

## MEETING MINUTES

### Valuation Technical & Practitioner Committee

**Meeting type:** VTPC Meeting

**Date:** April 29, 2025

**Location:** Virtual

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*This paper has been prepared for discussion by the Valuation Technical and Practitioner Committee (VTPC).*

*The mandate of the Valuation Technical and Practitioner Committee (VTPC) is to direct, validate, and approve the impact accounting research and methodology produced by the cooperation of International Foundation for Valuing Impacts (IFVI) and the Value Balancing Alliance (VBA). The VTPC has been established under Terms of Reference to ensure independence and multi-stakeholder perspectives.*

*This paper does not represent the views of IFVI, the Value Balancing Alliance, or any individual member of the VTPC. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of impact accounting methodology.*

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#### **Objective:**

- The objective of the meeting was to discuss General Methodology 2: Global and Local adjustments as well as the Adequate Wages Topic Methodology.
- Additional objectives include updates on the organization, the 2025 Work Plan, and the extension of the VTPC Term.

## Meeting Agenda:

Topic	Time (Eastern Time)
Welcome	9:00 – 9:05 ET
Organizational Updates and VTPC Discussion	9:05 – 9:30 ET
General Methodology 2 Discussion: Global and Local Adjustments	9:30 – 10:00 ET
Adequate Wages Discussion	10:00 – 10:50 ET
Conclusions and Next Steps	10:50 – 11:00 ET

### Welcome, Organizational Updates and VTPC Discussion

- All members of the VTPC (“member” or “members” hereinafter) are welcomed to the meeting:
  - IFVI staff provided an organizational update along with remarks from VBA staff, including plans for the VTPC moving forward. The technical staff provided specific updates on the revised work plan, the extension of the VTPC term, and upcoming RFPs for consulting support to help with research and development. An updated 2025 Workplan was shared, noting that it remains tentative, as shown in Appendix B.

### General Methodology 2 - Local and global impact accounts

- The technical staff provided an overview of the different perspectives in valuation received from the VTPC and public exposure periods of Occupational Health & Safety (OHS) and Water Consumption, which includes the following:
  - Perspectives from VTPC
    - a) Health Impact Valuation - [VTPC Minutes](#)

- VTPC member feedback: “A global VSL is required. However, a country-specific VSL can be useful for internal decisions and complementary analysis.”
- Translation to the methodologies: “Both the OHS and Water Consumption Preexposure Drafts currently use one global VSL as their primary presentation, reflecting the stance that each person’s life is equally valuable. A single VSL is intended to avoid distortionary results when impact accounting decisions cross country/demographic lines - e.g., avoiding a result where one fatality in a multinational’s China factory appears less damaging than one fatality in its U.S. factory.

b) Lost wages valuation - [VTPC Minutes](#):

- VTPC member feedback: “A member asked whether the average wage calculation being considered is global or by country”. “A member stated that it should be the average wage of the entity differentiated by country because there is a major difference between the employees in Switzerland and Rwanda.”
- Translation to the methodologies: The lost wages component of the OHS methodology considers the local average wage at local prices.
- Extension to other methodologies: Other elements of the topic methodologies approximate the impact on local price levels, such as healthcare costs and future access costs for water, etc.

o Perspectives from the OHS public exposure period

- a) Some comments received during the public exposure period suggest that the methodology is inconsistent. In the same way, the use of local prices is also praised.
- “The methodology mixes estimates designed to reflect the resources available within a country (for

healthcare costs and lost wages) with estimates that ignore the local context when valuing mortality and nonfatal risk reductions (i.e., a single global VSL)."

- "Use country-specific values that more closely align with the values held by those affected, separately addressing the distribution of impacts across countries to evaluate the equity of the effects."
  - "In the case of the value of life, we suggest that each company use the specific statistical value of each country, except when consolidating results at the corporate level. In such cases, companies would need to translate each local figure into a common statistical value of life for all countries. Similar to the financial case, companies would be required to disclose the "currency and exchange rate" (i.e., the statistical value of life from a specific country used as a reference) they have employed to perform the conversion and global consolidation.
- Perspectives from the Water Consumption public exposure period
    - a) Some comments received during the public exposure period suggest that the methodology is inconsistent. In the same way, the use of local prices is also praised.
      - Consider its current calculation of the social cost of a cubic meter of water in Mauritania and Sweden. The cost of the former is listed as \$0.13, and the latter is 25 times larger – \$3.25." "Along with Mauritania, other sub-Saharan African nations (Somalia, Niger, and South Sudan) are calculated as having a low social cost of water extraction and thus represent good locations for water-intensive operations."<sup>1</sup>
  - The technical staff noted that the revised General Methodology 2 is a great opportunity to address this topic. Furthermore, the technical staff

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<sup>1</sup> The main reason behind this phenomenon lies in the use of local prices for the valuation of the future access impact

noted the challenge of both Local usability vs Global usability and provided the following comments:

- Local Usability: Expressing impacts in local terms (e.g., local healthcare costs, local value of statistical life) presents results aligned with actual prices and the local context (e.g., financial statements, willingness-to-pay, etc.).
- Global Usability: Expressing impacts in global terms (e.g., PPP-adjusted healthcare costs, global VSL) avoids differences in impact accounts that are only driven by price-level differences and not by performance (e.g., higher impacts in high-income countries and low-income countries).
- The technical staff provided an overview using graphs that summarize the three ways to integrate stakeholder views:
  - Local: The higher the GDP per capita, the higher the valuation of the impact (e.g., healthcare costs, VSL, WTP, ecosystem services valuation).
    - a) Based on market prices and actual WTP of local stakeholders, and currently expressed by healthcare costs, lost wages, future access to water, etc.
  - Semi-global: With the removal of income differences, therefore uniform.
    - a) Avoid that impact accounts are biased by price differences, and currently expressed by the choice of a global value for a statistical life.
  - Global – The higher the GDP per capita, the lower the valuation of the impact (e.g., healthcare costs, VSL, WTP, ecosystem services valuation).
    - a) Reflects the higher marginal utility of income in poor countries - Similar to the considerations included in the first Adequate Wages draft (utility of income) and the discussion on utility weights.
- Thereafter, the technical staff provided the following practical examples, which include the following:

- Local perspective example: The case of healthcare costs
  - a) A graph of healthcare costs (facility) vs GDP per capita, where the data represents country healthcare costs as presented by the OHS methodology Appendix.
    - Local usefulness: It enables understanding of real estimated costs, contextualizing results with local data, and expressing the views of local stakeholders.
    - Not adequate for cross-country comparisons: The impacts accounts give more relevance to OHS incidents in rich countries because the cost of a fatality in a high-income country is higher than in a low-income country.
    - Not consistent with the choice of a global value for a statistical life being considered.
- Semi-global perspective example: The case of healthcare costs (removing the effect of income differences).
  - a) A graph of healthcare costs (facility) vs GDP per capita, using PPP-adjusted data to ensure that price differences do not drive cross-country comparisons. In other cases, a universal value could be considered, such as the Value of a Statistical Life (VSL).
    - Not useful for local assessments: The magnitudes are far from market values and local data (e.g., wages).
    - Useful to ensure that the differences in valuation are not related to differences in price levels or income-related effects on WTP (even if they can still vary among countries).
    - Not useful for capturing the full picture: It doesn't reflect that the well-being implications for low-income countries (LICs) are higher due to the higher marginal utility of income.
- The case of healthcare costs - Reflecting the higher marginal utility of income of LIC

a) A graph of healthcare costs (facility) vs GDP per capita, where utility weights are applied to the local prices to reflect the higher marginal utility of LIC countries.<sup>2</sup>

- Not useful for local assessments: The magnitudes are far from market values and local data (e.g., wages).
- Useful for cross-country assessments: Poor countries are more sensitive to changes in income due to their limited resources. Applying the full utility weights takes into account this wider sensitivity at low-income levels.

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<sup>2</sup> Utility weighting accounts for the difference in marginal utility of income among people of different incomes, ensuring that the utility of a lower-income person counts just as much as the utility of a higher-income person. (Acland, D. J., & Greenberg, D. H. (2023)). The utility weight applied to income should be weighted in the same way as for a change in other type of impacts for any given individual all else equal (e.g., health effects).

## Discussion:

- The technical staff proposed the following discussion questions:
- Question 1: Implications for our methodology
  - Recognizing the importance of both local (stakeholder context and real market data) and (semi-)global (comparability and worldviews) impacts, it appears necessary for our methodology to address this. How should this be approached?
  - Should the methodology consider both as default?
    - a) Preparers should default to presenting results in both local and global terms.
    - b) Local terms used for single-country analysis and global terms for multi-country analysis
    - c) Potential additional workload, but comparability ensured.
  - Or should the methodology consider a rule-based approach?
    - a) Preparers should follow the rule: present results in local terms for single-country analyses and global terms for multi-country analyses.
    - b) Betted adaptability to use case, but no default option could harness comparability.
  - Enabling both local and global impact accounts introduces flexibility into the methodology, regardless of which approach is taken above. What are the implications of this flexibility on the feasibility and understandability of the Methodology? How can these implications be managed and mitigated?
- Question 2: From local to (semi-)global perspectives into practice
  - 2-step approach
    - a) The two-step approach allows for the separation of the semi-global adjustment (income differences) and the additional utility weights (full marginal utility considerations).



- b) Potentially adds complexity
  - o 1-step approach
    - a) Transforms local results into global results, considering the full utility weighting in one step
    - b) Does not show a situation in which all countries have a homogeneous benchmark
  - o Accompanying the local perspective, how do you think impact accounts should be presented? Is the semi-global perspective relevant too (i.e., 2-step approach)?
- Question 3. General feedback
  - o Recognizing the importance of both local (local stakeholder context, real market data) and (semi-)global (comparability & worldviews) impact accounts...
    - a) What resources and/or existing insights does the VTPC know of that could guide our approach?
    - b) What VTPC members would be interested in supporting in a follow-up small group?
    - c) What level of detail should be considered when articulating an approach to global/local in General Methodology 2?

- Members provided the following comments:
  - A member inquired about the burden on preparers.
    - The technical staff responded that the level of difficulty varies by topic. For example, the Value of Statistical Life (VSL) requires a multiplier, while topics like remuneration and impact require two models - one for local results and one for global results.
    - The technical staff also highlighted the complexity within the methodology itself, which may limit users' ability to fully understand it. Additionally, implementation can be challenging. While some complexity can be internalized within the methodology, making it easier to apply, other aspects place more burden on the user. Software can help reduce that burden, but they do not simplify the underlying concepts.
  - A member noted that they approach it from a cost-benefit perspective, particularly when considering investments needed to address certain impacts, which may require a local perspective. However, when evaluating at the company level, comparability is key, and that can only be achieved through a global perspective.
  - A member noted that their experience has been with a semi-global approach, which differs from a fully global one. They emphasized that it is not just about purchasing power, and the concept requires further consideration.
  - Another member suggested that more fieldwork is needed to assess whether the semi-global approach adds value.
  - The technical staff asked whether there was interest in forming a small group to continue this discussion. Some members expressed interest.
  - The technical staff concluded that there is general support from the VTPC for the conclusions presented, while

highlighting that there is an open question around how to distinguish between global and semi-global approaches.

## Adequate Wages

- The technical staff provided the following goals of the meeting:
  - While technical staff have shared the Exposure Draft in advance for VTPC reading, the goal is not to vote to approve the Exposure Draft for public comment in this meeting.
  - Instead, today's goals are to:
    - a) Ensure all VTPC members have a common understanding of the Exposure Draft's contents, rationale, and the divergent perspectives that it tries to unite. This also includes clarifications in response to VTPC feedback on the pre-exposure draft.
    - b) Seek high-level alignment on whether remuneration impact is included (and as a result, whether there is ever a potential positive impact below a living wage), AND if so, how those impacts should be framed together.
    - c) Set up another feedback opportunity, post-meeting, for VTPC members to provide specific written suggestions to refine the Exposure Draft.
  - We believe there is an emerging VTPC agreement at a high level that the approach taken in the Exposure Draft incorporates multiple perspectives in a coherent and rigorous way. That said, we acknowledge that not all perspectives can be incorporated fully — it is not possible with such divergent views. The goal is instead to find common ground that achieves the mission of the Methodology, while acknowledging that alternative approaches can be complementary to the official Methodology.
  - The technical staff provided an overview of the draft development timeline as well as existing content in the ecosystem that informed drafting to date, which includes the following:
    - a) Impact-Weighted Accounts Project (IWA): Proposes several adjustments to total wages paid, including Living Wage and Income Satiation adjustments.

- b) Value Balancing Alliance: Living Wages methodology results in positive impacts above the living wage and negative impacts below. Remuneration is also counted as part of the GVA methodology
- c) Shift & Capitals Coalition: Provides a model for calculating six key metrics, including human capital erosion due to living wage deficits.
- d) True Price (Impact Institute): Provides a method for valuing underpayment as a negative externality to be used as an adjustment to market prices.
- e) GIST & WifOR: Joint framework positions Fair Wages under Human Capital and positions Employee Compensation under Financial Capital.
- f) Wifor: Fair Wages methodology results in positive impacts above the living wage and negative impacts below. Remuneration is also counted as part of the GVA methodology.
- g) Valuing Impact: Develops an impact pathway for two outcomes: income change and gap to living wage, both monetized using the health utility of income (HUI).
- h) OECD WISE Centre: Working paper proposes methods for valuing five aspects of employee well-being.
- o Furthermore, the technical staff provided an overview of the three broad types of content:
  - a) Type 1: Remuneration impact does not exist below the living wage
    - Description: Emphasizes the living wage as a human rights threshold below which remuneration impact does not exist, and only living wage deficit impact exists
    - Reference scenario: Living wage
    - Valuation method: Well-being functions in general

b) Type 2: There is a positive remuneration impact below the living wage, but there also needs to be a recognized negative impact regarding a living wage deficit

- 2a: Remuneration impact is part of GVA:
  - Description: Interprets remuneration impact as the remuneration component of GVA (GDP contribution), while recognizing living wage deficit impact under 'Fair Wage' or 'Living Wage' methodologies.
  - Reference scenario: Zero wage
  - Valuation method: Financial value for remuneration, living wage is well-being adjusted
- 2b: Remuneration impact is based on market price or financials
  - Description: Interprets remuneration impact as the starting wage bill or market price from which a series of externalities (i.e., living wage deficit) are subtracted.
  - Reference scenario: Zero wage
  - Valuation method: Financial value for remuneration, living wage is well-being adjusted
- 2c: Remuneration impact is valued through a well-being lens
  - Description: Interprets remuneration impact through a well-being function, emphasizing impacts on workers/the workforce as affected stakeholders.
  - Reference scenario: Zero wage or starting wage
  - Valuation method: Various well-being functions, whether HUI or utility function

- c) Type 3: Only the remuneration impact is considered, without consideration of a living wage. Such an approach is evidenced in some economic literature
    - NOTE: This approach has not been considered as it is not aligned with foundational ideas of impact accounting.
- The technical staff also provided an overview of the VTPC's perspectives on the updated Pre-Exposure Draft.
  - While many VTPC members expressed comfort and agreement with the proposed approach in the updated Pre-Exposure Draft (shared for the February '25 meeting), a few members' feedback highlighted the need for further reconciling views on whether remuneration impact should be positive below the living wage, while recognizing the living wage deficit impact as well.
  - Below are suggestions VTPC members raised for finding common ground.
    - a) Suggestions from VTPC members that find common ground
    - b) Clarify relationship to existing approaches, including relation to GVA
    - c) Emphasize that the two impacts affect different capitals (economic/produced vs. human and social)
    - d) Clarify that the two impacts are more separate, or
    - e) Integrate the two impacts as one consistent model (note that this is incompatible feedback and tied with other suggestions raised regarding capitals affected)
    - f) Ensure incentivization toward paying a living wage and avoid undermining such efforts
- The technical staff provided an overview of the proposed changes in the latest version of the Exposure Draft:
  - Rename methodology to "Wages"

Changing the title from “Adequate Wages” to “Wages” better reflects the full scope of the methodology. The previous title implied an exclusive focus on externalities, which is not the case.

- Split the impact pathway into two.  
Having one impact pathway for remuneration impact and one for living wage deficit impact emphasizes that the two should be presented distinctly, ultimately mitigating the risk that entities use positives to mask negatives.
- Identify the capitals affected by the two impacts.  
To further explain and distinguish between the two impacts, the remuneration impact is linked to economic capital, and the living wage deficit impact is linked to human and social capital, even as a well-being lens is taken to both.
- Clarify relation to GVA (see following slide)  
Clarify that the remuneration impact builds on the “remuneration of employees” component of GVA calculations.
- Clarify relation to *Accounting for a Living Wage*.  
Clarify that Wages Topic Methodology aligns with *Accounting for the Living Wage* in four ways: (1) living wage deficit impact; (2) definition and criteria for living wage benchmarks; (3) valuing wage in terms of utility rather than money value; (4) inclusion of employee, contractor, and value chain.
- Improve data visualization  
All impacts represented as lines rather than areas, all axes labeled, and visualization amended to show both the separation between the two impacts AND the resulting crossing point when analyzed together.
- Promote the correct interpretation of positive impacts.  
Distinguishes between the amount of impact, direction of impact (positive or negative), and how to use impact information to evaluate performance. Distinguishes between “doing better” and “doing enough.”
- Change the LW deficit impact from concave to convex, raising the crossing point.  
Convexity reflects human rights interpretation of the LW.



Combined effect of the two impacts precipitously declines just under LW, thus emphasizing LW as a threshold. Convexity raises crossing point closer to LW.

- The technical staff provided the rationale for remuneration impact as proposed:
  - Why?
    - a) Purpose of impact accounting: To provide comprehensive (covering all impacts) and comparable (across companies and topics) impact information.
    - b) Evidence base: Best available research, economic theory, and empirical evidence of labor markets reinforce the role of remuneration impact on the labor force.
    - c) Impact as a function of quality and quantity: Inclusion of remuneration impact is necessary to ensure that results factor in scale, rather than just quality (e.g., 10 living wage jobs vs. 10,000).
    - d) Incentives: Inclusion of remuneration impact ensures users are incentivized to pay a living wage (across a range of impact-related motivations, per the examples to follow\*), while also avoiding perverse incentives (e.g., cutting all sub-living wage jobs to improve impact).
    - e) Market precedent: Alignment in spirit with other methodology providers that recognize both types of wage impact, while building off such precedents to center impact and well-being.
  - Why Not...?
    - a) ...GVA? Not intended as a measure of well-being, GVA is proposed as an input and complement (see new call-out box in Exposure Draft).
    - b) ...Different statements? To recognize overlapping drivers/data requirements, create efficiency in navigating and applying the methodology, and avoid the risk of users

selectively choosing the positive impact without the negative.

- c) ...One pathway? To emphasize importance of living wage, avoid 'masking' of negatives with positives, ensure interoperability with frameworks focused on one or the other (i.e., *Accounting for a Living Wage*, GVA), and recognize difference in capital between the two impacts.
  - d) ...Employment instead of remuneration? Non-wage employment impact acknowledged as significant and potentially neutralizes opportunity cost, but it is not a replacement for remuneration impact. Total impact of employment better conceptualized as wage impacts plus work conditions impacts, where the latter includes impact of being employed, job security, working hours, OHS, etc.
- The technical staff briefly presented five scenarios and concluded that a twofold solution, positive remuneration impact and negative living wage deficit, delivers the most consistently aligned results, optimizing impacts, return on investment (ROI), and other key outcomes.
  - Thereafter, the technical staff proposed the following discussion questions:
    - Based on the context shared above, is the VTPC aligned that the remuneration impact is justified (and specifically that the remuneration impact is positive below the living wage), in addition to the recognition of a living wage deficit impact?
    - Is the well-being translation of wages in remuneration impact well-justified? Does the explanation of its relationship with GVA add value in articulating how they are related and complement one another?
    - Recognizing that the positive impact of wages can be considered in different ways, what does the VTPC think in terms of presenting them as impacts on distinct capitals (remuneration as impacting economic capital, and living wage deficit on human and social)?

- Does the proposal to use a convex curve to model living wage deficit impact appropriately balance the impact of a living wage deficit relative to remuneration impact, conceptually and in terms of practical impacts on decision making? Should this be a topic for feedback during the next public comment period?
- Are there additional points of framing that VTPC members would like to provide input on, or that they believe should be featured in the public comment period? (NOTE: VTPC Members will also have the opportunity to share feedback on the exact wording of proposals after this meeting.)
- A poll was conducted on the first two discussion questions:
  - Question 1: 5 responded Yes, 5 No, and 3 were *Unsure*.
  - Question 2: 7 responded Yes, 1 No, and 4 were *Unsure*.
- Members provided the following comments:
  - A member asked members of WifOR and GIST to confirm if the categorization of Type 2 methodologies is correct.
    - The technical staff confirmed that they interpret both WifOR and GIST as falling under Type 2. Both Type 1 and Type 2 approaches consider the living wage an essential reference point when looking at overall wage impacts. Mapping is difficult because it is a combination of two of WifOR and GIST's methodologies being mapped. WifOR and GIST have the remuneration component of their GVA methodology and also a Fair Wages or Living Wages methodology. Under the GVA methodology, remuneration is considered a positive impact even when it falls below the living wage. Both WifOR and GIST also have a Fair Wage or Living Wage methodology, with the living wage serving as an implicit reference point.
  - A member noted the value in distinguishing between financial and social aspects of wage impact. For WifOR, the wage component in GVA is seen as a financial impact, while the Fair

Wage methodology treats it as a social or human capital impact. From their perspective, wages below the living wage represent a negative human capital impact and align more with Type 1.

**Clarification Note:**

*[Technical staff have confirmed that GVA is included in impact statements produced by Wifor and referred to as an impact in resources that outline their approach as described in “Type 2”. However, GVA is conceptually distinct from the social impact reflected in the Fair Wage indicator, which captures external effects beyond the market transaction. It is therefore important to differentiate between the two and avoid any risk of offsetting potential negative impacts related to living wage gaps with remuneration components of GVA – and vice versa – as they address different dimensions of impact.]*

- A member explained that, under the GIST methodology, GVA is part of produced capital. It includes salaries, wages, and other value additions to employees as part of analyzing different production factors and stakeholder value. The member also noted that Type 1 is easier to explain to stakeholders, especially those already familiar with the concept. In Type 2, both the remuneration impact and the living wage impact should be shown as separate line items.
- The technical staff wanted to clarify, based on the members' comments, that, similar to WifOR, GVA in the GIST methodology is not considered an impact on social or human capital, but rather an impact on produced economic capital.
- The member noted that this is correct.
- A member asked for clarification on the distinction between 2a and 2b, as it appeared to be based on differences in calculation.
- The technical staff clarified that the distinction between 2a and 2b is not based on how the impact is calculated, but rather on how it is presented.
- The technical staff clarified that the updated draft aims to make it more explicit that while wages are a common driver, the impact pathways for remuneration and the living wage deficit are distinct, and the types of capital affected are distinct. The impact of remuneration relates to economic capital, which we consider

interchangeable with produced capital, aligning with the terminology used in the System of National Accounts. However, the living wage deficit represents an impact on human and social capital.

- The technical staff posed the following question:
  - a) When considering GVA, it is not considered an impact - it is classified as produced capital. In that case, would it be excluded from the impact accounts because it's not an impact? Or, from your perspective, would it still be included even though it pertains to produced capital?
    - A member expressed concern that the level of sophistication has surpassed the general understanding of the group, making it difficult to explain. Therefore, we should stay with the produced capital.
- A member noted that, in response to these two questions, they answered "unsure" to the first and "yes" to the second. GVA is important, but it is not the same as remuneration impact, particularly in terms of social impact. Impact is what changes for individuals, not what is produced and measured in economic terms. Regarding the first question, it is also important to consider the aggregated impact between remuneration and living wage deficit impact (although preparers should not aggregate). It depends on whether the living wage deficit impact is bigger or smaller than the remuneration impact.
- Another member noted that they responded "no" to the first question. Adjustments would need to be made to GVA to apply the impact lens effectively. One of the corrections is that any wage below the living wage has a negative impact on the workers. The current methodology combines two distinct concepts, financial impact and well-being impact, which leads to a distortion. Consequently, the explanation of the capitals is incorrect, as capitals can change.
  - a) The member also noted that the separation of the pathways does not make sense and leads to distortions and risks misinterpretations of the methodology. Caveats can

be given for not netting them off, but the diagrams and tables are still based on netting.

- A member emphasized the importance of the utility derived from income. There are two components to consider from an economic theory perspective; the Total Economic Value framework includes use values and non-use values. Whatever a company pays someone for a role, putting aside the moral consideration, there is some utility: the utility gained from receiving income through employment. GDP doesn't appropriately capture the impact as a result of that, and therefore, an adjustment needs to be made. Then there is the non-market part of the TEV framework. Both parts need to be considered -market and non-market - and the Methodology cannot lose sight of this. The member voted "yes" on the first question and "unsure" on the second, with the "unsure" due to uncertainty about execution.
- A member explained that they voted "unsure" due to their own lack of expertise and knowledge on the topic. However, they emphasized the importance of connecting this approach to other methodologies.
- A member shared that they always focus on the use case for a particular company or investment. First, they examine the current wages of the workforce and, second, assess whether those wages provide an adequate standard of living, dignity, and respect, in the context of the local/regional economy. They would then develop a cost-to-level-up model to help create a positive impact for employees within those companies. Therefore, the member feels aligned with the proposed approach.
- A member noted that both job creation and job quality are important. Having a job has some benefits, whether it be social recognition or values, and the member has encouraged IFVI to explore whether there is evidence to support valuing those benefits. If no valid approaches exist, this should be acknowledged in the methodology as a limitation. However, they also expressed concern that the methodology is reflecting positive impacts when wages fall below the living wage and asked another member whether they agreed with the method.

- A member mentioned that not only is job creation important, but also job stability, and that a person has accepted the job. They stated they wish to revisit previous points on corrections related to GVA before responding, as further clarification is required.
- The technical staff noted the unexpected voting results and acknowledged the lack of consensus despite efforts to incorporate diverse views. Further follow-up is required to align on the approach.

## **Conclusions and Next Steps**

- To conclude the meeting, the technical staff provided the following updates:
- The meeting minutes will be sent by the end of the week.
  - VTPC members should continue to promote the Product Framework to their connections. The public comment period ends on April 30, and an extension is currently being developed.
  - General Methodology 2: A final draft is anticipated for June. The VTPC and small group sessions on global and local perspectives will soon take place.
  - Adequate Wages: Please submit your written feedback on the draft by May 15.
  - Waste and Circularity: A pre-exposure draft is in development (anticipated for June VTPC).
  - Wage Inequality: Expected to be discussed at the June VTPC (Consultant RFP).
- The technical staff thanked the members for their participation, and the meeting was concluded.



## Appendix A: Attendance

VTPC Members		
Name	Attendance	Representative (If Absent)
George Serafeim (Chair)	Absent	
Sonja Haut (Vice Chair)	Present	
Mohammed Abdulrahman Al-Akil	Absent	
Tom Beagent	Present	
Dr. Duoguang Bei	Absent	Xu Hu
Jens Berger	Present	
Sarah Bratton Hughes	Absent	
Adrian De Groot Ruiz	Absent	
Christian Hell	Present	
Klaus Hufschlag	Absent	
Amma Lartey	Absent	
Jun Suk Lee	Present	
Kelly McCarthy	Present	
Crystal Pay	Absent	Beate Stuis
Dr. Amanda Rischbieth AM FAICD	Present	
Dr. Marta Santamaria	Present	
Pavan Sukhdev	Absent	Karan Peer
Sebastian Welisiejko	Present	Emilia Cerra
<b>Observers:</b>		
Yulia Romaschenko	Present	
Richard Scholz	Absent	Lorenz Roettger

Technical Staff	
Name	Organization
Dan Osusky	IFVI
Tamsin Chen	IFVI
Mosunmola Olowu	IFVI
Marc Rosenfield	IFVI
Rob Zochowski ( <i>partial attendee</i> )	IFVI
Michael Verbücheln	VBA
Francisco Ortin Cordoba	VBA

## Appendix B: Revised 2025 Work Plan

