OXFAM’S CORPORATE INEQUALITY FRAMEWORK
Framework Use Guide
Oxfam’s Corporate Inequality Framework

Oxfam America has piloted a first-of-its-kind Corporate Inequality Framework (CIF) to help investors analyze how companies in their portfolios contribute to inequality. Oxfam aims to harness the power of investors to engage business and governments, corporate leaders, and others toward increased transparency and foster informed decision-making around the corporate policies and behaviors that contribute to inequality.

While rising inequality remains one of the defining issues of our times, there to date is little comprehensive research and analysis on companies’ individual contribution to it. Up until now, most efforts to assess a company level contribution to inequality have been issue specific. The CIF fulfills a need for a holistic assessment of individual enterprises. We believe investors wield enormous power to hold the private sector accountable – to shareholders and stakeholders alike – and shape the direction of inequality in the U.S. and beyond. By shining a brighter light on the various contributions by companies to inequality and comparing companies’ inequality footprints, Oxfam aims to engage business and governments around potential pathways toward increased transparency and the eventual reduction of inequality.

Below is a guide for exploring, filtering, and interpreting the CIF. It introduces investors to Oxfam’s methodological framework and outlines how the framework can be used by investors to develop their own assessments.

Our Methodology

Oxfam identified a variety of pathways through which companies can affect inequality – by business function, by sphere of influence, by stakeholder group, micro level contributions to macro trends – resulting in many potential starting points for developing a holistic framework.
While there are many potential starting points for developing a holistic framework to assess how companies can affect inequality, Oxfam took the decision to focus on pathways within the internal sphere. Each company was assessed across four main pillars—People, Power, Profits, and Planet—which include 15 subtopics and 78 corresponding indicators such as working conditions, pay equity, board diversity, political contributions, climate action, and more.

We assessed companies’ inequality footprints at four different levels:

- **Disclosure** – a company’s transparency regarding its inequality-related practices and impacts.
- **Policy** – a company’s public commitment to address key inequality impact areas.
- **Performance** – a company’s actual inequality practice including internal management practices, metrics and KPIs and their results.
- **Violation** – a company’s violation of standards and practices considered relevant to address inequality.

For further reading on our methodology, please review our detailed Research Report.
UNDERSTANDING THE DATA

To test the framework, Oxfam assessed 200 of the largest US publicly listed companies. We leveraged publicly available information from mandatory and voluntary company disclosures, including 10-K filings, proxy statements, company websites, and other data.

**COMPANY DISCLOSURES:** Our primary data source is the company’s own disclosures through their financial statements, 10-K filings, proxy statements, company and government disclosure requirements (e.g. SEC), or sustainability reports.

**EXISTING BENCHMARKS & DATA SOURCES:** These include As you Sow’s Racial Justice Data Visualization, Science Based Targets Initiative, Human Rights Campaign Corporate Equality Index, the Center for Political Accountability Zicklin Index, World Benchmarking Alliance’s Social Transformative Baseline Assessment (Human Rights), Tax Justice Network Corporate Tax Haven Index, and others. ESG data providers including Open Secrets, Labor Lab Union-Busting Database, Good Jobs First Violation Tracker, and the AFL-CIO’s Executive Paywatch collect company information on a range of relevant indicators.

**PUSH METRICS:** The absence of existing data did not necessarily constitute a justification for excluding certain indicators. In fact, pushing for greater transparency around key indicators and data points is a key ambition of this framework. We consider these push metrics.

We collated data from 2021 based on available full-year disclosures. Where possible and necessary, we have also captured available data from 2022.

Depending on the type of data disclosed, some indicators received a “yes” or “no” designation, while other indicators have information captured in the “input value” field.
USING THE DATA

Companies’ inequality footprint can be sorted by pillar, sub-topic, and indicators. This framework should help investors undertake a/an:

1. Aggregate analysis of all companies
2. Sectoral analysis
3. Company-level analysis
4. Issue-specific analysis

Beyond establishing a baseline understanding of a company’s impact on inequality, this data is intended to help investors to holistically assess how corporations in their portfolio drive inequality. To that extent, investors can:

- INCORPORATE the CIF’s pillars, sub-topics, and indicators into their own investment modeling and due diligence if they haven’t adopted these topics already;
- ADVOCATE to regulators and legislators to increase individual corporate disclosures and enhance accountability mechanisms;
- PUSH third-party data providers that do not currently track corporate inequality footprint to incorporate it into their company assessments/profiles;
- INCORPORATE corporate inequality footprints into risk assessment and management with the help of ESG standard-setters (GRI, ISSB, TISFD, etc.); and
- DESIGN indices based on a selection of companies that do not substantially contribute to inequality.

This framework purposely does not feature a rating system or scorecard because of gaps in publicly available data.

Oxfam’s Corporate Inequality Framework
This is the inaugural edition of the Oxfam Corporate Inequality Framework. The lack of publicly disclosed data limited our efforts to test the framework, and it does not claim to reflect every single metric that impacts inequality. However, using the framework and the information gathered, we aim to foster productive conversations and fill gaps in the existing body of publicly available data and research.

Oxfam recognizes that inequality is multi-dimensional and intersectional and thus difficult to summarize. Companies contribute to it via direct and indirect actions related to human resources, supply chain, competitive behavior, tax practices, political activities, and more. These complications help explain why any approach aiming to holistically assess a company’s inequality footprint has its limitations.

As corporate disclosure requirements and standards evolve, we will continue to collect relevant, publicly available information to inform the whole or certain pillars and/or subtopics of the framework. Future iterations may incorporate additional pillars and/or indicators as they become relevant to measuring a company’s impact on people, power, profit, and/or the planet.

Corporate disclosure will remain key to this effort, and we will continue to encourage companies to be more transparent about their operations and externalities.