Achievement

Disclosure available to the public of the company's general findings from its assessment and, if applicable, its acknowledgement and actions planned or taken to address identified issues, either on the company's website or in an annual report (or other publicly

available filing). Update disclosure in the event of material changes to findings or actions planned or taken.

(Disclosures related to this Target are not intended to require disclosure of any information under attorney client privilege or attorney work product protections.)

Rationale, Tips, and Guidelines**RATIONALE:**

While this may be a challenging Target for any company, it is at the heart of what advancing equity, inclusion, and social responsibility ultimately mean—treating stakeholders with respect and dignity and making things right, when things go wrong.

Though it may be easier to think of a company's historical issues as a thing of the past, [research shows](#) that a company or industry's unaddressed historical human rights violations can produce reputational risks and significant losses. Examples of such issues include involvement in slavery, genocide, land theft, colonization, and the systematic exclusion of, or discrimination against, certain groups in connection with many of life's essential needs—from medicine to health care, housing, and access to credit.

There are a number of reasons a company may find value in acknowledging and addressing its or its industry's contributions to historical human rights violations, including a desire to be responsive to stakeholder pressure, avoid public scrutiny, maintain company values, and secure a positive corporate legacy. Employees and customers alike also expect companies to acknowledge and address mistakes, especially serious ones—even those that are far removed from present responsibility.

There is ample precedent for doing so too: institutions across sectors, including in [media](#), [education](#), [religion](#), [retail](#), [finance](#), and [more](#), have taken steps to acknowledge and

address historical human rights violations, some even [in partnership with government](#). Accordingly, revisiting historical business practices should be seen as "[a step forward toward companies' stakeholders and long-term success](#)." And, as Dr. Martin Luther King Jr. has imparted: [the time is always right to do what is right](#).

IMPLEMENTATION TIPS:

1. This Target broadly aligns with the guidance in [Why Corporate Success Requires Dealing With the Past](#) and the Racial Repair Framework highlighted in [A Dream in our Name](#), with some modifications.
2. The applicability of this Target to companies founded before the year 1970 is not based on an exact science. With the adoption/enactment of the Universal Declaration of Human Rights in 1948, the Civil Rights Act in 1964, and the International Covenant on Civil and Political Rights in 1966, this Target acknowledges the potential that companies operating before or around the time these historic norms and laws may have been more likely to engage in policies and practices that do not meet present ethical standards. *(Note to reviewers: our determination to use the year 1970 is undergoing further research and testing; certain more recent issues in a company's past are still covered in the guidelines below and all other issues are intended to be covered by other Targets.)*
3. Adopting Target 10.1 (community engagement) will support success here by ensuring the company has an active community engagement practice in place that is rooted in equity and inclusion.
4. Failing to engage and elevate the voices of affected communities—[especially in connection with identifying satisfactory redress measures](#)—is one of the common pitfalls in addressing historical human rights violations. Accordingly, ensure relevant personnel understand the common pitfalls and prioritize community

engagement.

5. To conduct an assessment of the company's contemporary business practices, see Targets 2.4 (human rights impact assessments) and 2.5 (civil rights audits).
6. If the company is aware of unaddressed human rights violations by its industry, it can also take action by (a) raising the importance of acknowledgement and repair with industry trade groups and (b) collaborating with peers to support research efforts and/or strengthen redress measures (via joint funding, learning, and/or support of advocacy groups).

GUIDELINES:

1. This Target is not applicable to the company if it was founded after 1970 and there are no known human rights issues related to its historical business practices, whether raised in good faith by stakeholders or known directly by the company.
2. If the company was founded before 1970 or, regardless of when it was founded, it is aware of one or more potential or actual human rights violations from its historical business practices, then take the following concrete steps:
 - a. Engage a qualified independent third party (such as a historian or archivist) to conduct an assessment of the company's historical business practices based on public and nonpublic information.
 - b. Ensure the assessment begins with assessing (i) issues known to the company and (ii) any good faith claims of historical human rights violations brought to the company's attention by stakeholders.
 - c. Follow the guidelines for civil rights audits set forth in Target 2.5, including ensuring Board

oversight; rigor and objectivity of the independent third party; and conducting and concluding the assessment in a timely manner ([see the final guidelines here](#)).

- d. As applicable, conduct stakeholder engagement with affected communities in line with Target 10.1. This includes:
 - i. Recording the first hand stories and experiences of those affected (with their consent), for the purpose of public acknowledgement.
 - ii. Working with affected communities to identify their existing needs related to any identified historical human rights violations and determining appropriate redress measures.
 - iii. Periodically soliciting feedback from affected communities on the specific actions planned or already taken by the company. Adjust the company's plans based on the feedback received.
- e. Document the findings of the assessment and, if human rights violations are identified, the concrete actions the company has taken or plans to take in line with the below.
- f. If historical human rights violations are identified, ensure internal and external communications (including the public findings) avoid any forms of denial, including avoiding factual denial, interpretative denial (i.e., reinterpreting or minimizing the facts), and implicative denial (i.e., forms of gaslighting).

3. In documenting and sharing the outcome of the assessment, follow the transparency guidelines of civil rights audits, specifically the following ([see more detail here](#)):
 - a. A public-facing report is prepared that shares the assessment's scope, methodology, findings, and, if applicable, the company's acknowledgement of any identified historical human rights violations and specific, concrete, and measurable actions planned or already taken to address such violations in collaboration with affected communities.
 - b. If the assessment reveals legal risk to the company, the company is not expected to share those findings or actions taken or to be taken by the company in any level of detail that exposes it to further legal risk. However, to the extent the company can share such issues in a way that does not further expose the company, it should aim to do so for transparency and accountability.
 - c. Where aspects of the assessment findings are withheld from the public report to preserve attorney client privilege, the company should include high-level non-privileged information to allow affected communities and other stakeholders to understand whether the assessment met its stated objectives.
4. For purposes of this Target:
 - a. "Unaddressed" means that the company has not yet engaged in any acknowledgement and redress process related to one or more historical human rights violations as outlined in these guidelines.

- b. Any name changes in the company's history do not affect the applicability of this Target.
 - c. If the company's history includes any corporate reorganizations (mergers, acquisitions, or other restructuring), it should note them in the publicly-shared findings. A reorganization in and of itself does not affect the applicability of this Target to the company.
5. In engaging an independent third party to conduct the assessment, take the following concrete steps:
- a. Ensure the firm(s) can articulate and tangibly demonstrate how they will avoid the common pitfalls of such assessments (as noted in the Implementation Tips above).
 - b. Strive for engagements to be led and staffed by seasoned and diverse experts with demonstrated expertise in sensitive historical assessments, human rights, and advancing equity, including equitable stakeholder engagement.

Example Interim Targets

Note: these examples are not intended to be exhaustive. At launch, guidance on setting interim targets will be available.

- [Gap analysis](#) conducted of any prior assessments of historical business practices.
- Executed engagement letter with qualified independent third party to conduct the assessment.
- Assessment completed and results shared with senior leadership and the Board.

Example Interim Metrics

Note: some metrics may apply to more than one Example Interim Target; not necessarily one-to-one alignment.

- Record of gap analysis results shared with [senior leadership](#) and the Board.
- Executed engagement letter with independent third party.
- Documentation of assessment and actions planned or taken to address any identified issues.

Relevance to Other Frameworks

Coming with the launch of the final standards: mapping to other standards and frameworks that address similar issues.

Resources

[Why Corporate Success Requires Dealing With the Past](#) (Sarah Federman and Judith Schrempf-Stirling, MIT Sloan Management Review, November 2022)

[A Dream in Our Name](#) (Aria Florant, Liberation Ventures, February 2023)

[U.N. Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Frameworks](#) (United Nations, 2011)

[The Church of England Aims to Raise More Than \\$1 Billion to Address its Past Links to Slavery](#) (AP News, February 2024)

[Building a Reparative Organization and Nation - Non Profit News](#) (Aria Florant, Nonprofit Quarterly, May 2024)

[Business Reconciliation in Canada](#) (The Canadian Council for Aboriginal Business (CCAB), accessed September 2024)

[Truth and Reconciliation Commission of Canada: Calls to Action](#) (Truth and Reconciliation Commission of Canada, 2012)

[Reconciliation Toolkit for Business Leaders](#) (Congress of Aboriginal Peoples, accessed September 2024)

[Honouring the Truth, Reconciling for the Future: Summary of the Final Report of the Truth and Reconciliation Commission of Canada](#) (Truth and Reconciliation Commission of Canada, 2015)

[Editorial: An Examination of The Times' Failures on Race, Our Apology and a Path Forward](#) (Editorial Board, Los Angeles Times, September 2020)

[A Brief History of Racism in Healthcare](#) (World Economic Forum, July 2020)

[The United States' History of Segregated Housing Continues to Limit Affordable Housing](#) (Sam Fulwood III, The Center for American Progress, December 2016)

[Building Trust in the Financial System Is Key to Closing the Racial Wealth Gap](#) (Amalie Zinn, Michael Neal, and Vanessa G. Perry, Urban Institute, June 2023)

[Saying No to \\$1 Billion](#) (Maria Streshinsky, The Atlantic, March 2011)

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