



**Corporate Human
Rights Benchmark**
Pilot Methodology 2016

This work is the product of a collaboration between Aviva Investors (www.avivainvestors.com), Business & Human Rights Resource Centre (www.business-humanrights.org), Calvert Investments (www.calvert.com), Institute for Human Rights and Business (www.ihrb.org), VBDO (www.vbdo.nl) and Vigeo Eiris (www.eiris.org). This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License (<http://creativecommons.org/licenses/by-nc-nd/4.0/>). You are free to copy and redistribute this work in any medium or format provided that you give credit to all six organisations and that you do not alter the content in any way. Any commercial use of this material or any part of it will require a licence. Those wishing to commercialise the use are invited to contact the Corporate Human Rights Benchmark.

© March 2016

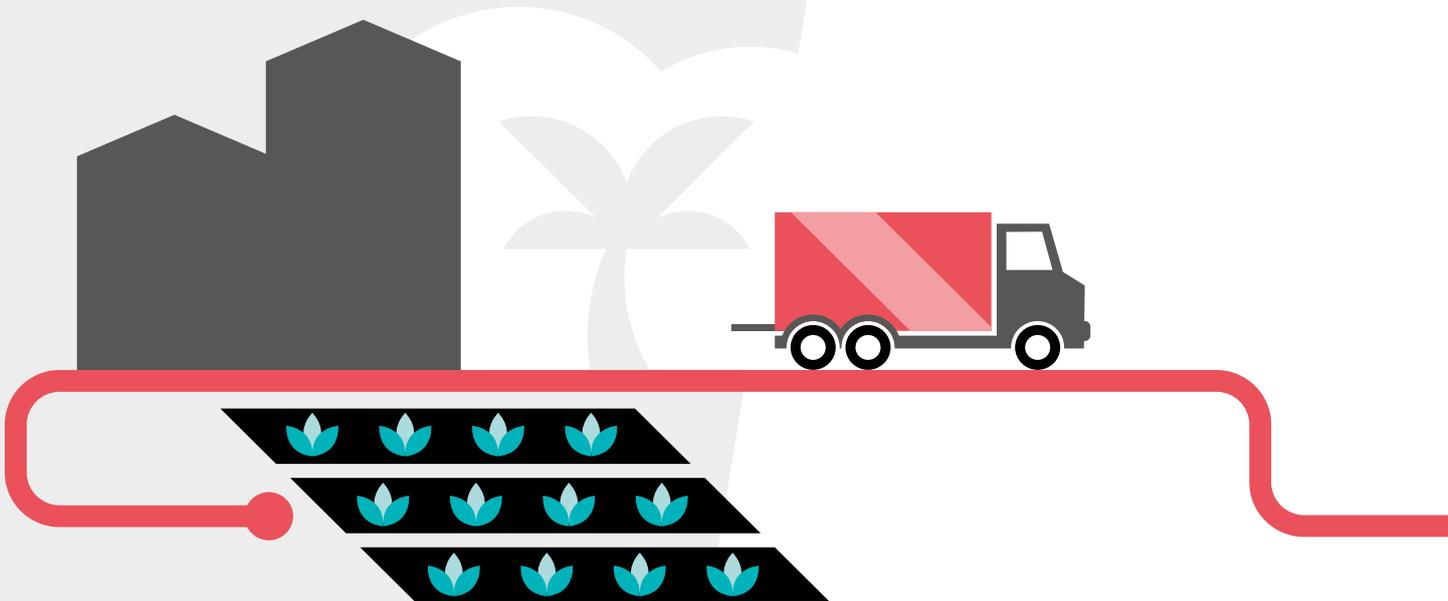


Table of Contents

Foreword	4	5. MEASUREMENT THEMES AND INDICATORS	46
Acknowledgements	6		
List of Tables	7		
Referenced Sources	8	A. GOVERNANCE AND POLICY COMMITMENTS	49
1. WHY THE NEED FOR A BENCHMARK?	10	A.1. Policy Commitments	51
The Challenge	12	A.2. Board Level Accountability	58
The Levers for Change	14	B. EMBEDDING RESPECT AND HUMAN RIGHTS DUE DILIGENCE	61
CHRB Objectives	15	B.1. Embedding Respect for Human Rights in Company Culture and Management Systems	64
Expected Impacts	15	B.2. Human Rights Due Diligence	70
2. INTRODUCTION TO THE CHRB	16	C. REMEDIES AND GRIEVANCE MECHANISMS	75
Who is the CHRB	18	D. PERFORMANCE: COMPANY HUMAN RIGHTS PRACTICES	85
Development of the CHRB Methodology	20	D.1 Agricultural Products	88
Benchmarking Features	22	D.2 Apparel	98
3. HOW THE PILOT CHRB WORKS	26	D.3 Extractives	108
Scope of the 2016 Pilot Benchmark	29	E. PERFORMANCE: RESPONSES TO SERIOUS ALLEGATIONS	113
The CHRB Long-Term	35	F. TRANSPARENCY	123
The Annual CHRB Research Cycle	36	ANNEXES	133
4. APPROACH TO SCORING	38	Index Of Indicators	134
The CHRB Measurement Themes and Indicators	40	Glossary	142
Indicator Scoring	40	Sources Referenced	147
Weighting of Measurement Themes	41		
Cross-Referencing	42		
Types of Evidence	42		
How to read a CHRB Indicator	45		



Foreword



How companies are managing human rights is an important commercial issue. It matters to shareholders, it is material. Yet despite decades of engagement on human rights by companies, by governments and by the global community, we do not yet have a wide-scale, publicly available way of identifying how companies are performing. As a result, companies and investors are not routinely incorporating the costs of getting human rights wrong or right into their investment decisions.

The Corporate Human Rights Benchmark (CHRB or the Benchmark) aims to correct this. We recognise that it will be tough to do justice to the complexity of issues involved. It is a fact that we do not have a base unit for measuring corporate human rights performance. It is not meters. It is not kilograms. It is not money. Human rights are fundamentally qualitative and hard to measure. To translate this into a proxy for corporate performance, our challenge is to create a robust framework for analysis, a set of criteria, that enables us to do such measurement. The result will only ever be a proxy for that base unit, a tool for engagement. As long as we all treat it as a proxy and not a fundamental measure, the impact that such a measure could have by creating a race to the top and driving better performance will be profound.

I recall five years ago, when Aviva Investors

first started looking at the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles), thinking how inspirational they were. I remember seeing how they took the Universal Declaration of Human Rights and made it work for business. I eagerly looked forward to seeing how companies would score against them. But over the subsequent years, I became frustrated, because no scores were being made publicly available. They were being created, but on a paid for and therefore less accessible basis that meant the potential wide-scale impact was not coming to fruition.

So we endeavoured to work together with other likeminded organisations, knowing it would take a collective effort to develop something robust enough to achieve the proxy measure that was needed. We formed the CHRB with five other organisations, and committed to publishing that proxy score as a public good, available to all stakeholders – investors, business, civil society, trade unions, academia and the media.

Over the last two years we have consulted around the world on multiple iterations of this Methodology. What we have arrived at today is a robust approach to assessing corporate human rights performance, in the vein of the principled pragmatism infused in the UN Guiding Principles with which this Methodology is aligned.

Crucially, the scores will be public, meaning the best businesses will be able to be proud of their achievements and the rest will feel the forces of the market using this information. It will be up to the owners of a business to engage with their human rights risks and improve their approaches to managing them, to ensure the company is delivering responsible human rights performance for all. But company owners will know that civil society, media, governments and competitors can

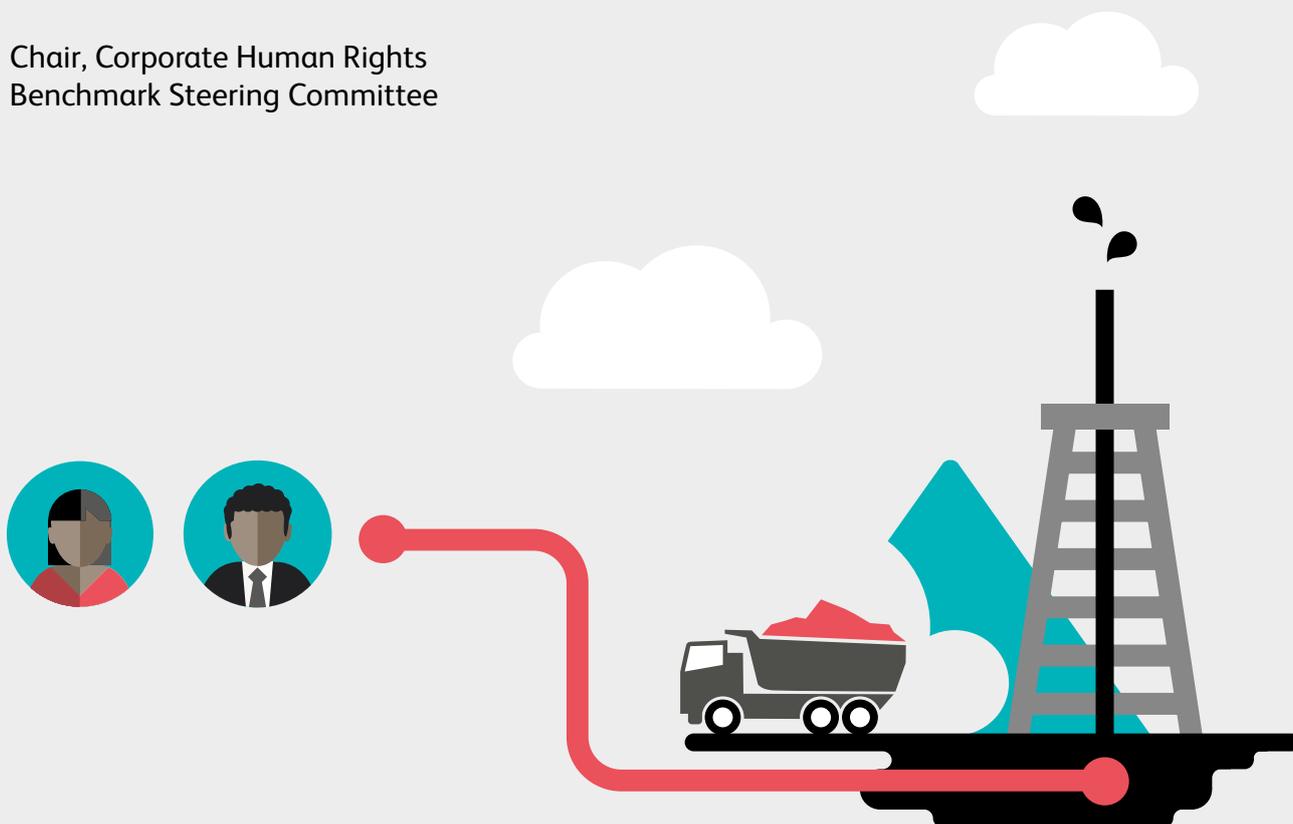
also see the scores. This makes the business case for a company to deal with human rights issues even more compelling, because stakeholders will want to know why they are falling down at certain hurdles and what they will be doing to overcome their challenges.

Benchmarks are a tool for promoting better corporate performance on any issue, as long as they are felt to be robust, credible and provide a fair and scrutinised analysis. I am convinced that this Methodology does exactly this. We look forward to presenting the Pilot Benchmark in November 2016 and contributing to the greater accessibility of transparent information needed to drive improved corporate human rights performance around the world.

Steve Waygood

Chief Responsible Investment Officer,
Aviva Investors

Chair, Corporate Human Rights
Benchmark Steering Committee



Acknowledgements

The Corporate Human Rights Benchmark (CHRB or the Benchmark) has been developed through the CHRB Steering Committee, composed of the six organisations – Aviva Investors, Business & Human Rights Resource Centre (BHRRRC), Calvert Investments, Institute for Human Rights and Business (IHRB), VBDO and Vigeo Eiris – with the overall management provided by the CHRB Programme Manager, Vicky Dodman.

This Methodology document is the result of extensive multi-stakeholder consultation around the world over the last two years, involving representatives from over 400 companies, governments, civil society organisations, investors, academics and legal experts. Consultations were held in Amsterdam, Hong Kong, Johannesburg, London, New York, Paris, Sao Paulo and Sydney.

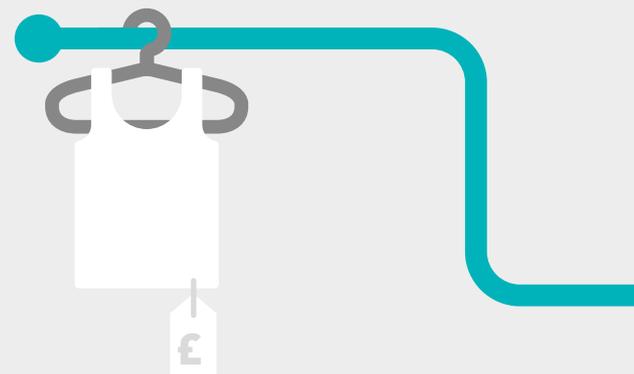
The CHRB would like to thank the Governments of the Netherlands and United Kingdom and The Joseph Roundtree Charitable Trust for their initial financial support to launch this initiative.

The CHRB would also like to sincerely thank all stakeholders for their insights and contributions during the CHRB consultations. A full list of all those who contributed their time, expertise and energy can be found [here](#).

Thanks also to APG Asset Management, Itaú Asset Management, the Johannesburg Stock Exchange Limited, NYU Stern Center for Business and Human Rights, Rockefeller & Co., the OECD, and the UN Principles for Responsible Investment for their support in organising and hosting CHRB consultations.

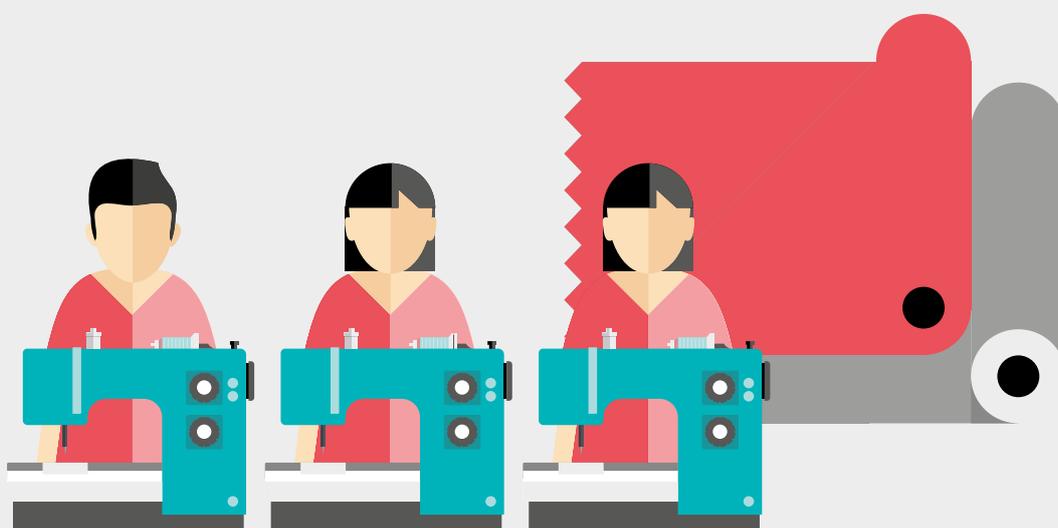
The CHRB would also like to acknowledge the role RepRisk will provide in the Benchmark through providing sources for the Responses to Serious Allegations Measurement Theme.

The Steering Committee would also like to recognise the contributions made by all staff from the CHRB Steering Committee organisations and in particular Annemieke Reijngoud, Eniko Horvath, Haley St Dennis, Margaret Wachenfeld, Peter Webster and Typhaine de Borne.



List of Tables

Table 1	Sources referenced in CHRB indicators	8
Table 2	Challenges in the agricultural products, apparel and extractives industries	13
Table 3	CHRB objectives and expected Impacts	15
Table 4	Benchmarking features	22
Table 5	Key industry risks for the 2016 Pilot Benchmark	24
Table 6	Overall scope of the 2016 Pilot Benchmark	28
Table 7	Scope of industry activities for the 2016 Pilot Benchmark	29
Table 8	Scope of business relationships for the 2016 Pilot Benchmark	30
Table 9	Company structures covered by the 2016 Pilot Benchmark	31
Table 10	Companies to be included in the 2016 Pilot Benchmark	32
Table 11	CHRB measurement themes	40
Table 12	Weighting of CHRB measurement themes	41
Table 13	CHRB indicator structure	44
Table 14	CHRB indicator rules	45
Table 15	The four fundamental principles and rights at work	52
Table 16	Key international human rights instruments protecting the rights of individuals/groups that may require particular attention	55
Table 17	Examples of types of alleged impacts relevant to Measurement Theme E	115
Table 18	Scoring for Measurement Theme E	119
Table 19	Disclosure points and relevant CHRB indicators	124



Referenced Sources

Table 1 below lists the acronyms for sources referenced directly within individual CHRB indicators and to which the CHRB indicators are aligned. A wider set of references were also used to inform the development of the CHRB Methodology more generally, and are listed in Annex 3.

Table 1: Sources referenced in CHRB indicators

BSCI	Business Social Compliance Initiative Code of Conduct
CEDAW	Convention on the Elimination of all Discrimination Against Women
CRBP	United Nations (UN) Children’s Rights and Business Principles
CRC	Convention on the Rights of the Child
EITI	Extractives Industry Transparency Initiative
ETI	Ethical Trading Initiative Base Code
FDC 2014	French Development Cooperation Operational Guide to due diligence of agribusiness projects that affect land and property rights (2014)
FLA	Fair Labor Association Code of Conduct and Compliance Benchmarks
FWF	Fair Wear Foundation Labour Standards
GLWC	Global Living Wage Coalition
GRI	Global Reporting Initiative
HRIB	Danish Institute for Human Rights, Indicators for Business
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social and Cultural Rights
ICMM PS 2013	International Council on Mining and Metals Position Statement on Indigenous Peoples and Mining (2013)
ICOC	International Code of Conduct for Private Security Service Providers
IFC PS	International Finance Corporation Performance Standards
ILO No. 1	International Labor Organization (ILO) Hours of Work (Industry) Convention, 1919 (No. 1)
ILO No. 14	ILO Weekly Rest (Industry) Convention, 1921
ILO No. 29	ILO Forced Labour Convention, 1930
ILO No. 87	ILO Freedom of Association and Protection of the Right to Organise Convention, 1948
ILO No. 98	ILO Right to Organise and Collective Bargaining Convention, 1949
ILO No. 100	ILO Equal Remuneration Convention, 1951
ILO No. 105	ILO Abolition of Forced Labour Convention, 1957
ILO No. 106	ILO Weekly Rest (Commerce and Offices) Convention, 1957
ILO No. 111	ILO Discrimination (Employment and Occupation) Convention, 1958

ILO No. 138	ILO Minimum Age Convention, 1973
ILO No. 169	ILO - Indigenous and Tribal Peoples Convention, 1989
ILO No. 182	ILO Worst Forms of Child Labour Convention, 1999
Interlaken Group 2015	Interlaken Group, Respecting Land and Forest Rights – A Guide for Companies (2015)
IPIECA 2012	IPIECA Indigenous guide on Peoples and the oil and gas industry: context, issues and emerging good practice (2012)
SA8000	Social Accountability 8000 International Standard
SASB	Sustainability Accounting Standards Board
SDG	UN Sustainable Development Goals
UNDRIP	UN Declaration on the Rights of Indigenous Peoples
UN GA Res	UN General Resolution 64/292 The Human Right to Water and Sanitation (August 3, 2010)
UN GC CEO Water Mandate	UN Global Compact CEO Water Mandate
UN Guiding Principle / UNGP	UN Guiding Principles on Business and Human Rights
UNGPRF	UN Guiding Principles Reporting Framework
UNSR IP 2013	Report of the UN Special Rapporteur on the Rights of Indigenous Peoples, James Anaya - Extractive industries and indigenous peoples (2013)
UN Voluntary Guidelines	UN Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security
USAID 2015	USAID Operational Guidelines for Responsible Landbased Investment (2015)
VPSHR	Voluntary Principles on Security and Human Rights
WEP	Women's Empowerment Principles



1

Why the Need for a Benchmark?

1

Business can create jobs and secure livelihoods, provide products and services, support community development and provide tax revenue for the state to invest in the well-being of its people.

Yet, without a sound commitment to human rights and implementation through due diligence, jobs can be precarious with poverty wages, indigenous peoples can be dispossessed of their ancestral lands and individuals can be subjected to modern day slavery, amongst a range of other potential impacts. Preventing adverse impacts on workers, communities and consumers is one of the most pressing challenges almost every company faces in today's globalised marketplace.

The competitive nature of the market is a powerful driver for change and represents an untapped lever to confront this challenge. [A recent survey by the Economist Intelligence](#)

[Unit](#) found that of 853 senior corporate executives surveyed on which interventions could best enable them to meet their human rights responsibilities, the top choice was a public benchmark on companies' human rights performance. The Corporate Human Rights Benchmark seeks to answer this call.

The Benchmark will provide a comparative snapshot year-on-year of the human rights performance of the largest 500 companies on the planet, looking at the policies, processes and practices they have in place to systematise their human rights approach and how they respond when things go wrong. This will be a public good for all stakeholders.

The Challenge

Human rights are basic standards to ensure dignity and equality for every person. Companies can have positive impacts on human rights as well as negative impacts.

It was only in 2011 that the first global set of operational principles, the UN Guiding Principles on Business and Human Rights, were officially endorsed following six years of development and global multi-stakeholder consultation. The UN Guiding Principles affirm the fundamental responsibility that companies must respect the rights of workers, communities, consumers and others potentially affected by their own operations as well as by their business relationships, and demonstrate how they are doing so. They have since then been reflected in other international standards including inter alia the OECD Guidelines for Multinational Enterprises, IFC Performance Standards and ISO 26000 Social Responsibility Guidance, reinforcing the status of the UN Guiding Principles as the authoritative baseline for corporate respect for human rights.

Given the recent establishment of the UN Guiding Principles as the first clear baseline for how businesses should conduct their activities to avoid negative impacts on people, many companies are only beginning to implement or improve their human rights related policies, processes, practices and responses. This can be complex. It will take time and dedication to raise the operating standard of all companies to one where “responsible” and “sustainable” performance is the only performance.

This is a fundamental challenge, but there are already companies progressing rapidly in embedding human rights into their core business. By preventing and mitigating harm to people, company leaders are also reporting substantial benefits to their business. However, not every company has started this journey. Many are focused on the demands of quarterly returns and cast human rights as peripheral

or irrelevant to their core business model.

Implementing respect for human rights across a company’s activities and business relationships is not simple. It takes commitment, resources and time to embed respect for human rights into the ways that a large and diverse workforce thinks and acts. Moreover, companies rarely control all the circumstances in which they operate; those contexts may change rapidly and serious human rights dilemmas may arise.

Impacts are often linked via a business relationship, prompting more responsible companies to try to change the behaviour of their partners, which for the largest companies can number in the thousands and even hundreds of thousands. This provides both risks, given vast value chains, but also important opportunities to improve responsible business conduct globally. Implementation of the UN Guiding Principles is therefore a process of continuous improvement, and the CHRB Methodology itself reflects learning that will continue to evolve.





Challenges in the Agricultural Products Industry

Exploitative conditions continue to be found in many factories feeding into agricultural supply chains, often amounting to bonded and forced labour. These can include document confiscation, debt bondage, verbal and physical abuse, unauthorised wage deductions and underage work. Workers, many of which are women, can face unsafe conditions, low wages and discrimination, but are unable to raise concerns as employment tends to be insecure and they do not know their rights. On top of that, land, water and natural resources are often used or acquired without consent and without appropriate prevention measures to avoid impacting the livelihoods of the communities depending on them.



Challenges in the Apparel Industry

Workers in many textile and garment factories around the world, many of which are women, face conditions that are chronically unsafe and are often subjected to discriminatory and exploitative labour practices. Child labour is a common occurrence. The combination of commonly used short-term contracts that make it easier to fire and control workers, ineffective audits and poor labour inspection and enforcement as well as aggressive tactics against independent unions add up to make it difficult for workers to assert their rights.



Challenges in the Extractives Industry

Extractives industries can give rise to a range of potential human rights impacts within and beyond the 'walls' of the company. They affect communities around the world, whether by becoming entangled with abuses by unaccountable security forces, undermining the livelihoods of communities surrounding operations through impacts on their land, water and other natural resources, or failing to adequately consult indigenous groups to secure their consent prior to operations. Workers too can suffer, whether through health and safety lapses or barriers to effectively bargaining collectively and associating freely.

Table 2 - Challenges in the agricultural products, apparel and extractives industries



The Levers for Change

The kinds of negative impacts on workers and their families, communities, and customers occurring via companies' activities and business relationships are the by-product of a global market failure. Markets are not routinely promoting corporate human rights responsibility or innovation by allocating capital, through investment decisions, media scrutiny, regulation and advocacy to companies that are managing their human rights risks and impacts well. Because of this, most companies have no reason to account for their social 'costs' – their impacts on human rights. As a consequence, capital is being misallocated; companies that impose the costs of their negative impacts onto workers, communities, and local governments are able to raise capital at the same rate as their more responsible peers, ultimately making them more competitive.

There are a number of ways to address this market failure – through appropriate policy and regulation, but also by prompting disclosure of relevant information and letting the market and society respond to those disclosures.

Indexes and rankings have been developed in recent years to assess such disclosures in order to rally specific industries to respond to particular global challenges. This includes, amongst others, Oxfam's Behind the Brands ranking ten major food and beverage companies, the Access to Medicine's Index of pharmaceutical companies' provision and pricing of medicines, and the Access to Nutrition and Access to Seeds Indexes focused on the consumption and production ends of the global food value chain.

Public transparency, combined with public rankings of companies' performance, is thus proving to be a key tool in driving a race to the top. By assessing certain factors across many companies, a proxy measure of their human rights performance becomes possible.

This includes assessing the availability and quality of companies' policy commitments on human rights and how they are governed, and assessing the effectiveness of the systems and processes implementing those commitments, and specific practices to prevent impacts or respond to serious allegations.

Ultimately, respecting rights should be a competitive advantage. In ranking the largest companies on their human rights performance, the CHRB is seeking to incentivise companies to race to the top of the annual Benchmark – within and across industries.

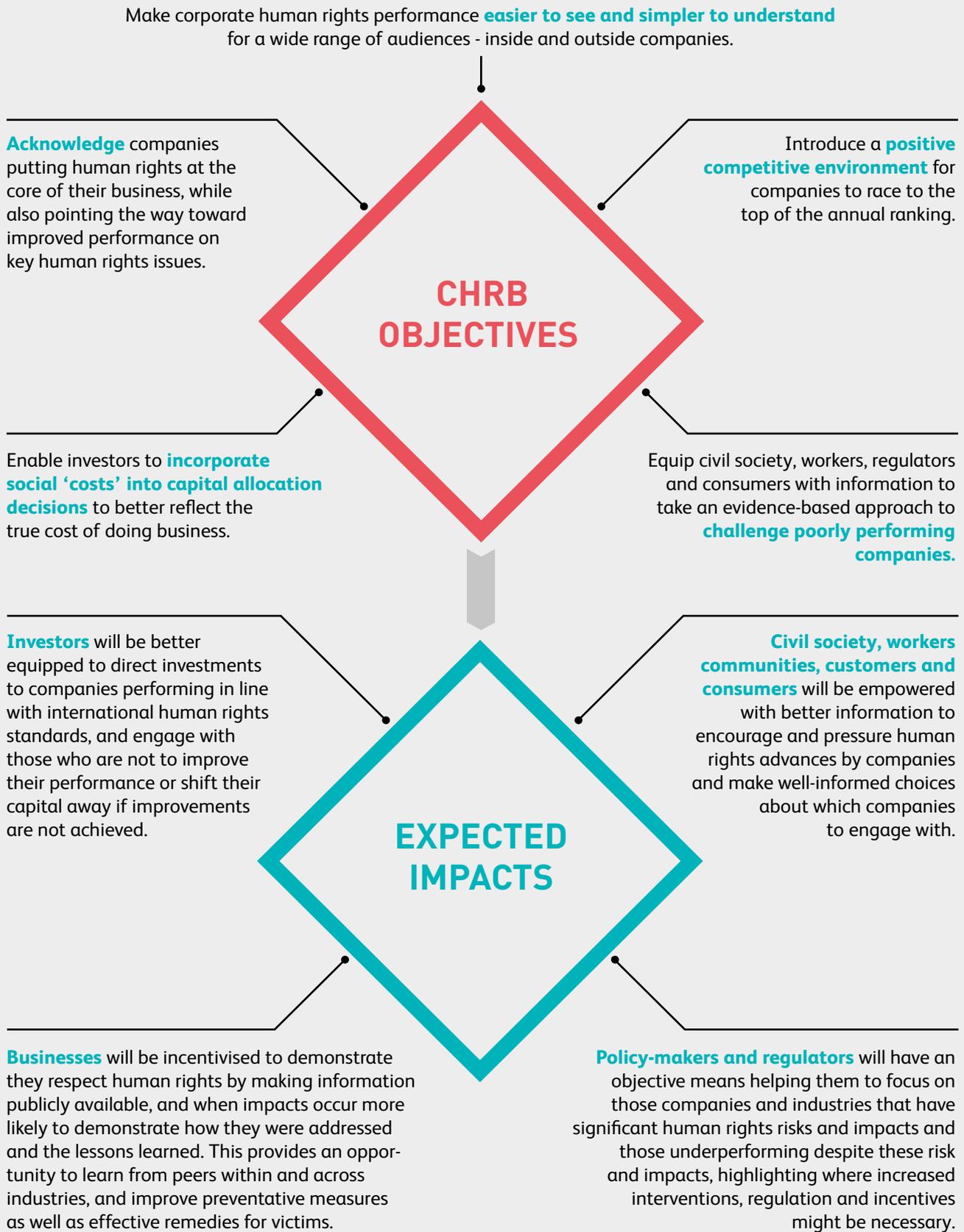


Table 3: CHRB Objectives and expected impacts

2

Introduction to
the CHRB



2

The Corporate Human Rights Benchmark is an initiative driven by six organisations that initially came together in 2013 united behind the conviction that there was a gap that needed to be filled in order to shift the current state of global business practice on human rights.

That gap was the need for an incentive system prompting companies to excel on human rights performance and disclosure and compete against their peers. This Methodology has been created following extensive global consultations in order to fill that gap.

The 2016 Pilot Benchmark will rank the top 100 companies across the agricultural products, apparel and extractives industries on their human rights related policies, processes, practices and responses. The aim in doing so is to incentivise better corporate human rights performance over time. The ultimate aim of the Benchmark – to rank the top 500 globally listed companies – will be achieved incrementally by adding new industries to the Benchmark over time.

There are several prevailing features to the CHRB Pilot Methodology. The Benchmark

relies on public information disclosed by companies on their websites or other platforms or through the CHRB Disclosure Platform. This public information is used to assess a company's human rights performance, which is then provided as a public good to all stakeholders to drive improvements within and across industries.

In addition to this emphasis on transparency, the Benchmark includes a focus on companies' human rights related policies, processes, practices and responses, grounded in international and industry-specific standards on responsible business conduct. Comparability is a key feature of the Benchmark, to discern the best performers and those requiring improvement and intervention. This comparability is enabled by the application of key industry risks, in order to drill into the specific challenges faced by each industry and identify the best approaches to managing them.

Who is the CHRB?

The Corporate Human Rights Benchmark is a multi-stakeholder initiative made up of six private sector and not for profit organisations. This is a unique collaboration governed by a Steering Committee that draws on investor, business and human rights and benchmarking expertise from the six partner organisations.

The first and current Chair of the CHRB Steering Committee is Steve Waygood, Chief Responsible Investment Officer, Aviva Investors. The position of Chair is voted upon by the CHRB Steering Committee every two years. The other members of the Steering Committee are: Phil Bloomer (BHRRC), Bennett Freeman (Calvert Investments), John Morrison and Margaret Wachenfeld (IHRB), Annemieke Reijngoud (VBDO) and Peter Webster (Vigeo Eiris).

Three sub-committees report to the Steering Committee.

The Methodology Committee, composed of staff from BHRRC, IHRB, VBDO and Vigeo Eiris and chaired by Peter Webster of Vigeo Eiris, is responsible for developing the CHRB Methodology and leading subsequent Methodology checkups and reviews, as well as overseeing the research process for producing the Benchmark each year. The Communications Committee leads on developing and implementing CHRB's outreach and communications framework. The Fundraising Committee is responsible for raising funds for the CHRB on a continual basis and exploring potential opportunities.



[Aviva Investors](#) is the global asset management business of Aviva plc. The business delivers investment management solutions, services and client-driven performance to clients worldwide.



[Business and Human Rights Resource Centre \(BHRRC\)](#) is an international NGO that tracks the human rights impacts (positive and negative) of over 6500 companies in over 180 countries making information available on its nine language website.



[Calvert Investments](#) is an investment management firm and leader in sustainable and responsible investment strategies.



The **Institute for Human Rights and Business (IHRB)** is a global think tank that provides a trusted, impartial space for dialogue and independent analysis to deepen understanding of human rights challenges and the appropriate role of business.



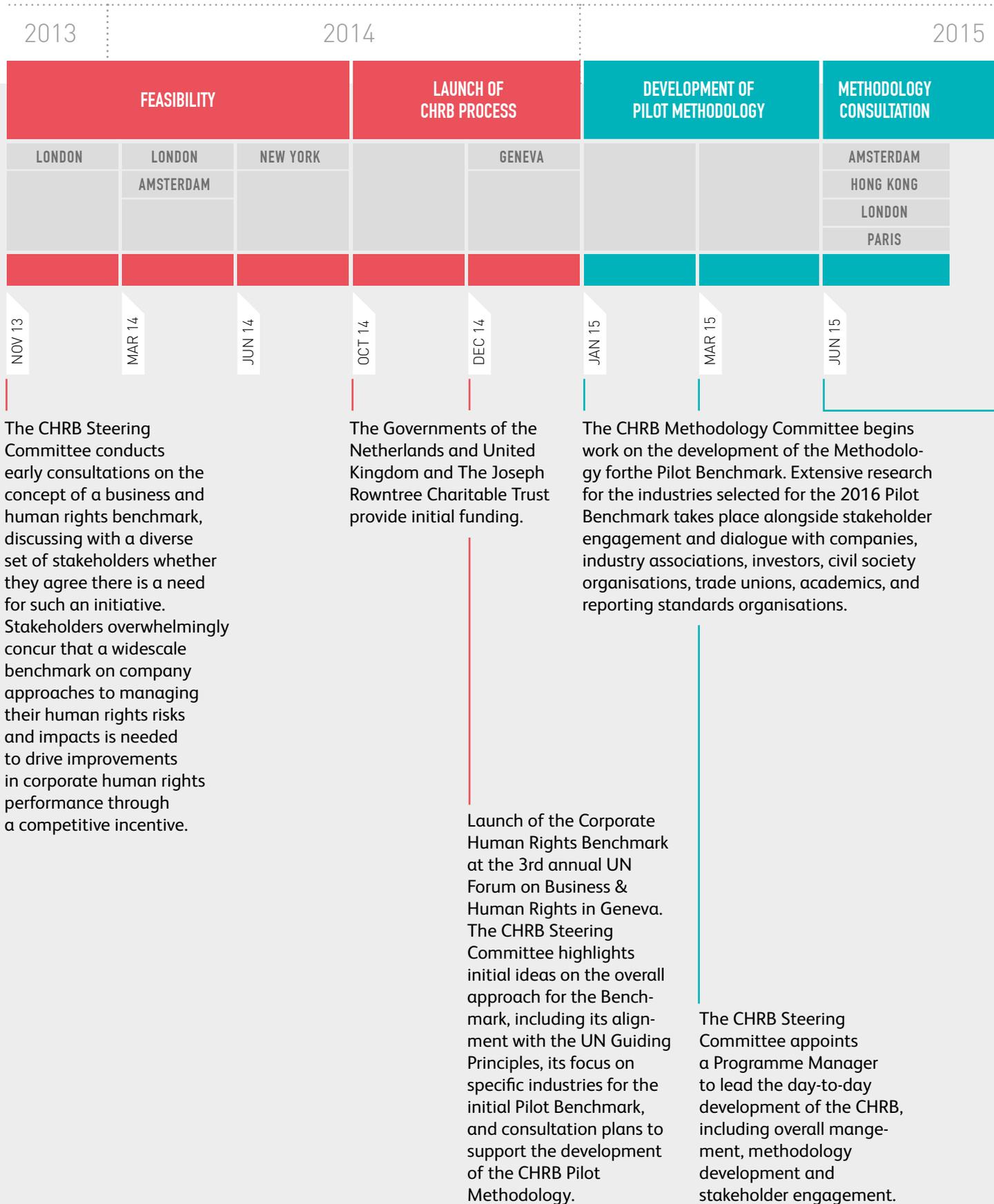
VBDO is the Dutch association of investors for sustainable development that aims at a sustainable capital market, considering financial as well as non-financial environmental, social, governance (ESG) criteria.

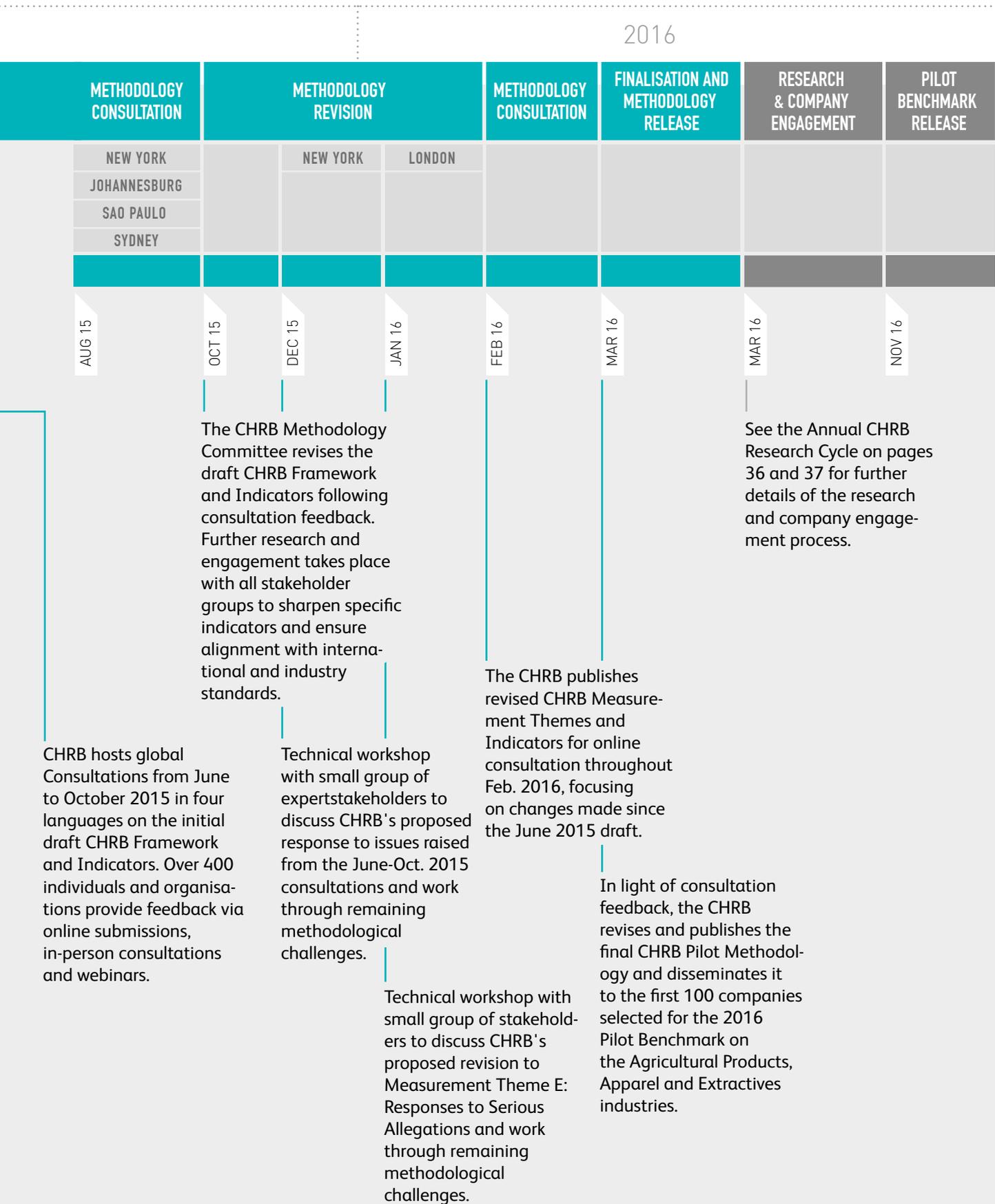


Vigeo Eiris, formed from the merger of EIRIS and Vigeo, is a global provider of environmental, social, governance (ESG) research for responsible investors.



Development of the 2016 Pilot Methodology



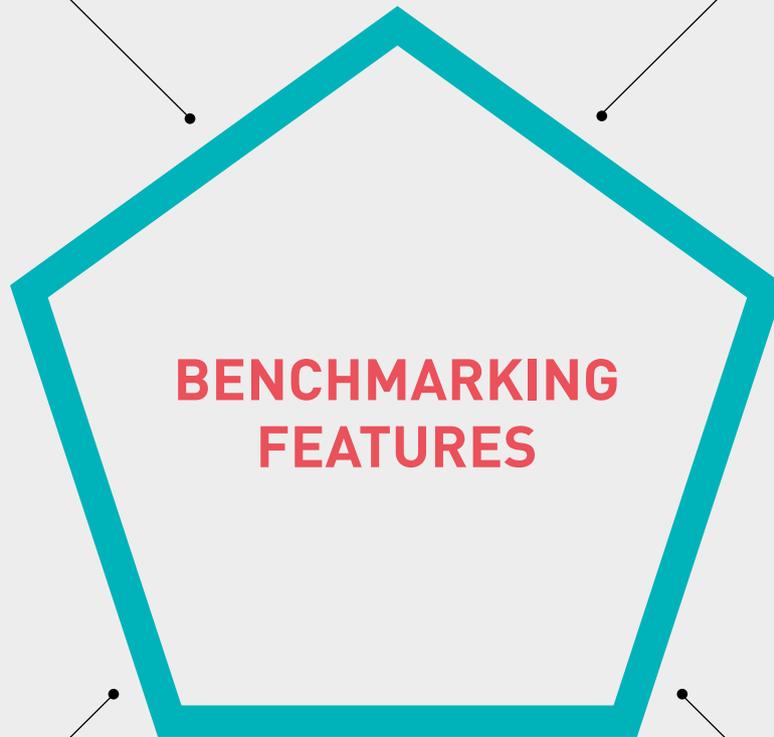


Transparency

The Benchmark uses information in the public domain to assess companies. This aims to encourage greater disclosure of information by companies and supports greater corporate transparency.

Policies, Processes, Practices and Responses

The Benchmark assesses corporate human rights performance by focusing on companies' policies, processes, practices and responses to manage their human rights risks and impacts.



Comparability

The Benchmark will focus on core aspects integral to respecting human rights and to sector specific issues where applicable. The Benchmark will ensure that companies from different sectors can be benchmarked against each other, as well as benchmarking companies from within a sector.

International and Industry-Specific standards

The Benchmark is grounded in the UN Guiding Principles on Business and Human Rights, as well as additional standards and guidance focused on specific industries and specific issues.

Key Industry Risks

The Benchmark focuses on key industry risks as the main means to assess industry-specific challenges and approaches to managing human rights risks and impacts.

Table 4: Benchmarking features

Benchmarking Features

Transparency

The UN Guiding Principles expect companies to both know and show that they are respecting human rights. In order to prompt further disclosure by companies on the topic of human rights, the CHRB research process will use only publicly available information for the assessment – with one exception under the Responses to Serious Allegations Measurement Theme E, which utilises external sources. This is an effort to drive transparency by companies on their human rights approaches, which is very relevant for a company’s investors, workers, local communities, customers and other stakeholders, and also to ensure that the CHRB itself is as transparent as possible in how it reaches its results and what information its assessments are based upon.

As the Benchmark will be produced each year, it is expected that the general level of publicly available information companies publish on their approaches to human rights will increase. This is good for everyone. Companies will gain recognition for their efforts. Those affected by companies will be able to better understand the measures a company is taking to avoid impacts. Investors can better direct their finances, civil society can use the information to target their campaigns and advocacy. Governments and policy makers can better target their interventions.

Policies, Processes, Practices and Responses

In order to offer a truly rigorous and credible proxy measure of corporate human rights performance, the CHRB seeks to assess companies’ human rights performance at several levels. These include the policy level (Measurement Theme A), the process and systems level (Measurement Themes B and C), the performance level, including specific practices (Meas-

urement Theme D) and responses to serious allegations (Measurement Theme E), as well as a final level focusing on a company’s overall transparency (Measurement Theme F).

These levels have been carefully developed through numerous consultations with stakeholders to seek to achieve a balance between measuring actual human rights impacts on the ground as well as the effectiveness of policies and processes implemented across large and complex companies to systematically address their human rights risks and impacts. As noted above, these levels and their specific indicators will evolve as the CHRB Methodology is regularly reviewed and learnings on effective approaches to managing human rights continue to emerge.

International and Industry Specific Standards

Aligning the CHRB indicators with the UN Guiding Principles reinforces the importance of the global baseline standard of practice expected from all companies and enables the comparison of companies’ approaches to tackling their human rights challenges over time and across industries. The Benchmark’s policy and process indicators have therefore been carefully and consultatively developed to ensure they reflect and reinforce the expectations of the UN Guiding Principles.

In addition, the CHRB Methodology also takes as its basis certain industry-specific global standards to ensure as relevant, rigorous and credible a ranking as possible when comparing companies within the same industry. For the 2016 Pilot Benchmark, these sources have been listed in Annex 3 of this document.

		
<p>Agricultural Products</p> <ul style="list-style-type: none"> Child labour Forced labour Freedom of association and collective bargaining Health and safety Land rights Water and sanitation Women’s rights 	<p>Apparel</p> <ul style="list-style-type: none"> Child labour Forced labour Freedom of association and collective bargaining Health and safety Women’s rights Working hours 	<p>Extractives</p> <ul style="list-style-type: none"> Freedom of association and collective bargaining Health and safety Indigenous peoples rights and FPIC Land rights Security Water and sanitation

Table 5: Key industry risks for 2016 Pilot Benchmark

Key Industry Risks

To aid the inter- and intra-comparative benefits of the Benchmark, the CHRB Methodology incorporates ‘key industry risks’ typically faced by companies in each industry. These are risks commonly regarded as potentially severe or likely within the industry. Companies are expected to demonstrate how they are preventing them through a process of human rights due diligence, or why they are not relevant for their operations. These key industry risks have been identified through extensive research and multi-stakeholder consultation.

While the key industry risks are anticipated to be relevant to companies in the industry, they may not necessarily match an individual company’s most ‘salient’ human rights issues. Salient human rights issues are those at risk of the most severe negative impacts through a company’s specific activities or business relationships. This means that while key industry risks are common, industry-wide human rights risks, whether they materialise or are “salient” for a specific company may vary. As part of the CHRB Methodology, companies will be able to explain why any of the industry risks are not relevant to them and they will then

not be marked down for not addressing them. The lists are also not meant to indicate that these are the only human rights impacts of these industries.

These key industry risks will evolve and change within the Benchmark long-term, as some risks are managed and reduced and others become more apparent. This will ensure that the Benchmark is always as credible a proxy measure for corporate human rights performance as possible.

Comparability

The above all feed into the CHRB achieving a critical feature – comparability. Comparability is vital in order for the CHRB to track progress over time.

The CHRB seeks to offer comparability in several different ways:

- **Across industries:** Starting with three industries for the 2016 Pilot Benchmark, the CHRB will offer comparability of com-

panies' human rights performance across a diversity of industries. This means that, for example, an extractives company can be measured against an apparel company, enabling pan-industry competition on human rights.

- **Within industries:** By utilising key industry risks and standards, the CHRB seeks to achieve the granularity necessary to compare companies within the same industry and identify those leading and lagging. It is expected that competition – and learning – among peers will be one of the most significant impacts of the Benchmark.
- **By Measurement Theme:** The CHRB Measurement Themes have been carefully and consultatively developed to best assess overall corporate human rights performance. Companies can therefore be compared across any or all of the six CHRB Measurement Themes.
- **Over time:** The CHRB will be produced annually, meaning companies will be able to demonstrate improvement in their human rights performance over time. As the CHRB is produced each year, an invaluable record will develop showcasing individual companies' progress, as well as industry-level improvements, or lack thereof.

Limiting Factors

Proxies for Performance

As noted in the Foreword, there are so far no quantitative base units for corporate human rights performance. Human rights are about the dignity of each and every human life and about the core values that make life worth living. Ultimately, that is very hard to measure. But the Benchmark will be a small step in moving companies along the path of seeing that value beyond the financial bottom line. The CHRB Methodology is seeking to deliver, based

on expertise, research and consultation, the most accurate proxies for corporate human rights performance. These will evolve over time as learnings and practice continue to emerge.

Coverage of company operations

The Benchmark will be ranking the largest publicly listed companies, often with extensive operations globally. The information drawn on for the Benchmark will be as precise as the information released by companies on a disaggregated basis and available through reasonably accessible sources globally and locally. In order to deal with this challenge, the Benchmark will initially score companies based on demonstrating examples of good practices and asking for coverage of operations. While recognising that the information made available for such large-scale enterprises may be small, the Benchmark is about progress. It is expected that there will be expansion in coverage and depth of company operations over time, as examples are shared and transparency increases.

3

How the Pilot CHRB Works



3

The Benchmark follows an annual cycle. Each year following the 2016 Pilot Benchmark, the Methodology will be reviewed to reflect the latest learnings in managing and measuring corporate human rights performance.

A more comprehensive Methodology review will also be undertaken every three years. Companies to be ranked will be notified of the CHRB process and engaged throughout the cycle to ensure all assessments are fair, robust and inclusive of all relevant public information.

The 2016 Pilot Benchmark will rank the top 100 companies from the agricultural products, apparel and extractives industries on their human rights related policy commitments and governance, systems and processes, practices across their key industry risks, their responses to serious allegations and their overall

transparency. Certain indicators focus on a company's own operations while others assess measures related to a company's business relationships.

This will not include consideration of certain elements deemed out of scope for the Pilot Benchmark, including companies' geographic footprints, the impacts resulting from the retailing and consumption of their products and services, their positive or philanthropic impacts, nor impacts inflicted collectively and not attributable to any one company.

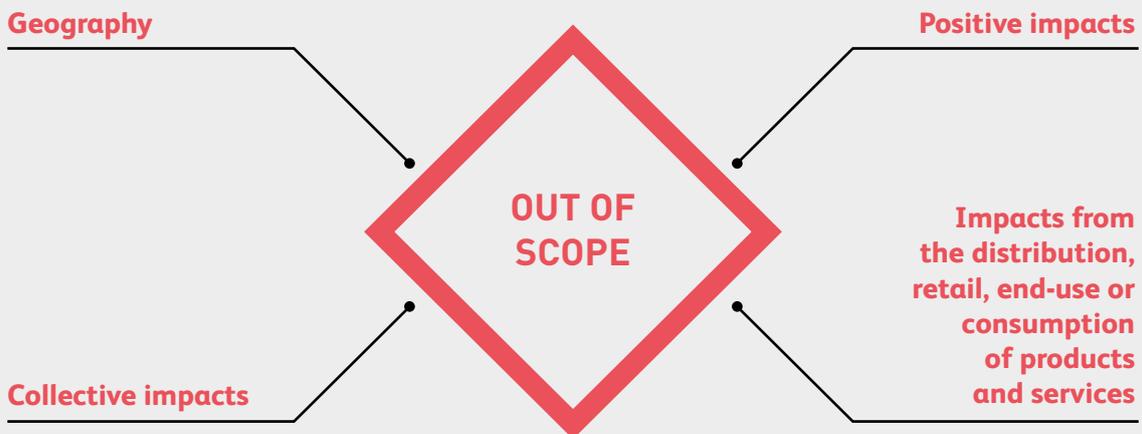
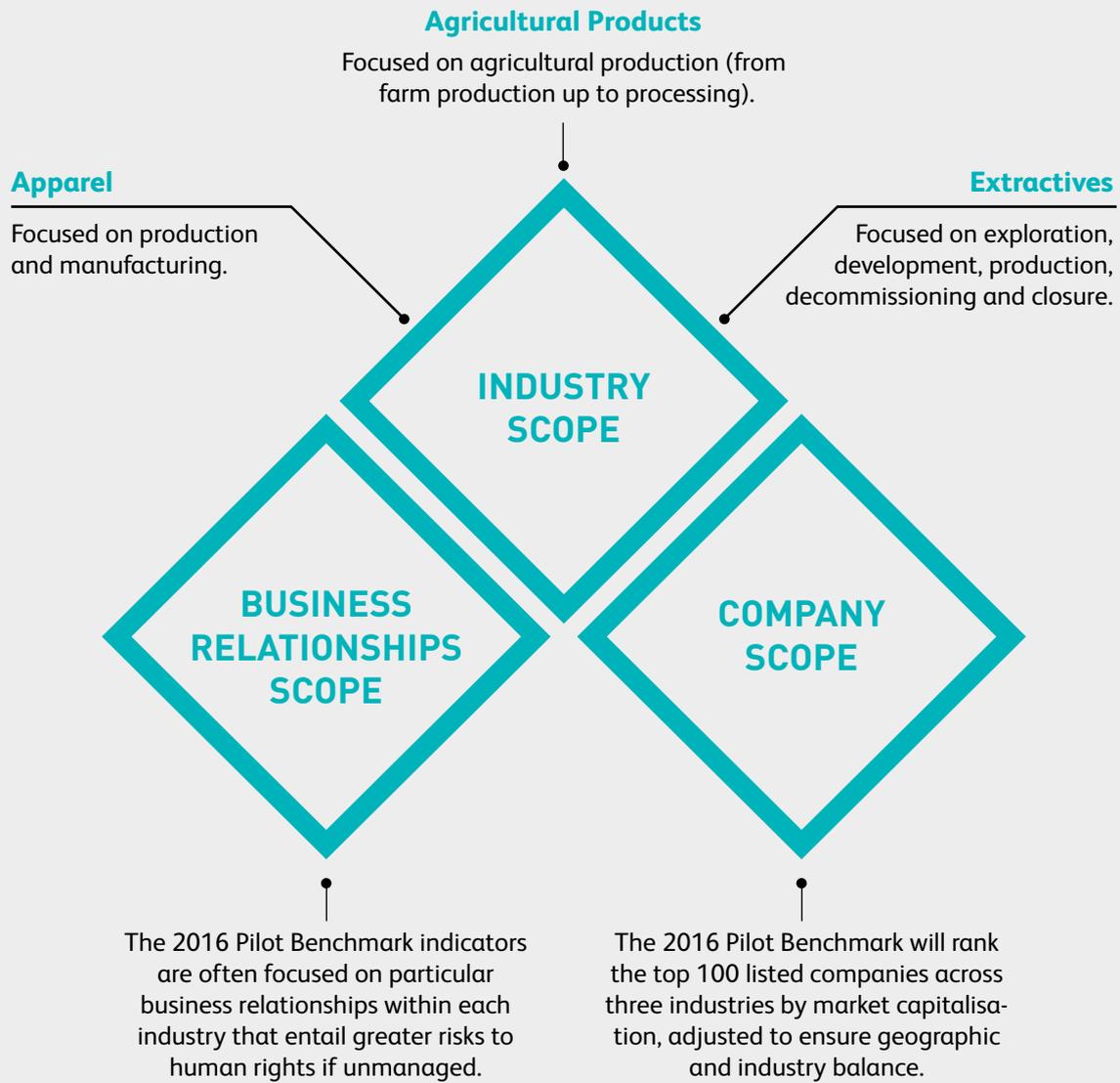


Table 6: Overall scope of the 2016 Pilot Benchmark

Scope of the 2016 Pilot Benchmark

Scope of Industries and Industry Activities

The 2016 Pilot Benchmark will focus on the Agricultural Products, Apparel and Extractives industries. These industries were chosen following multi-stakeholder consultations held in 2014 and take into account:

- the severity of human rights impacts of the industry,
- the extent of previous work on human rights in the industry, including through industry-specific initiatives,
- the existence of other human rights-related benchmarks covering the industry, and
- the global economic significance by size or “connecting” influence.

While the ICT industry meets these criteria, capacity constraints have limited the focus of the 2016 Pilot Benchmark to the three identified industries.

Each industry has a wide range of human rights risks and impacts at every step of its value chain (in particular, see Table 2) and the largest companies in the world covered by the Benchmark have particularly complex operations. The 2016 Benchmark, as a pilot, therefore focuses on particular activities and relationships for the 2016 Pilot (see also the section below on Out of Scope). For the purpose of the 2016 Pilot Benchmark, the scope of activities for each industry is set out in Table 7 below.



Agricultural Products

The CHRB focuses on agricultural production (from farm production up to processing), but not distribution and retailing of agricultural products.



Apparel

The CHRB focuses on production and manufacturing, but not on the distribution and retailing of apparel products.



Extractives

The CHRB focuses on exploration, development, production, decommissioning and closure, but not processing, refining, marketing or end-use of extractive resources.

Table 7: Scope of industry activities for the 2016 Pilot Benchmark

This is not to imply that human rights impacts from other activities in the industry value chain are less important or not relevant to a more complete picture of each industry’s full sweep of potential human rights impacts. The plans for the Benchmark long-term are to continue to expand its scope in future years to address an even fuller range of activities.

Scope of Business Relationships

The 2016 Pilot Benchmark focuses on certain business relationships key to each industry that, if not managed at all or not managed well, entail particular risks to human rights and often to the company being benchmarked. Most of the companies that will be included in the CHRB will potentially have many thousands of different types of business relationships. Just as companies often need to prioritise which business relationships to focus

on first, so has the CHRB needed to focus on certain types of relationships in each industry.

This is not to say that other types of business relationships are not important or may not involve human rights impacts, but for the purpose of the 2016 Pilot Benchmark, and being realistically able to understand and measure company's performance, the CHRB has chosen to focus on particular business relationships.



Agricultural Products and Apparel industries

Within the Agricultural Products and Apparel industries, the 2016 Pilot Benchmark focuses on the supply chain. This focus varies in individual indicators, between direct suppliers with which the company has formal and contractual relationships on the one hand and all those within and beyond the first tier on the other. References to business relationships in these industries therefore vary between:

Suppliers:

Defined as direct, contracted or tier 1.

Supply Chain:

Defined as all supply chain business relationships, including both direct and indirect, tier 1 and beyond.



Extractives

Within the Extractives industry the 2016 Pilot Benchmark focuses on what are referred to as 'extractive business partners':

Extractive business partners:

Defined as operational level contractors (including on-site and off-site contractors involved in operations, such as those involved in resettlement operations or other similar operations off-site, contracted security providers, etc.) and joint ventures or similar contractual arrangements with multiple parties to carry out exploration and/or production.

Table 8: Scope of business relationships for the 2016 Pilot Benchmark

Scope of Companies

In the 2016 Pilot Benchmark, 100 companies from the three industries in focus have been selected (see table 10) taking into consideration two criteria:

- **Market capitalisation** according to the FT 500; and
- Whether the company derives at least **20% of revenues** from the relevant industry.

In addition, the CHRB seeks to ensure:

- **Geographical balance:** At least six companies per continent, according to market capitalisation (based on Forbes 2000), are included in the Benchmark on an annual basis; and
- **Industry balance:** The top ten companies, according to market capitalisation (based on Forbes 2000), per industry are included in the Benchmark on an annual basis.

Once an industry has been in the Benchmark for a year, the criteria for selection will remain the same, except that the revenue threshold for inclusion will be lowered to include companies that derive 15 % of revenues or GBP £1 billion from a relevant industry, in order to include an increasing number of companies in the Benchmark. Companies selected for the Benchmark using the higher threshold of 20 % in the Pilot year will also be assessed from the start against criteria of any other industry in which they meet the lower subsequent threshold of 15 %.

Companies may be assessed against more than one CHRB industry. For example some retailers fall into both the Agricultural Products and Apparel industries. In this case retailers will be assessed both in terms of how they manage their Agricultural Products and Apparel business.

CHRB includes the following company structures when defining what is included as part of the company:

Subsidiaries (+50 % equity ownership)

Associated companies (20-50 % inclusive)

Subsidiaries of associated companies

Associated companies of subsidiary companies

Joint ventures or consortia (with at least a 20 % equity stake)

Franchises

Divisions

Operating units

Discontinued operations where it is clear turnover is still being derived
(but subject to one year review)

Table 9: Company structures covered by the 2016 Pilot Benchmark

Table 10: Companies to be included in the 2016 Pilot Benchmark

Company	Country	Company	Country
Agricultural Products			
Alimentation Couche-Tard	Canada	Kweichow Moutai	China
Ambev	Brazil	McDonald's	USA
Anheuser-Busch InBev	Belgium	Mondelez International	USA
Archer Daniels Midland	USA	Nestle	Switzerland
BRF	Brazil	PepsiCo	USA
Carrefour	France	Pernod-Ricard	France
Coca-Cola Femsa	Mexico	SABMiller	UK
Compass Group	UK	Shoprite	South Africa
Danone	France	Starbucks	USA
Diageo	UK	Sysco	USA
General Mills	USA	Tesco	UK
Heineken NV	Netherlands	The Coca-Cola Company	USA
Hindustan Unilever	India	The Hershey Company	USA
Kellogg	USA	Unilever	UK
Koninklijke Ahold	Netherlands	Woolworths	Australia
Kraft Heinz	USA	Yum! Brands	USA
Kroger	USA		
Apparel			
Adidas	Germany	L Brands	USA
Christian Dior	France	LVMH Moët Hennessy Louis Vuitton	France
Coach	USA	Macy's	USA
Fast Retailing	Japan	Next	UK
Gap	USA	Nike	USA
Hanesbrands	USA	Nordstrom	USA
Heilan Home	China	Prada	Hong Kong
Hennes & Mauritz	Sweden	Ross Stores	USA
Hermes International	France	TJX Companies	USA
Inditex	Spain	Under Armour	USA
Kering	France	VF	USA
Kohl's	USA		

Table 10: Companies to be included in the 2016 Pilot Benchmark

Company	Country	Company	Country
Apparel & Agricultural Products			
Aeon Company	Japan	Marks & Spencer Group	UK
Associated British Foods	UK	Target	USA
Costco Wholesale	USA	Wal-Mart de Mexico	Mexico
Falabella	Chile	Wal-Mart Stores	USA
Extractives			
Anadarko Petroleum	USA	Imperial Oil	Canada
Anglo American	South Africa	Lukoil	Russia
BHP Billiton	UK	Marathon Petroleum	USA
BP	UK	Norilsk Nickel	Russia
Canadian Natural Resources	Canada	Occidental Petroleum	USA
Chevron Corporation	USA	Oil & Natural Gas Corporation	India
China Petroleum & Chemical	China	Petrobras	Brazil
China Shenhua Energy	China	PetroChina	China
CNOOC	China	Phillips 66	USA
Coal India	India	PTT	Thailand
ConocoPhillips	USA	Repsol	Spain
Devon Energy	USA	Rio Tinto	UK
Ecopetrol	Colombia	Rosneft Oil	Russia
ENI	Italy	Royal Dutch Shell	UK
EOG Resources	USA	Sasol	South Africa
Exxon Mobil	USA	Statoil	Norway
Freeport-McMoRan	USA	Suncor Energy	Canada
Gazprom	Russia	Surgutneftegas	Russia
Glencore	UK	Total	France
Goldcorp	Canada	Vale	Brazil
Grupo Mexico	Mexico	Valero Energy	USA

¹Note: In order to manage the possible changes in ownership of companies during the research process, CHRB will research and analyse the 106 companies listed in Table 10 to ensure that there are at least 100 publically listed companies for the Benchmark.

Out of Scope for the 2016 Pilot Benchmark

There are some aspects that contribute to the human rights performance of companies, but which will not be covered in the 2016 Pilot Benchmark in order to focus on key issues, maintain a manageable scope and to learn lessons from the Pilot.

Geography: Generally speaking, criteria in this Pilot Benchmark have not been framed in terms of geographic location. So while there are specific criteria for each industry, there are not specific criteria for companies operating in particular geographies – although there are some criteria that encourage companies to identify their salient risks, which might include geographical considerations.

Consumption of products and services: The 2016 Pilot Benchmark focuses on the production end of the value chain of each industry, rather than on the impacts linked to the distribution, retailing, end-use or consumption of products and services (see also Industry Scope above). For example, food safety issues such as sugar content and obesity related to agricultural products or the consumption of gasoline in consumer vehicles. This focus may be added in future iterations of the Benchmark.

Positive impacts: In line with the UN Guiding Principles, the Benchmark focuses on measures to avoid adverse impacts on human rights. It does not take into account positive impacts through, for example, CSR and philanthropic programmes.

Collective impacts: The Benchmark will not include issues that are relevant to human rights but where specific impacts on identifiable victims cannot be directly attributed to a particular company or its business relationships. For example, climate change links to human rights concerning a clean environment or taxation links to economic rights. It is not to imply that these impacts are not important or significant, but they cannot be measured using the kinds of performance measures currently incorporated in the Benchmark.

The CHRB Long-Term

Results of the Pilot Benchmark

The CHRB will announce further details throughout 2016 on its plans for launching the Pilot Benchmark in November 2016, including the ways in which stakeholders can engage with the Pilot results and CHRB Pilot Methodology.

Expanding to Additional Industries

The ultimate aim of the Benchmark – to rank the top 500 globally listed companies – will be achieved incrementally. This will be done by adding new industries to the Benchmark over time.

In consultations held in 2014, four industries were selected to be part of the 2016 Pilot Benchmark: the Agricultural Products, Apparel, Extractives and ICT industries. However, due to the scale of covering four industries and research capacity required, the ICT industry will be included in the first expansion of CHRB industries.

The current plan for the Benchmark is to expand to the following industries:

- **Pilot Benchmark:** Agricultural Products, Apparel and Extractive industries.
- **1st expansion:** Broaden coverage to the Heavy Manufacturing and Engineering, ICT and Electronics, and Light Manufacturing industries.
- **2nd expansion:** Broaden to include Finance, Pharmaceutical and Service industries.

Methodology Review

November 2016 will see the publication of the first-ever wide-scale benchmark on corporate human rights performance. As noted, just as implementation of the UN Guiding Principles is a process of continuous improvement, so too will the CHRB Methodology need to reflect new learnings and therefore evolve.

On an annual basis a Methodology check-up will be done to ensure that any potential issues arising from the previous year's Benchmark are adjusted.

The Benchmark will aim for a more in-depth review of the Methodology every three years. This review will include adding new elements to the Benchmark (for example, potentially more of a geographical scope, a potential focus on the impacts of product and service consumption, amongst others), fine-tuning indicators and adding indicators to reflect changes in the ecosystem of corporate human rights performance.

Notwithstanding these possible changes, the Benchmark will ensure a long-term comparison of individual companies over time.

The Annual CHRB Research Cycle

DEC	JAN	FEB	MAR	APR	MAY
METHODOLOGY CHECKUP		COMPANY NOTIFICATION		DISCLOSURE PLATFORM	
<p>On an annual basis a methodology check-up takes place to ensure that any potential issues arising from the previous year's Benchmark are adjusted.</p>		<p>Companies are notified on an annual basis if they have been selected to be part of the Benchmark, and are informed of which industry they will be assessed against and the ranking process. For the Pilot Benchmark this is published in February 2016, featuring 100 companies from the Agricultural Products, Apparel and Extractives industries.</p>		<p>The CHRB's Disclosure Platform opens. The CHRB encourages companies to include relevant information in their own documentation and websites and in their formal reporting. However, companies can make any new statements or information publicly available through the CHRB Disclosure Platform and that information may be used in Benchmark assessments as relevant for the individual indicators in question.</p> <p>This ensures companies can put the most relevant and updated information in front of CHRB researchers. Should companies choose not to highlight or disclose any new information in the CHRB Disclosure Platform, researchers base their assessments on the information they can find in the public domain. All information on the CHRB Disclosure Platform will be publicly viewable.</p> <p>Companies may upload documents or links to relevant webpages on the CHRB Disclosure Platform throughout the year. However, annual research will take into consideration all information uploaded before mid-May of each year (the exact cut-off date will be communicated on an annual basis).</p>	
EVERY 3 YEARS					
METHODOLOGY REVIEW					
<p>Once the Benchmark has scaled up to cover the top 500 companies across a range of industries, the Benchmark aims to review the methodology every three years.</p> <p>This review includes adding new elements to the Benchmark (e.g. geographical scope, impacts of product and service consumption), fine-tuning indicators and adding additional indicators to reflect changes in the ecosystem of corporate human rights performance.</p> <p>Notwithstanding these possible changes, the Benchmark ensures a long-term comparison of individual companies over time.</p>					

JUN	JUL	AUG	SEP	OCT	NOV
<p>RESEARCH</p> <p>A team of researchers from Vigeo EIRIS carries out the research and analysis on behalf of the CHRB. Research focuses on reviewing material companies upload on the CHRB Disclosure Platform and from other additional public sources, for example company annual reports, sustainability reports, and financial reports.</p>			<p>FINALISATION</p> <p>Following engagement with company representatives, the company's scores are finalised and fed into the overall Benchmark. The CHRB Steering Committee signs off the final ranking.</p>		<p>RELEASE OF BENCHMARK</p> <p>The annual Corporate Human Rights Benchmark is released. For the 2016 Pilot Benchmark, this will cover the Agricultural Products, Apparel and Extractives Industries.</p> <p>The scope of industries will expand over time to ultimately rank the top 500 publicly listed companies.</p>
<p>ASSURANCE</p> <p>A team of researchers from VBDO, who are not involved in the original company research, assure the CHRB research process. They randomly review 10% of research and analysis completed on companies to ensure accuracy.</p>					
<p>COMPANY ENGAGEMENT</p> <p>Companies are contacted with their draft Benchmark assessment and any outstanding issues from the research. Companies have an opportunity to review the research and analysis and feedback issues to the CHRB. This period of engagement with companies is an opportunity to understand and discuss any discrepancies in the analysis due to either a lack or misinterpretation of data.</p> <p>This process will be especially important regarding allegations made by a third party about a company's impacts. If at this point, the company is willing to disclose further information into the public domain to supplement research conducted to date, CHRB will accept and take this information on board in final assessments if relevant.</p>					

4

Approach to Scoring



4

The CHRB Methodology is comprised of six Measurement Themes. These cover companies' human rights related policy commitments and governance, their systems and processes for implementing those policy commitments, their performance in relation to specific practices and responses to allegations of impacts, and their overall transparency.

Indicators follow a set structure, awarding either zero, one or two points depending whether the requirements are fulfilled through a review of publicly available information. A company's score on a Measurement Theme is calculated by adding the number of points awarded in the respective Theme and dividing it by the maximum number of points available. The scores on all Measurement Themes are then weighted to produce a company's total CHRB score.

CHRB indicators are grounded in the UN Guiding Principles on Business & Human Rights and international human rights standards, with additional industry-specific requirements applied to some indicators. Additional sources have been referenced throughout to highlight the alignment of each indicator to existing standards and practices.

The CHRB Measurement Themes and Indicators

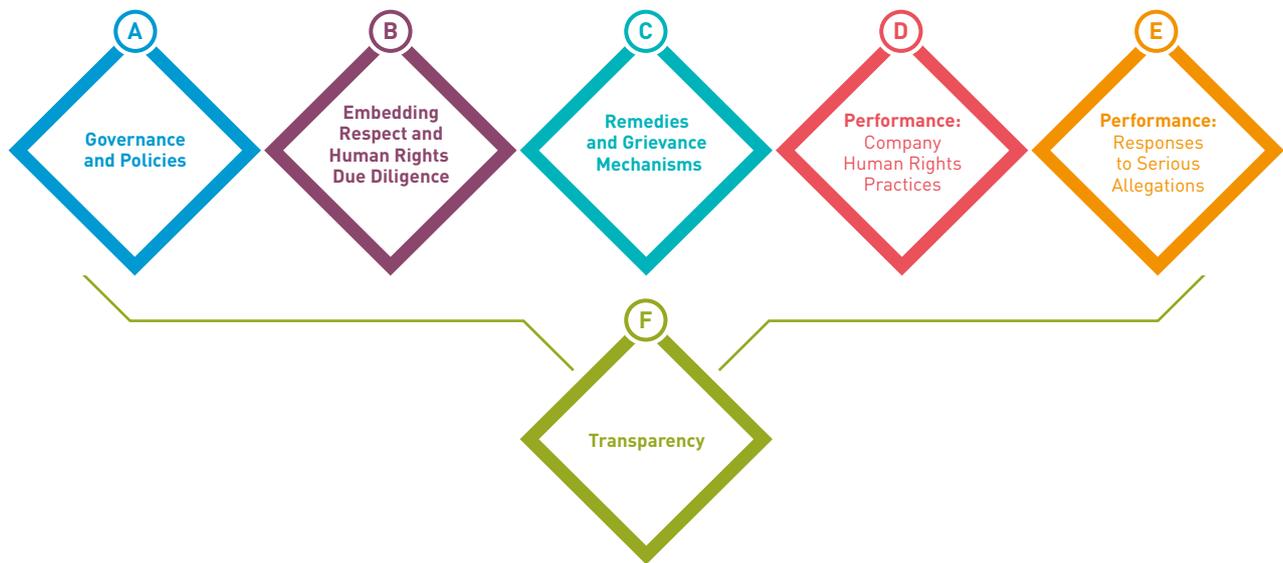


Table 11: CHRB Measurement Themes

The CHRB is composed of six core Measurement Themes, each containing a series of indicators. Measurement Theme A focuses on governance and policy commitments, Measurement Themes B and C on systems and processes, Measurement Theme D on specific practices to prevent human rights impacts in each industry and Measurement Theme E on responses to allegations of impact. A final overarching Measurement Theme F focuses on transparency on human rights, which comes in the form of additional ‘disclosure points’ awarded against individual indicators where a company has published related information against certain reporting standards.

Indicator Scoring

For each indicator a company can score zero, one or two points. A company will score zero points if they do not provide sufficient evidence to fulfil the requirements highlighted in Score 1. To gain two points a company must fulfil the requirements outlined in Score 1 and Score 2.

A company’s score on a Measurement Theme will be calculated by adding the number of points awarded in the respective Measurement Theme and dividing it by the maximum number of points available.

Scoring for Measurement Theme E (Responses to Serious Allegations) and Measurement Theme F (Transparency) are dealt with differently. See each Measurement Theme for a full explanation.

Certain indicators are also tentatively planned to receive either a double or half weighting when the 2016 Pilot Benchmark is published. list of these indicators is included below the full Index of CHRB Indicators listed in Annex 1.

A company’s score for each Measurement Theme will then be applied against the Measurement Theme weightings in Table 12 to arrive at the company’s total CHRB score. Each

Weighting of Measurement Themes



Table 12: Weighting of CHRB Measurement Themes

Measurement Theme is weighted to produce a company's total CHRB score. These are listed in Table 12.

When the Pilot Benchmark is published in November 2016, the CHRB will seek to provide online users the ability to individually change the weightings given to the different Measure-

ment Themes in order to customise the Benchmark's outcomes depending on their priorities (i.e. applying more weight to one Measurement Theme than another). However, these customised versions will not be published on the website; the only ranking published will be the ranking carried out by the CHRB.

Cross-Referencing

A wide range of global and industry-specific initiatives and standards were used to develop the CHRB Methodology. The major sources are listed in Annex 3.

Individual indicators also cross-reference specific sources to highlight the alignment of each indicator to existing standards and practices. Table 1 at the beginning of this Methodology also lists the acronyms of sources specifically referenced in individual indicators.

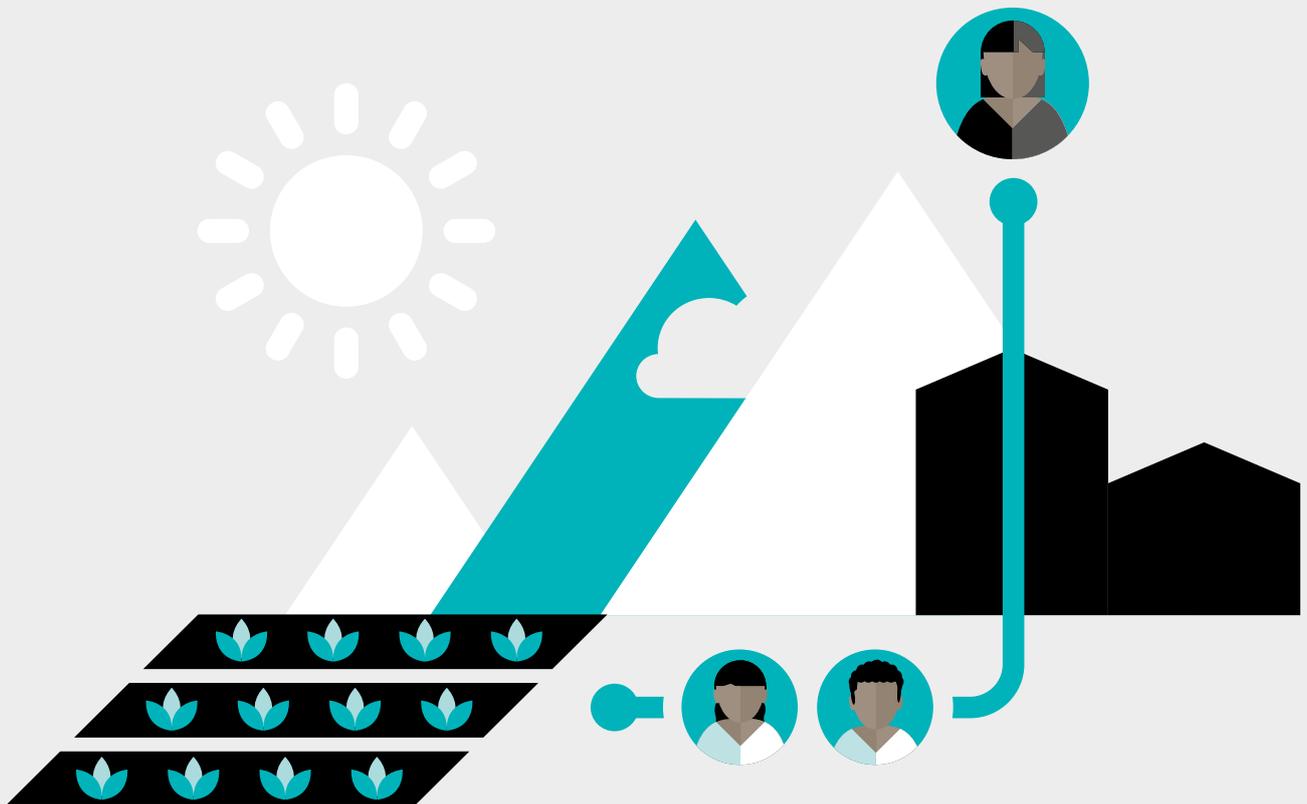
Types of Evidence

The Benchmark will be using publicly available evidence coming from a company's websites, their formal financial and non-financial reporting or other public documents, and statements such as those related to its policy commitments. These could be codes of conduct, policies, values, guidelines, FAQs and other related documents. The CHRB will also take into account reports published yearly, such as annual, CSR, sustainability reports, or human rights reports if these are available, or other reports written for other purposes if these contain information applicable to CHRB indicators.

External sources of information, such as press articles, external reports or others sources will be used in Measurement Theme E - Responses to Serious Allegations. Only sources covered by Vigeo Eiris, BHRRC and RepRisk will be considered and each source will be shared with companies. Sources mainly include multilateral organisations, trade unions and relevant NGOs. Analysts working for BHRRC, RepRisk and Vigeo Eiris regularly monitor email listings and search global press and NGO websites for information relating to alleged breaches and the Dow Jones/Reuters Factiva service is used to source news articles. General guidelines for reviewing such sources are detailed in Measurement Theme E.

For the assessment of the company's response in Measurement Theme E, company sources will be used. Where in the interest of protecting victims, or in case of confidentiality issues related to an ongoing court case, the CHRB will take into account non-publicly available information on a case-by-case basis. Where it does so, it will indicate that this is the case.

The CHRB encourages companies to include relevant information in their own documentation and websites and in their formal reporting. However, companies can make any new statements or information publicly available through the CHRB Disclosure Platform and that information may be used in Benchmark assessments as relevant for the individual indicators in question.



Measurement theme number and title indicator.	Other sources aligned with the indicator.	Brief description of indicator topic.	The requirements to meet a Score 1 or more advanced Score 2.
<p>B.1.7 Engaging business relationships</p>			
<p><i>Sources: UNGP 13 and 19; UNGPRF A2.4; HRIB, 8.1.1; GRI, G4-DMAb, G4-HR10, G4-HR11, G4-LA14 and G4-LA15</i></p>			
<p>The Company takes human rights considerations into account when deciding to engage (or terminate) business relationships.</p>			
<p>Score 1</p> <p>The Company describes how human rights performance is taken into account in the identification and selection of potential business relationships and how it can affect decisions to enter into or select business relationships.</p>		<p>Score 2</p> <p>The Company also describes how the human rights performance of business relationships interacts with decisions to renew, expand or terminate business relationships.</p>	
<p></p> <p>Score 1 - the description includes how this applies to the identification and selection of suppliers and the human rights issues considered.</p> <p>Score 2 - the Company also describes how it works with suppliers to improve human rights performance and provides an example.</p>			
<p></p> <p>Score 1 - the description includes how this applies to the identification and selection of suppliers and the human rights issues considered.</p> <p>Score 2 - the Company also describes how it works with suppliers to improve human rights performance and provides an example.</p>			
<p></p> <p>Score 1 - the description includes how this applies to the identification and selection of extractive business partners and the human rights issues considered.</p> <p>Score 2 - the Company also describes how it works with extractive business partners to improve human rights performance and provides an example.</p>			
<p>Industry Icons</p> <p> Agricultural products  Apparel  Extractives</p>	<p>‘Industry locks’</p> <p>Additional requirements a company within a certain industry must meet in order to gain a Score 1 or Score 2. These are not necessarily present on every indicator for every industry.</p>		

Table 13: CHRB indicator structure

How to read a CHRB Indicator

A typical CHRB indicator follows a specific structure, illustrated in Table 13. Please note that many of the terms in the Methodology have a specific definition that is drawn from international standards and industry-specific sources wherever possible. Please see the list of Sources Referenced in Table 1 and the Glossary in Annex 2. In addition to the typical structure of a CHRB indicator, there are certain rules built into CHRB indicators outlined in Table 14..

AND's and OR's: Most CHRB indicators operate using 'OR' and 'AND' rules. Where two or more requirements are separated by 'OR' in bold, companies being benchmarked are required to complete one of the options listed. Where two or more requirements are separated by 'AND' in bold, companies being benchmarked are required to complete both or all of the options listed.

Scoring: In order to meet the requirements of a Score 2, the requirements of a Score 1 must also be met.

Industry Locks: Most CHRB indicators apply to all companies, regardless of industry. However, some industry specific 'locks' have been added to some indicators with additional requirements to achieve either a Score 1 or Score 2 for that particular industry. Industry locks are not necessarily present on every indicator.

Split indicators: There are some indicators in Measurement Theme D on Company Human Rights Practices that have been split into related parts. These either break down a broad issue into sub-issues or split the indicator's focus between a company's own operations and its supply chain. Where these exist, the parts (e.g. parts a and b) will add up to a whole indicator in terms of scoring. For example, part a of an indicator with two parts will be worth half the overall points; part c of an indicator with four parts will be worth a quarter of the overall points.

Timeframe for examples: Many CHRB indicators require an example of the specific issue in question to be made public. In these instances, the timeframe within which such examples occurred is within three years of the start of the annual CHRB research cycle. There is an exception to this rule in the case of examples related to land and free prior and informed consent (FPIC), where the timeframe for when the example occurred is longer, recognising that these activities may occur less frequently, but the example provided must relate to ongoing and active operations/activities.

Diversified companies: Diversified companies may be required to fulfil more than one set of industry requirements (e.g. AP and AG locks).

Table14: CHRB indicator rules

5

Measurement Themes and Indicators

5

In order to offer a truly rigorous and credible proxy measure of corporate human rights performance, the Benchmark seeks to assess companies' human rights performance at several levels.

These include the governance and policy level (Measurement Theme A), the systems and process level (Measurement Themes B and C), the performance level, including specific practices (Measurement Theme D) and responses to allegations (Measurement Theme E), as well as a final level focusing on a company's overall transparency (Measurement Theme F).

These levels have been carefully developed through numerous consultations with stakeholders to seek to achieve a balance between

measuring actual human rights impacts on the ground as well as the effectiveness of policies and processes implemented across large and complex companies to systematically address their human rights risks and impacts.

These Measurement Themes and their specific indicators will evolve as the CHRB Methodology is regularly reviewed and learnings on effective approaches to managing human rights continue to emerge.





Governance and Policy Commitments

This Measurement Theme focuses on a company's human rights related policy commitments and how they are governed. It includes two related sub-themes:

Policy Commitments: These indicators aim to assess the extent to which a company acknowledges its responsibility to respect human rights, and how it formally incorporates this into publicly available statements of policy.

Board Level Accountability: These indicators seek to assess how the company's policy commitments are managed as part of the Board's role and responsibility.

A

Governance and Policy Commitments

Policy Commitments

What do the UN Guiding Principles on Business and Human Rights expect?

A policy commitment is a statement approved at the highest levels of the business that shows the company is committed to respecting human rights and communicates this internally and externally.

Note: The term “statement” is used to describe a wide range of forms a company may use to set out publicly its responsibilities, commitments, and expectations – this may be a separate human rights policy or human rights commitments within other formal policies, or provisions within other documents that govern the company’s approach such as a company code, business principles, etc.

Why is this important?

A policy commitment sets the “tone at the top” of the company that is needed to continually drive respect for human rights into the core values and culture of the business.

It indicates that top management considers respect for human rights to be a minimum standard for conducting business with legitimacy; it sets out their expectations of how staff and business relationships should act, as well as what others can expect of the company.

It should trigger a range of other internal actions that are necessary to meet the commitment in practice.

Board Level Accountability

What do the UN Guiding Principles on Business and Human Rights expect?

The development and implementation of a company’s approach to human rights should be guided from the top of the business, which for larger companies is the Board.

Companies need to strive for coherence between their responsibility to respect human rights and policies and procedures that govern their wider business activities and relationships. This should include, for example, policies and procedures that set financial and other performance incentives for personnel, procurement practices or lobbying activities where human rights are at stake. A Board committee is often the best placed to ensure such coordination.

Why is this important?

Signals from and attention to human rights issues by the Board indicates that top management considers respect for human rights to be a minimum standard for conducting business with legitimacy.

A.1. Policy Commitments

A.1.1 Commitment to respect human rights

Sources: UNGP 11 and 12; UNGPRF A1; GRI G4-DMAb

The Company publicly commits to respecting human rights across its activities. It must be clear the commitment relates to all internationally recognised human rights, rather than to only one or more selected human rights. This only considers commitments to avoid adverse human rights impacts and does not include philanthropic commitments.

Note: Additional industry-specific commitments are considered in A.1.3

Score 1

The Company has a publicly available statement of policy committing it to respect human rights **OR** the ten principles of the UN Global Compact (principles 1 and 2 include a commitment to respect human rights) **OR** the rights under the Universal Declaration of Human Rights (UDHR) **OR** the International Bill of Human Rights.

Score 2

The Company's publicly available statement of policy also commits it to: the UN Guiding Principles on Business and Human Rights **OR** the OECD Guidelines for Multinational Enterprises.

A.1.2 Commitment to respect the human rights of workers

Sources: UNGP 12 and 16(c), UNGPRF A1 and GRI G4-DMAb

The Company publicly commits to respecting the principles concerning fundamental rights at work in the eight ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work (see Table 15), together with those human rights of workers that are particularly relevant to its industry. It also has a publicly available statement of policy committing it to respect the human rights of workers in its business relationships.

Score 1

The Company has a publicly available statement of policy committing it to respect the human rights that the ILO has declared to be fundamental rights at work. This includes the commitment to explicitly respect each of the fundamental rights as set out in the Declaration on Fundamental Principles and Rights at Work or also referred to as the ILO core labour standards (i.e. the elimination of forced or compulsory labour, the abolition of child labour, the elimination of discrimination in respect of employment and occupation and both freedom

Score 2

The Company's publicly available statement of policy also commits it to respecting the health and safety of workers.

of association and the effective recognition of the right to collective bargaining) **OR** the Company has a publicly available statement of policy committing it to respecting the ten principles of the UN Global Compact (principles 3 to 6 are based on the ILO Declaration on Fundamental Principles and Rights at Work).



Score 1 - the Company's policy commitment(s) also expects its suppliers to commit to respecting each of the ILO core labour standards and to convey the same expectations to their suppliers.

Score 2 - the Company's policy commitment(s) also expects its suppliers to commit to respecting the health and safety of their workers and to convey the same expectations to their suppliers.



Score 1 - the Company's policy commitment(s) also expects its suppliers to commit to respecting each of the ILO core labour standards and to convey the same expectations to their suppliers.

Score 2 - the Company's publicly available statement of policy also commits it to respecting the ILO conventions on labour standards on working hours **AND** the Company's policy commitment(s) also expects its suppliers to commit to respecting the ILO conventions on labour standards on working hours and to commit to the health and safety of their workers and to convey the same expectations to their suppliers.



Score 1 - the Company's policy commitment(s) also expects its extractive business partners to commit to respecting each of the ILO core labour standards and to convey the same expectations to their business partners.

Score 2 - the Company's policy commitment(s) also expects its extractive business partners to commit to respecting the health and safety of their workers and to convey the same expectations to their business partners.

Table 15: The four fundamental principles and rights at work.

The ILO Declaration on Fundamental Principles and Rights at Work covers the following four fundamental principles and rights at work, laid out in eight conventions:

- Freedom of association and the effective recognition of the right to collective bargaining (Convention No. 87 & No. 98)
- Elimination of all forms of forced or compulsory labour (Convention No. 29 & No. 105)
- Effective abolition of child labour (Convention No. 138 & No. 182)
- Elimination of discrimination in respect of employment and occupation (Convention No. 100 & No. 111)

Additional ILO labour standards:

- Working Hours (Conventions 1, 14 & 106)

A.1.3 Commitment to respect human rights particularly relevant to the industry

A.1.3 Agricultural Products Industry

Sources: UNGP 12; UNGPRF A1.2; GRI G4-DMAb

The Company publicly commits to respecting human rights and ensures that the business relationships in its supply chain respect the human rights of particular relevance to communities' livelihoods and health, including the right to water and the ownership or use of land and natural resources. In addition, the Company publicly commits to respecting the human rights of individuals belonging to specific groups or populations that require particular attention (for example, women, children, indigenous peoples, minorities, persons with disabilities, and/or migrant workers and their families – see Table 16), where they may be at heightened risk of becoming vulnerable or marginalised if adversely impacted by the Company's activities or its business relationships.

Note: Non-discrimination commitments are covered under A.1.2 and therefore not considered in this indicator.

Score 1

The Company has a publicly available statement of policy committing it to respecting ownership/use of land and natural resources. This includes a commitment to recognise and respect legitimate tenure rights related to the ownership and use of land as set out in the Voluntary Guidelines on Responsible Governance of Tenure or the IFC Performance Standards or to obtain the free prior and informed consent (FPIC) from indigenous peoples and local communities for transaction involving land and natural resources or to a zero tolerance for land grabbing **OR** the Company commits to respecting the right to water and sanitation.

The Company also makes a commitment to respecting women's rights or refers to the Convention on the Elimination of Discrimination Against Women or the Women's Empowerment Principles **OR** to respecting children's rights or refers to the Convention on the Rights of the Child or the Children's Rights and Business Principles **OR** to respecting the rights of migrant workers or refers to the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

In addition, the Company's policy commitment(s) also expects its suppliers make these commitments and to convey the same expectations to their suppliers.

Score 2

The Company also has a publicly available statement of policy committing it to respecting ownership/use of land and natural resources **AND** to respecting the right to water and sanitation **AND** to respecting at least one of: women's rights, children's rights or migrant workers' rights.

In addition, Company's policy commitment(s) also expects its suppliers make these commitments and to convey the same expectations to their suppliers.

A.1.3 Apparel Industry

Sources: UNGP 12; UNGPRF A1.2; GRI G4-DMAb

The Company publicly commits to respecting human rights and ensures that the business relationships in its supply chain respect the human rights of individuals belonging to specific groups or populations that require particular attention (for example, women, children, indigenous peoples, minorities, persons with disabilities, and/or migrant workers and their families – see Table 16), where they may be at heightened risk of becoming vulnerable or marginalised if adversely impacted by the Company’s activities or its business relationships.

Note: Non-discrimination commitments are included under A.1.2 and not considered in this indicator.

Score 1

The Company has a publicly available statement of policy committing it to respecting women’s rights or refers to the Convention on the Elimination of Discrimination Against Women or the Women’s Empowerment Principles **OR** to respecting children’s rights or refers to the Convention on the Rights of the Child or the Children’s Rights and Business Principles **OR** to respecting the rights of migrant workers or refers to the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

In addition, the Company’s policy commitment(s) also expects its suppliers make these commitments and to convey the same expectations to their suppliers.

Score 2

The Company also has a publicly available statement of policy committing it to respecting the right to water and sanitation **AND** the Company’s policy commitment(s) also expects its suppliers make these commitments and to convey the same expectations to their suppliers.

A.1.3 Extractives Industry

Sources: UNGP 12; UNGPRF A1.2; GRI G4-DMAb

The Company publicly commits to respecting human rights and ensures that its business relationships respect the human rights of particular relevance to communities’ livelihoods, security and health, including the right to water and the ownership or use of land and natural resources. In addition, the Company publicly commits to respecting the human rights of individuals belonging to specific groups or populations that require particular attention (for example, women, children, indigenous peoples, minorities, persons with disabilities, and/or migrant workers and their families – see Table 16), where they may be at heightened risk of becoming vulnerable or marginalised if adversely impacted by the Company’s activities or its business relationships.

Note: Non-discrimination commitments are covered under A.1.2 and therefore not considered in this indicator.

Score 1

The Company has a publicly available statement of policy committing it to respecting human rights in maintaining the safety and security of operations based on relevant UN instruments or is a participant in the Voluntary Principles on Security and Human Rights (VPs) or only uses security providers who are members of the International Code of Conduct of Private Security Providers (ICoC) **AND** to respecting indigenous peoples rights or references the ILO Convention on Indigenous and Tribal Peoples No.169 or the UN Declaration on the Rights of Indigenous Peoples.

In addition, the Company's policy commitment(s) also expects its extractive business partners make these commitments.

Score 2

The Company also has a publicly available statement of policy committing it to applying free, prior and informed consent (FPIC) in line with international law and standards on indigenous peoples **AND** to recognising and respecting legitimate tenure rights related to the ownership and use of land and natural resources as set out in the Voluntary Guidelines on Responsible Governance of Tenure or the IFC Performance Standards or to a zero tolerance for land grabbing **AND** to respecting the right to water and sanitation.

In addition, the Company's policy commitment(s) also expects its extractive business partners make these commitments.

Table 16: Key international human rights instruments protecting the rights of individuals/groups that may require particular attention

International conventions protecting the rights of individuals who may be affected by a company's activities include but are not limited to:

- United Nations (UN) Convention on the Elimination of all Forms of Discrimination against Women (CEDAW), 1979
- UN Convention on the Rights of the Child (CRC), 1989
- UN Convention on the Elimination of All Forms of Racial Discrimination (CERD), 1965
- International Labour Organization (ILO) Convention 107, Indigenous and Tribal Populations Convention, 1957
- ILO Convention 169, Indigenous and Tribal Peoples Convention, 1991
- UN Declaration of the Rights of Indigenous Peoples (UNDRIP), 2007
- UN Convention on the Rights of Persons with Disabilities (CRPD), 2006

A.1.4 Commitment to engage with stakeholders

Sources: UNGP 12 and 18b; UNGPRF C2

The Company publicly commits to engage with its stakeholders, including potentially and actually affected stakeholders and their legitimate representatives.

Score 1

The Company has a publicly available statement of policy committing it to engage with its potentially and actually affected stakeholders, including in local communities where relevant.

Score 2

The Company's publicly available statement of policy also commits it to engaging with affected stakeholders and their legitimate representatives in the development or monitoring of its human rights approach.

A.1.5 Commitment to remedy

Sources: UNGP 22; UNGPRF C6

The Company publicly commits to providing for or cooperating in remediation for affected individuals, workers and communities through legitimate processes (including judicial and non-judicial mechanisms, as appropriate), where it identifies that it has caused or contributed to adverse impacts.

Score 1

The Company has a publicly available statement of policy committing it to remedy the adverse impacts on individuals, workers and communities that it has caused or contributed to. The commitment recognises this should not obstruct access to other remedies **OR** includes collaborating in initiatives that provide access to remedy.

Score 2

The commitment also includes working with business relationships to remedy adverse impacts that are directly linked to the Company's operations, products or services through the business relationship's own mechanisms or through collaborating on the development of third party non-judicial remedies.



Score 2 - the commitment also includes working with its suppliers to remedy adverse impacts.



Score 2 - the commitment also includes working with its suppliers to remedy adverse impacts.



Score 2 - the commitment also includes working with its extractive business partners to remedy adverse impacts.

A.1.6 Commitment to respect the rights of human rights defenders

Sources: UNGP 12; UNGPRF A1.2

The Company does not tolerate threats, intimidation, physical or legal attacks against human rights defenders, including those exercising their rights to freedom of expression, association,

peaceful assembly and protest against the business or its operations. *(See also Indicator C.5)*

Score 1

The Company has a publicly available statement of policy committing it to zero tolerance of threats, intimidation and attacks (both physical and legal) against human rights defenders.

Score 2

The Company also meets the requirements under the industry lock below.



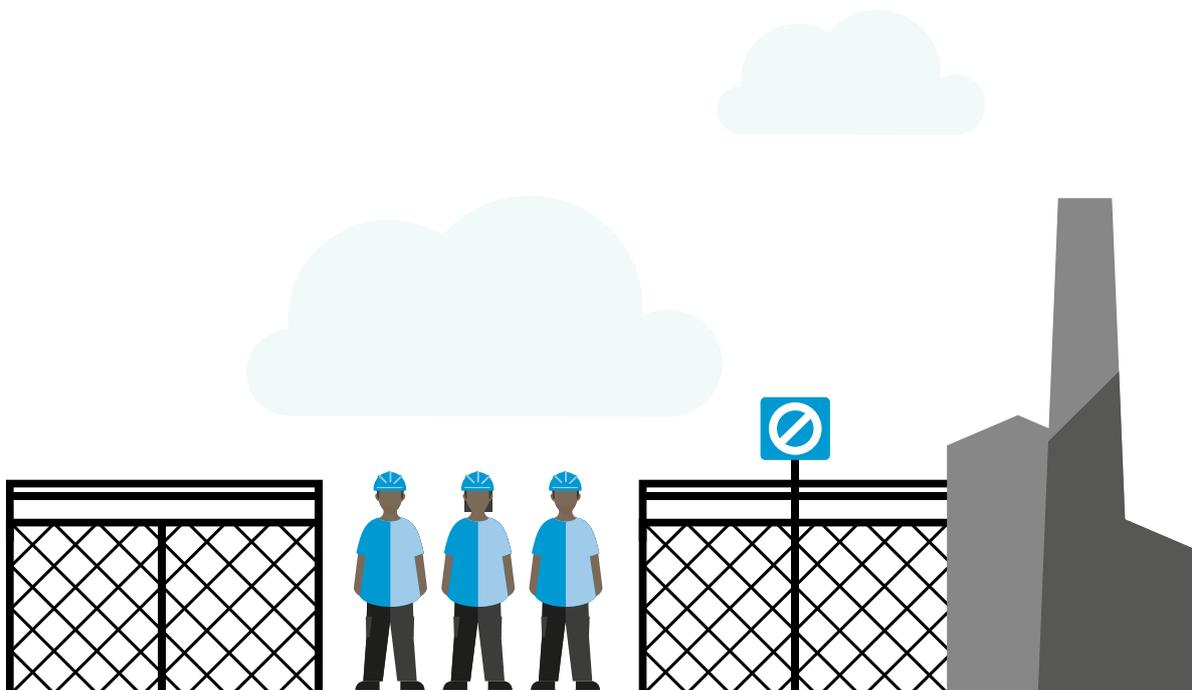
Score 2 - the Company's policy commitment(s) also expects its suppliers to make these commitments.



Score 2 - the Company's policy commitment(s) also expects its suppliers to make these commitments.



Score 2 - the Company's policy commitment(s) also expects its extractive business partners to make these commitments.



A2 Board Level Accountability

A.2.1 Commitment from the top

Sources: UNGP 16(a); UNGPRF A1.1 and A2; GRI G4-42

The Company’s human rights policy commitments are approved and communicated at Board level and a Board member or Board committee is tasked with addressing one or more areas of respect for human rights.

Note: Management level responsibility is assessed under indicator B.2.1. and therefore not considered in this indicator.

Score 1

The Company’s human rights policy commitments are approved by the Board or the CEO by name **AND** a Board member or Board committee is tasked with specific governance oversight of one or more areas of respect for human rights.

Score 2

Board members and/or the CEO make speeches, presentations or other communications setting out the Company’s approach to human rights or discussing its business importance.

A.2.2 Board discussions

Sources: : UNGP 16 and 24; UNGPRF A2.2 GRI G4-34

The Company has processes in place to discuss and address human rights issues at Board level and / or the Board or a Board committee regularly reviews the Company’s salient human rights issues and provides examples of what was discussed.

Score 1

The Company describes the process it has in place to discuss and address human rights issues at Board level and / or the how the Board or a Board committee regularly reviews the Company’s salient human rights issues **OR** it provides examples of specific human rights issues discussed and/or examples of trends in types of human rights issues discussed at Board level or a Board committee during the Company’s last reporting period.

Score 2

The Company meets both of the requirements under Score 1.

A.2.3 Incentives and performance management

Sources: : UNGP 16; UNGPRF A2.3; GRI G4 51

The Company provides incentives to the Board linked to the implementation of its human rights policy commitments and/or targets.

Score 1

The Company indicates that at least one Board member has an incentive or performance management scheme linked to an aspect of the Company's human rights policy commitment(s). If the Company has linked its incentive scheme to only one aspect of its human rights policy commitment(s), this aspect is one of the Company's key industry risks.

Score 2

The criteria linking Board remuneration to human rights performance is also made public.



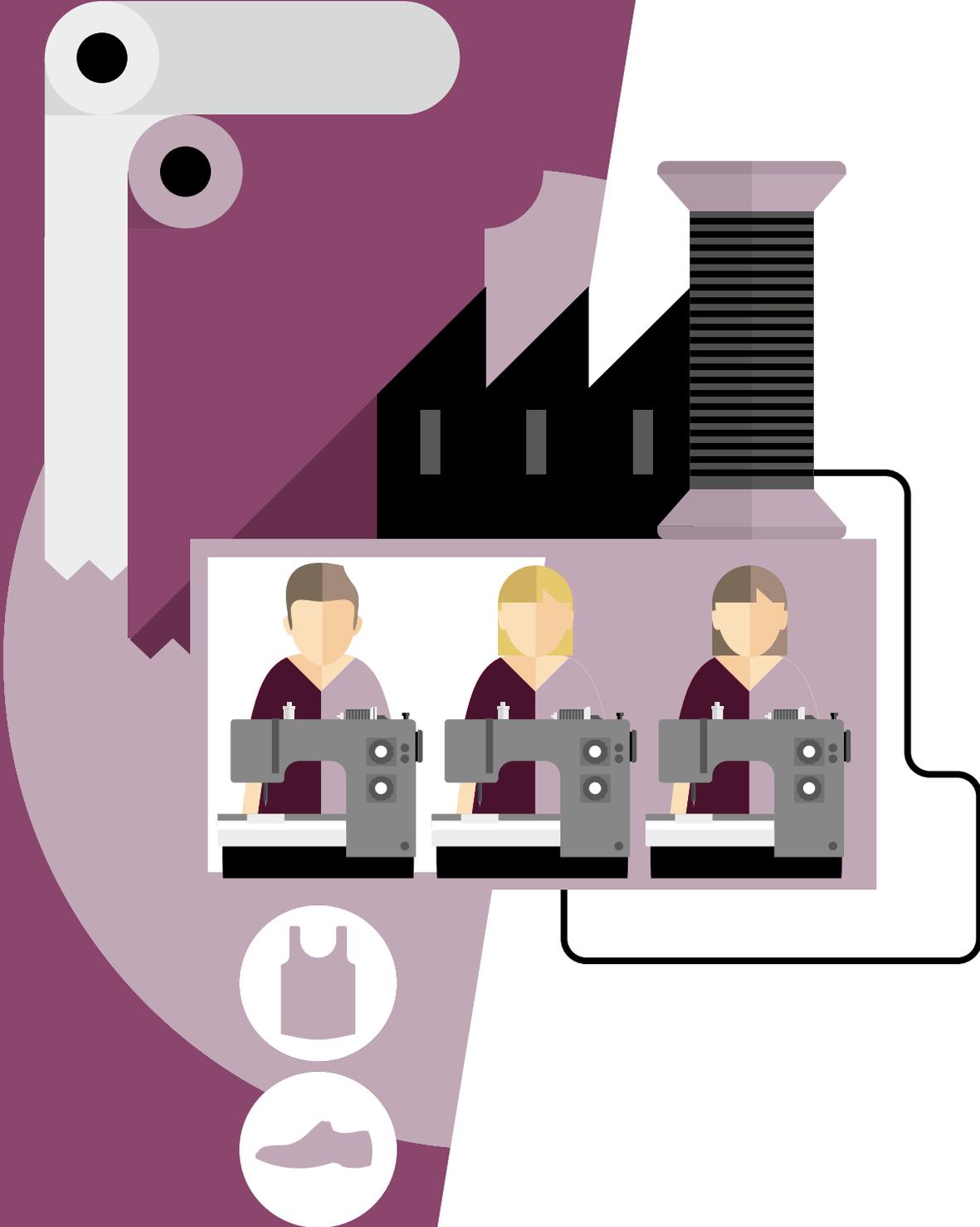
Score 1 - the aspect linked to the incentive scheme covers at least one of the key industry risks in Table 5 considered salient. If health and safety is the only issue for which there is a performance incentive, it includes the health and safety of local communities and/or workers in the supply chain.



Score 1 - the aspect linked to the incentive scheme covers at least one of the key industry risks in Table 5 considered salient. If health and safety is the only issue for which there is a performance incentive, it includes the health and safety of workers in the supply chain.



Score 1 - the aspect linked to the incentive scheme covers at least one of the key industry risks in Table 5 considered salient. If health and safety is the only issue for which there is a performance incentive, it includes the health and safety of local communities and workers of extractive business partners.





Embedding Respect and Human Rights Due Diligence

This Measurement Theme assesses the extent of a company's systems and processes established to implement the company's policy commitments in practice. It includes two related sub-themes:

Embedding: These indicators seek to assess how the company's human rights policy commitments are embedded in company culture and across its management systems and day-to-day activities, including within the management systems covering their business relationships.

Human rights due diligence: These indicators focus on the specific systems the company has in place to ensure that due diligence processes are implemented to assess the real-time risks to human rights that the company poses, to integrate and act on these findings so as to prevent and mitigate the impacts, and to track and communicate those actions. These indicators are aligned to the human rights due diligence steps in the UN Guiding Principles on Business & Human Rights.

Note: These systems / processes described may be dedicated to addressing human rights or they may be integrated into wider systems for managing risks and impacts, provided the systems address risks and impacts to people and not just risks to the Company.

B

Embedding Respect and Human Rights Due Diligence

Embedding Respect for Human Rights in Company Culture and Management Systems

What do the UN Guiding Principles on Business and Human Rights expect?

The company's statement(s) of commitment should be publicly available in prominent locations and communicated actively to workers, business relationships and others, including investors and stakeholders, so that they are aware of the company's commitments and integrate the commitment into company culture.

Companies should align the policies and procedures that govern their wider business activities and relationships with their responsibility to respect human rights.

Why is this Important?

These steps of embedding policy commitments into company culture and broader management systems and reinforcing them with specific due diligence processes ensures that a company takes a systematic and proactive, rather than ad hoc or reactive approach, to respecting human rights.

Human Rights Due Diligence

The purpose of human rights due diligence is to "know and show" that the company understands, is addressing and accountable for its impacts on specific people, communities and on the natural environment in a reasonable timeframe given its context of operations.

Assessing

What do the UN Guiding Principles expect?

Companies should identify and assess any negative impacts on human rights with which

they may be involved. This includes actual impacts (past or current) and potential impacts (those possible in the future— also referred to as human rights risks), from the company's own activities and from its business relationships – direct relationships and those one or more steps removed. The focus must be on risks to the human rights of people, as distinct from risks to the business itself, although the two are increasingly related.

Why is this important?

Assessing is the process by which the company gathers the basic information it needs in order to know what its human rights risks are so it can prevent and mitigate them. It is the starting point for a company to understand how to translate its human rights policy commitment into practice. Therefore, involving different parts of the company in the assessment process helps to build shared responsibility for addressing the actual and potential impacts identified.

Integrating & Acting

What do the UN Guiding Principles expect?

To address negative human rights impacts, businesses should integrate the findings from their impact assessments across relevant internal functions and processes, act to prevent and mitigate the impacts identified, and have the internal decision-making, budget allocation and oversight processes in place to enable effective responses.

Why is this important?

Through the process of "integration" a company can take the findings from its assessment of impacts, identify who in the company needs to be involved in addressing them, and work with them to decide on an effective response.

It is through the actions it takes to prevent or mitigate impacts that the company actually reduces its impacts on people, which is central to achieving respect for human rights.

Tracking

What do the UN Guiding Principles expect?

Companies need to track their responses to actual and potential human rights impacts to evaluate how effectively they are being addressed. Tracking should be based on appropriate qualitative and quantitative indicators and draw on internal and external feedback, including from affected stakeholders.

Why is this important?

Tracking how well the company is managing its human rights risks is the only way the company can really know it is respecting human rights in practice. Tracking is a crucial dimension of continuous improvement – it helps the company identify trends and patterns; it highlights recurring problems that may require more systemic changes to policies or processes, as well as good practices that can be shared across the company. Tracking is also essential for the company to be able to communicate accurately to all its stakeholders about what it is doing to meet its responsibility to respect human rights.

Communicating

What do the UN Guiding Principles expect?

Companies need to be prepared to communicate externally in order to account for how they address their impacts, particularly when concerns are raised by, or on behalf of, affected stakeholders. Companies that may have severe human rights impacts should report formally on how they address them.

Why is this important?

It is by knowing and showing that they respect

human rights in practice that companies build trust in their performance, demonstrate their reliability as partners, and gain a sustainable “social license to operate”. More widely, it is part of being accountable for how they do business, not least to those who may be impacted. Increasingly, shareholders, governments, potential business relationships, stock exchanges and civil society stakeholders also expect companies to provide information on their human rights performance.

B.1. Embedding Respect for Human Rights in Company Culture and Management Systems

Key Concepts

Key Industry risks - The risks commonly regarded as potentially severe and/or likely within the industry and that companies are expected to demonstrate, through a process of human rights due diligence, how they are preventing them or why they are not relevant. Therefore, while these risks are anticipated to be relevant given the company’s industry, they may not necessarily be the individual company’s most salient human rights issues. These may change over time.

Salient human rights issues - Those human rights that are at risk of the most severe negative impacts through a company’s activities or business relationships. They therefore vary from company to company, and over time.

Materiality - Refers to what is really important or has great consequences, and the various definitions of materiality take differing views depending on who is asking and for what purpose. For company public reporting, materiality often refers to a threshold used to determine what information a company will disclose in its formal reporting. Definitions of what constitutes that threshold vary considerably.

B.1.1 Responsibility and resources for day-to-day human rights functions

Sources: UNGP 19; UNGPRF A2 and A2.1; GRI G4-35 and G4-36

The Company outlines senior level responsibility for human rights within the Company as well as the organisation of the day-to-day responsibility for human rights across relevant internal functions.

Note: Board level responsibility is assessed under indicator A.2.1. and therefore not considered in this indicator.

Score 1

The Company indicates the senior manager role(s) responsible for relevant human rights issues within the Company (i.e. responsibility for human rights is assigned to a senior manager(s)) and this includes the ILO core labour standards at a minimum.

Score 2

The Company also describes how day-to-day responsibility, resources and decision-making process are allocated across the range of relevant functions of the Company.



Score 2 - the Company describes how day-to-day responsibility for managing human rights issues within its supply chain is allocated.



Score 2 - the Company describes how day-to-day responsibility for managing human rights issues within its supply chain is allocated.



Score 2 - the Company describes how day-to-day responsibility for managing human rights issues with its extractive business partners is allocated.

B.1.2 Incentives and performance management

Sources: UNGP 16 and 19; UNGPRF A2.3; GRI G4 51

The Company provides incentives to senior managers linked to implementation of the Company's human rights policy commitments and/or targets.

Score 1

The Company indicates that it has an incentive or performance management scheme linked to aspects of its human rights policy commitment(s) for at least one senior manager.

Score 2

The criteria linking the senior manager(s)' remuneration to the Company's human rights performance is also made public.



Score 2 - this includes senior managers and / or senior procurement managers and covers at least one of the key industry risks in Table 5 considered salient. If health and safety is the only issue for which there is a performance incentive, it includes the health and safety of local communities and/or workers in the supply chain.



Score 1 - this includes senior managers and / or senior procurement managers and covers at least one of the key industry risks in Table 5 considered salient. If health and safety is the only issue for which there is a performance incentive, it includes the health and safety of workers in the supply chain.



Score 1 - this includes senior managers covering at least one of the key industry risks in Table 5 considered salient. If health and safety is the only issue for which there is a performance incentive, it includes the health and safety of local communities and workers of extractive business partners.

B.1.3 Integration with enterprise risk management

Sources: UNGP 17 and 19; UNGPRF A2

The Company integrates attention to human rights risks into its broader enterprise risk management system(s).

Score 1

The Company describes how attention to human rights risks are integrated as part of its broader enterprise risk management systems.

Score 2

The Company also describes how the Board Audit Committee or an independent assessment was carried out of the adequacy of the enterprise risk management systems in managing human rights during the Company's last reporting year.

B.1.4 Communication/dissemination of policy commitment(s)

B.1.4.a Communication/dissemination of policy commitment(s) within Company's own operations

Sources: UNGP 12 and 16(d); UNGPRF A.1.3

The Company communicates its human rights policy commitment(s) to employees and other workers as well as to external stakeholders, in particular potentially affected stakeholders.

Note: In order to get any Score under this indicator, the human rights policy communicated must include the ILO core labour standards at a minimum.

Score 1

The Company describes how it communicates its policy commitment(s) to all workers, which languages the commitment(s) have been translated into, and whether the commitment(s) have not been translated into any local languages where the Company has operations or workers or the reason for not doing this.

Score 2

The Company also describes how it communicates its policy commitments to stakeholders, including local communities and potentially affected stakeholders **AND** the Company provides an example of how it ensures the form and frequency of the information communicated is accessible to its intended audience.

B.1.4.b Communication/dissemination of policy commitment(s) to business relationships

Sources: UNGP 16(d); UNGPRF A1.3 and A2.4

The Company communicates its human rights policy commitment(s) to its business relationships. In addition, it reflects its human rights commitments within the terms of its contracts (or other equivalent, binding arrangements) with business relationships. (See also Indicator B.1.7)

Note: In order to get any Score under this indicator, the human rights policy communicated must include the ILO core labour standards at a minimum.

Score 1

The Company describes the steps it takes to communicate its human rights policy commitment(s) to its business relationships.

Score 2

The Company describes how its human rights policy commitments are reflected within contractual or other binding arrangements with its business relationships.



Score 1 and 2 - this must include suppliers.



Score 1 and 2 - this must include suppliers.



Score 1 and 2 - this must include extractive business partners.

B.1.5 Training on human rights

Sources: UNGP 12; UNGPRF A1.3; GRI G4-HR2 and G4-HR7

The Company trains its workers on its human rights policy commitment(s).

Note: In order to get any Score under this indicator, the human rights policy commitment on which workers are trained must include the ILO core labour standards at a minimum.

Score 1

The Company describes how it trains all relevant managers and workers on the Company's human rights policy commitment(s).

Score 2

The Company also indicates that all its workers are trained on its human rights policy commitment(s).



Score 1 - Relevant managers and workers include procurement, plantation managers, community relations personnel and monitoring/compliance/audit teams.



Score 1 - Relevant managers and workers include procurement, factory managers and monitoring/compliance/audit teams.



Score 1 - Relevant managers and workers include all of the Company's security personnel (employed or contracted) and community relations personnel and the training must cover all security-related human rights issues.

B.1.6 Monitoring and corrective actions

Sources: UNGP 12 and 20; UNGPRF C4, C4.3 and C5; GRI, G4-HR11 and G4-LA15; SASB, CN0501-05, CN0501-06 and CN0103-21

The Company monitors the implementation of its human rights policy commitment(s) across its operations and business relationships and follows up on corrective actions and necessary changes to policies or processes.

Note: In order to get any Score under this indicator, the human rights policy commitment must include the ILO core labour standards at a minimum.

Score 1

The Company describes how it monitors its implementation of its human rights policy commitment(s), which include the ILO core labour standards at a minimum, and covers the Company globally and relevant business relationships.

Score 2

The Company also describes its corrective action process(es) and numbers of incidences **AND** provides an example of its corrective action process(es) in practice and any necessary changes to policies or processes in the Company's last reporting year.



Score 1 - the description includes how it monitors its suppliers and the proportion of its supply chain monitored.

Score 2 - the Company also describes how it uses third party/external monitors or auditors or community monitors.



Score 1 - the description includes how it monitors its suppliers and the proportion of its supply chain monitored.

Score 2 - the Company also describes how it also uses third party/external monitors or auditors.



Score 1 - the description includes how it monitors its extractive business partners and the proportion of those extractive business partners monitored.

Score 2 - the Company also describes how it uses third party/external monitors or auditors or community monitors.

B.1.7 Engaging business relationships

Sources: UNGP 13 and 19; UNGPRF A2.4; HRIB, 8.1.1; GRI, G4-DMAb, G4-HR10, G4-HR11, G4-LA14 and G4-LA15

The Company takes human rights considerations into account when deciding to engage (or terminate) business relationships.

Score 1

The Company describes how human rights performance is taken into account in the identification and selection of potential business relationships and how it can affect decisions to enter into or select business relationships.

Score 2

The Company also describes how the human rights performance of business relationships interacts with decisions to renew, expand or terminate business relationships.



Score 1 - the description includes how this applies to the identification and selection of suppliers and the human rights issues considered.

Score 2 - the Company also describes how it works with suppliers to improve human rights performance and provides an example.



Score 1 - the description includes how this applies to the identification and selection of suppliers and the human rights issues considered.

Score 2 - the Company also describes how it works with suppliers to improve human rights performance and provides an example.



Score 1 - the description includes how this applies to the identification and selection of extractive business partners and the human rights issues considered.

Score 2 - the Company also describes how it works with extractive business partners to improve human rights performance and provides an example.

B.1.8 Framework for engagement with potentially affected stakeholders

Source: UNGP 18 and 21; UNGPRF C2 and C2.1; GRI, G4-25 G4-26 and G4-27

The Company identifies affected and potentially affected stakeholders and engages in regular dialogue on human rights issues with them and organisations representing them. In doing so, it pays particular attention to those at heightened risk of vulnerability or marginalisation and prohibits bribes or other favours that may divide communities. To facilitate informed engagement, the Company provides meaningful information in accessible formats and languages.

Score 1

The Company describes its systems and/or processes to identify affected and potentially affected stakeholders, including those at heightened risk of vulnerability or marginalisation (where applicable) **OR** it describes the frequency and triggers for engagement on human rights issues by type or by stakeholder group.

Score 2

The Company meets both the requirements under Score 1 **AND** provides an analysis of the input/ views given by the stakeholders on human rights issues.



Score 1 - the Company engages with workers or their legitimate representatives in its supply chain on human rights issues.

Score 2 - The Company engages with local communities in its supply chain on human rights issues.



Score 1 - the Company engages with workers or their legitimate representatives in its supply chain on human rights issues.



Score 1 - the Company engages with workers or their legitimate representatives amongst its extractive business partners on human rights issues.

Score 2 - the Company engages with local communities on human rights issues.

B.2. Human Rights Due Diligence

B.2.1 Identifying: Processes and triggers for identifying human rights risks and impacts

Sources: UNGP 17 and 18; UNGPRF B2 and C3; HRIB, 1.2.1; GRI, G4-HR9, G4-HR11 and G4-LA15

The Company identifies its human rights risks and impacts on an on-going basis, including when these are triggered by key moments of the Company’s activities (e.g. policy change, market entry, new projects, amongst others).

Score 1

The Company describes the process(es) to identify its human rights risks and impacts in specific locations or activities, covering its own operations (i.e. impacts to which it may cause or contribute) as well as through relevant business relationships.

Score 2

The Company also describes the global systems in place to identify its human rights risks and impacts on a regular basis across its activities, in consultation with affected or potentially affected stakeholders and internal or independent external human rights experts. This includes how the systems are triggered by new country operations, new business relationships or changes in the human rights context in particular locations, and also includes risks and impacts to which the Company may be directly linked.



Score 1 - relevant business relationships include its supply chain.

Score 2 - the description includes an explanation of when human rights impact assessments (HRIAs) or environmental and social impact assessments (ESIAs) that include human rights are/will be carried out.



Score 1 - relevant business relationships include its supply chain.



Score 1 - relevant business relationships include extractive business partners.

Score 2 - the description includes an explanation of when human rights impact assessments (HRIAs) or environmental and social impact assessments (ESIAs) that include human rights are/will be carried out.

B.2.2 Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)

Sources: UNGP 17, 18 and 24; UNGPRF B1, B2 and C3; HRIB, 1.2.1.; GRI, G4-HR9, G4-HR11 and G4-LA15

The Company proactively assesses its potential human rights risks and actual human rights impacts for new activities and regularly reviews these for on-going activities.

Score 1

The Company describes its process(es) for assess-

Score 2

The Company publicly discloses the results of the

ing its human rights risks and what it considers to be its salient human rights issues. This description includes how geographical, economic, social and other relevant factors are taken into account.

assessments, which may be aggregated across its operations and locations. If the Company's salient human rights issues do not include any of the key industry risks (see Table 5), it describes why none of these were not considered salient for its activities.

B.2.3 Integrating and Acting: Integrating assessment findings internally and taking appropriate action

Sources: UNGP 17, 19 and 24; UNGPRF C4; GRI G4-DMA-b

The Company integrates the findings of its assessments of human rights risks and impacts into relevant internal functions and processes to identify appropriate actions to prevent, mitigate and/or remediate its salient human rights issues.

Score 1

The Company describes the processes to integrate and act on the findings of its assessments of human rights risks and impacts.

Score 2

The Company also provides an example of the specific conclusions reached and actions taken or to be taken on at least one of its salient human rights issues as a result of assessment processes in at least one of its activities/operations.



Score 1 - this includes describing how it integrates and acts on findings related to its supply chain.



Score 1 - this includes describing how it integrates and acts on findings related to its supply chain.



Score 1 - this includes describing how it integrates and acts on findings related to its extractive business partners.

B.2.4 Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts

Sources: UNGP 17, 20 and 24; UNGPRF C5; GRI G4-DMAc

The Company tracks the effectiveness of actions taken in response to its human rights risks and impacts assessed and acted on to incorporate that information into improving processes and systems on an ongoing basis.

Score 1

The Company describes the system(s) for tracking the actions taken in response to human rights risks and impacts assessed and for evaluating whether the actions have been effective or have missed key issues or not produced the desired results.

Score 2

The Company also provides an example of the lessons learned while tracking the effectiveness of its actions on at least one of its salient human rights issues as a result of the due diligence process.

B.2.5 Communicating: Accounting for how human rights impacts are addressed

Sources: UNGP 20 and 21; UNGPRF C2

The Company communicates externally how it addresses its human rights impacts in a manner that is accessible to its intended audiences, especially affected stakeholders who have raised concerns, providing enough information to evaluate the adequacy of the response(s) and does not pose risks to affected stakeholders or personnel. This communication is distinct from engagement with potentially affected stakeholders for the purposes of assessing or addressing impacts (See also Indicators B.1.8, B.2.1 and B.2.2).

Score 1

The Company describes the general criteria it uses for deciding what to communicate to whom, when, how as well as any criteria for deciding when not to communicate in response to actual impacts (i.e. self reported impacts) or an allegation of a human rights impact (i.e. third party/externally reported impacts) **OR** the Company describes how it ensures on an ongoing basis that potentially affected stakeholders or their legitimate representatives are able to access and use the information communicated, including how it overcomes any language barriers, literacy barriers, cultural barriers or physical barriers to effectively communicating with them.

Score 2

The Company meets both of the requirements under Score 1.



Score 1 - the description includes communications covering human rights impacts involving their supply chain.

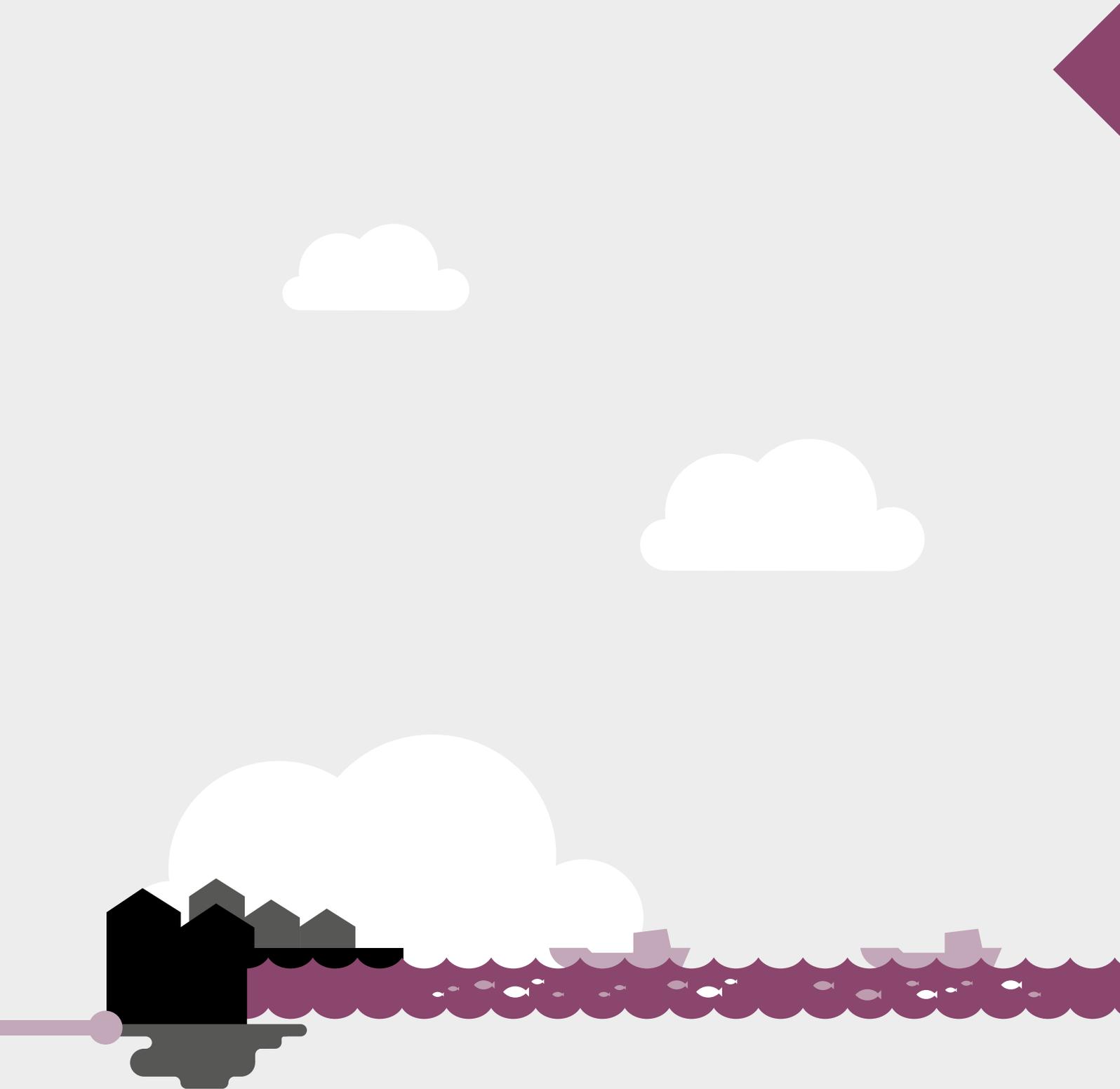


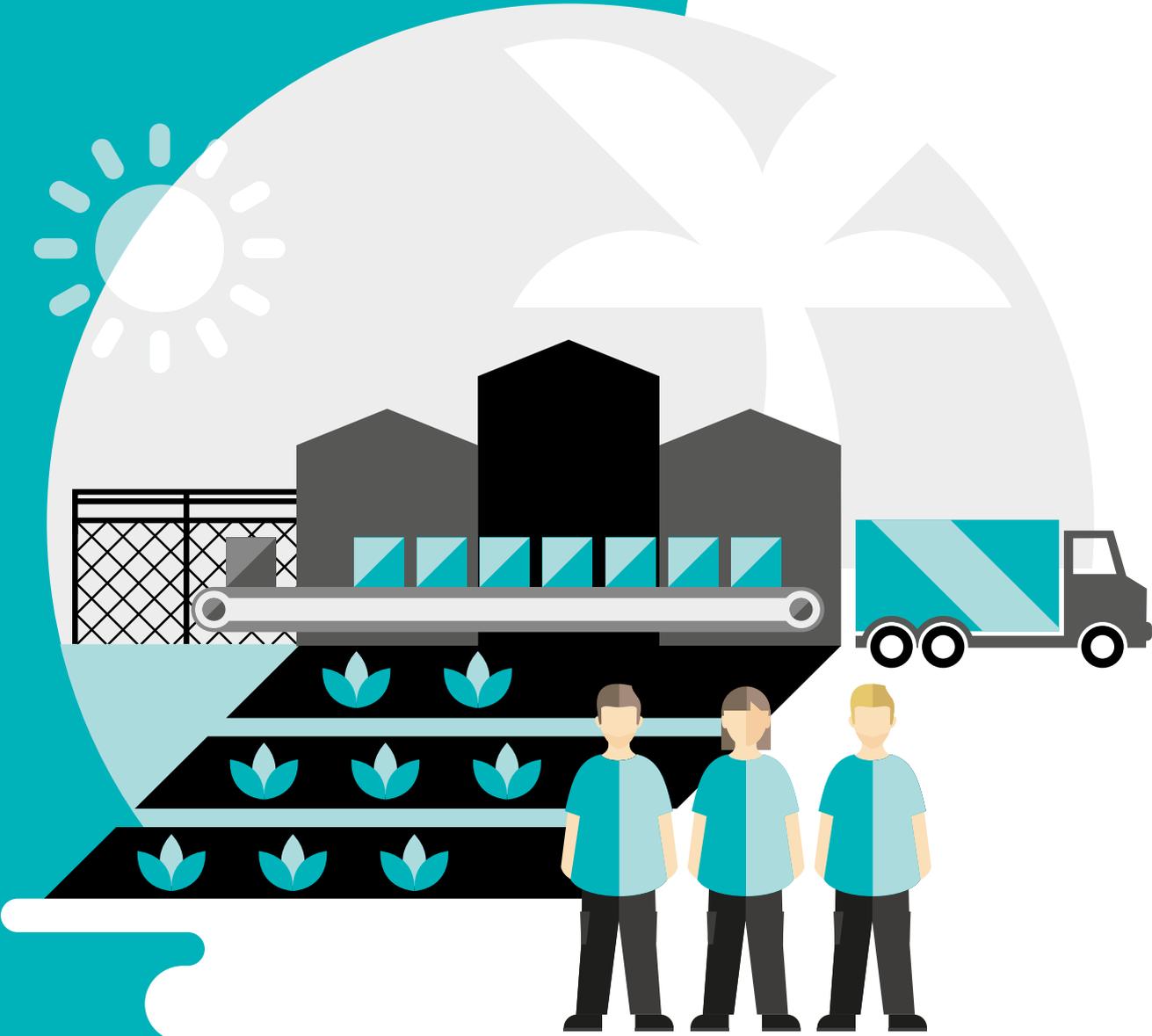
Score 1 - the description includes communications covering human rights impacts involving their supply chain.



Score 1 - the description includes communications covering human rights impacts involving extractive business partners.









Remedies and Grievance Mechanisms

This Measurement Theme focuses on the extent to which a Company provides remedy in addressing actual adverse impacts on human rights. It covers a Company's approach to providing or cooperating in remediation when human rights harms – actual human rights impacts -- have occurred. The indicators aim to assess the extent to which a Company has appropriate processes in place so that grievances may be addressed early and remediated directly where appropriate. The indicators also test the Company's willingness to participate in other remedy options and its approach to litigation concerning credible allegations of human rights impacts.

C

Remedies and Grievance Mechanisms

What do the UN Guiding Principles on Business and Human Rights expect?

- Where a company identifies that it has caused or contributed to negative human rights impacts, it should provide for or cooperate in their remediation through legitimate processes.
- Companies should establish or participate in effective operational-level grievance mechanisms for stakeholders who may be negatively impacted by their activities.
- Remediation processes provided by the state or third-party institutions can provide alternative channels for affected stakeholders to raise complaints or concerns. Complainants should be free to choose which available channels they wish to use.

Why is this important?

- Access to effective remedy is a human right in itself and therefore a core part of respecting human rights.
- Unless a company actively engages in the remediation of impacts it has caused or contributed to, it cannot fully meet its responsibility to respect human rights.
- Negative impacts may occur despite a company's best efforts, given the complexity of activities and business relationships involved. Companies need to be prepared for this situation they can respond quickly and effectively.
- Strong remediation processes can help prevent impacts or conflicts from increasing or escalating.

Note: See also Indicator A.1.5. on policy commitments concerning remedy and Indicator A.1.6 on policy commitments concerning human rights defenders.

Key concepts - Remediation

Remediation/remedy refers to both. to both the process of providing remedy for a negative human rights impact and the substantive outcomes that can counteract, or make good, the negative impact. These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.

C.1 Grievance channels/mechanisms to receive complaints or concerns from workers

Sources: UNGP 22, 29 and 30; UNGPRF C6.1 and C6.3; GRI G4-DMA-b

The Company has one or more channel(s) or mechanism(s) (its own, third party or shared) through which workers can raise complaints or concerns, including in relation to human rights issues. The channel(s)/mechanism(s) is available to all workers and takes into account accessibility by marginalised groups. The channel(s)/mechanism(s) is not used to undermine the role of legitimate trade unions in addressing labour-related disputes, nor to preclude access to judicial or other non-judicial grievance mechanisms.

Score 1

The Company indicates that it has one or more channels/mechanisms, or participates in a shared mechanism, accessible to all workers to raise complaints/concerns, including about human rights issues related to the Company **OR** the Company describes how it ensures the channel(s)/mechanism(s) is/are accessible to all workers, including in local languages.

Score 2

The Company also discloses data about the practical operation of the channel(s)/mechanism(s), such as the number of grievances about human rights issues filed, addressed and resolved, and an evaluation of the effectiveness of the channel(s)/mechanism(s).



Score 2 - the Company also expects its suppliers to establish a channel(s)/mechanism(s) for workers to raise complaints/concerns, including about human rights issues related to the supplier or their operations, and to convey the same expectation to their suppliers **OR** those workers have access to the Company's own channel(s)/mechanisms to raise complaints/concerns about the Company's suppliers.



Score 2 - the Company also expects its suppliers to establish a channel(s)/mechanism(s) for workers to raise complaints/concerns, including about human rights issues related to the supplier or their operations, and to convey the same expectation to their suppliers **OR** those workers have access to the Company's own channel(s)/mechanisms to raise complaints/concerns about the Company's suppliers.



Score 2 - the Company also expects its extractive business partners to establish a channel(s)/mechanism(s) for workers to raise complaints/concerns, including about human rights issues related to the extractives business partner or their operations **OR** those workers have access to the Company's own channel(s)/mechanisms to raise complaints/concerns about the Company's extractive business partners or their operations.

C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities

Sources: UNGP 22, 29 and 30; UNGPRF C6.1 and C6.3; GRI G4-DMA-b

The Company has one or more channel(s)/mechanism(s) (its own, third party or shared) through which individuals and communities who may be adversely impacted by the Company can raise complaints/concerns, including in relation to human rights issues.



Score 2 - the Company also expects its suppliers to establish a channel(s)/mechanism(s) for complaints/concerns from external individuals and communities, including about human rights issues related to the supplier or their operations and to convey the same expectation to their suppliers **OR** those individuals or communities have access to the Company's own channel(s)/mechanisms to raise complaints/concerns about the Company's suppliers.



Score 2 - the Company also expects its suppliers to establish a channel(s)/mechanism(s) for complaints/concerns from external individuals and communities, including about human rights issues related to the supplier, for their operations, and to convey the same expectation to their suppliers **OR** those individuals or communities have access to the Company's own channel(s)/mechanisms to raise complaints/concerns about the Company's suppliers.



Score 2 - the Company also expects its extractive business partners to establish a channel(s)/mechanism(s) for complaints/concerns from external individuals and communities, including about human rights issues related to the extractives business partner or their operations **OR** those individuals and communities have access to the Company's own channel(s)/mechanisms to raise complaints/concerns about the Company's extractive business partners or their operations.

Key concepts - Effectiveness criteria for non-judicial grievance mechanisms

UN Guiding Principle 31 describes the key criteria for effective non-judicial grievance mechanisms. They should be:

- a. **Legitimate:** enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes;
- b. **Accessible:** being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access;
- c. **Predictable:** providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation;
- d. **Equitable:** seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms;
- e. **Transparent:** keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake;
- f. **Rights-compatible:** ensuring that outcomes and remedies accord with internationally recognised human rights;
- g. **A source of continuous learning:** drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms;

Operational-level mechanisms should also be:

- h. **Based on engagement and dialogue:** consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.

The [UN OHCHR Interpretive Guide to the Corporate Responsibility to Respect Human Rights](#) further explains these criteria, and a report on [four pilots](#) conducted while the criteria were being developed illustrates their intent and implementation.

C.3 Users are involved in the design and performance of the channel(s)/mechanism(s)

Sources: UNGP 31(h); UNGPRF C6.1, C6.2 and C6.3

The Company (or the initiative, in the case of a shared channel/mechanism) engages with potential or actual users on the design, implementation and performance of the channel(s)/mechanism(s).

Score 1

The Company indicates that it engages with potential and/or actual users on the design, implementation or performance of the channel(s)/mechanism(s) **AND** describes how it does this.

Score 2

The Company also provides an example that in one or more instances potential and/or actual users participate in jointly creating or co-appointing the channel(s)/mechanism(s).



Score 2 - the Company also expects its suppliers to consult potential and/or actual users on the design, implementation, or performance of their channel(s)/mechanism(s).



Score 2 - the Company also expects its suppliers to consult potential and/or actual users on the design, implementation, or performance of their channel(s)/mechanism(s).



Score 2 - the Company also expects its extractive business partners to consult potential and/or actual users on the design, implementation, or performance of their channel(s)/mechanism(s).

C.4 Procedures related to the mechanism(s)/channel(s) are publicly available and explained

Sources: UNGP 19 and 31 (c); UNGPRF C6.3

The Company describes how complaints/concerns are received, processed and addressed and how those making complaints are informed throughout the process as well as how these may be escalated.

Score 1

The Company describes how complaints and concerns for workers and external individuals and communities are received, processed and addressed, including timescales for responses at each stage, who is handling the complaint, as well as how those making complaints are informed, in local languages.

Score 2

The Company describes how complaints or concerns for workers and all external individuals and communities may be escalated to more senior levels or independent parties.

C.5 Commitment to non-retaliation over concerns/complaints made

Sources: UNGP 22 and 31; UNGPRF C6.2 and C6.3

The Company prohibits retaliation for raising complaints/concerns, including in relation to human rights issues

Score 1

The Company indicates that it prohibits retaliation against workers and other stakeholders (including those that represent them) for raising human rights related concerns (including those covered by indicator A.1.6.) **AND** describes how it ensures there is no retaliation.

Score 2

The Company indicates that it has never brought a retaliatory suit against persons who have brought or tried to bring a case against it involving credible allegation of adverse human rights impacts or against the lawyers representing them (retaliatory civil litigation, including for defamation, filing criminal complaints, or any similar actions against claimants or their lawyers), or fired any workers who have brought or tried to bring a case against it involving an allegation of human rights abuse, or engaged in violent acts or threats or treats against livelihoods, careers or reputation against claimants or their lawyers.



Score 2 - the Company also expects its suppliers to prohibit retaliation against workers and other stakeholders (including those that represent them) for raising human rights related concerns (including those covered by indicator A.1.6).



Score 2 - the Company also expects its suppliers to prohibit retaliation against workers and other stakeholders (including those that represent them) for raising human rights related concerns (including those covered by indicator A.1.6).



Score 2 - the Company also expects its extractive business partners to prohibit retaliation against workers and other stakeholders (including those that represent them) for raising human rights related concerns (including those covered by indicator A.1.6).

C.6 Company involvement with State-based judicial and non-judicial grievance mechanisms

Sources: UNGPRF C6

The Company does not impede access to state-based judicial or non-judicial mechanisms or other mechanisms (such as international mechanisms) for persons who make allegations of adverse human rights impacts and it operates on the presumption that it will not require individuals permanently to waive their legal rights to bring a claim through a judicial process as a condition of participation in a grievance/mediation process. It also does not impede access by competent authorities investigating and adjudicating credible allegations of human rights impacts. It participates in non-judicial grievance mechanisms provided by the state where these are available to resolve grievances.

Score 1

The Company publicly commits to not impeding access to state-based judicial or non-judicial mechanisms or other available mechanisms for persons who make allegations of adverse human rights impacts **AND** indicates that it has not required affected individuals or communities participating in grievance/mediation process permanently to waive their legal rights to bring a claim through a judicial process as a condition of participating in the grievance/mediation process.

Score 2

The Company also sets out the process by which it will co-operate with state-based non-judicial grievance mechanism complaints brought against it **AND** provides an example of issues resolved (if applicable).

C.7 Remedying adverse impacts and incorporating lessons learned

Sources: UNGP 19, 22 and 31; UNGPRF C6, C6.4 and C6.5; GRI, G4-LA16, G4-HR12 and G4-SO2 and G4-SO11

The Company provides for or cooperates in remediation where it has identified that it has caused or contributed to adverse human rights impacts (or others have brought such information to the company's attention, such as through its grievance channel/mechanism). It also incorporates the lessons learned from remediation approaches into its channel(s)/mechanism(s) and processes to prevent future impacts.

Score 1

The Company describes the approach it has taken to provide or enable a timely remedy for any salient adverse human rights impacts which it has identified (by category or by example) and which it has caused or contributed to **OR** if it has not identified any, the approach it would take if adverse impacts related to the key industry risks were to be identified (see Table 5).

Score 2

The Company also describes changes to systems and procedures or new processes and practices adopted which are designed to prevent similar adverse impacts in the future **OR** if it has not yet identified any adverse human rights impacts, the approach it would take to incorporate lessons learned from such adverse impacts related to the key industry risks should they arise in the future.





Performance: Company Human Rights Practices

This Measurement Theme focuses on selected human rights related practices specific to each industry. The indicators seek to assess the actual practices occurring within companies in order to implement key enabling factors and business processes and to prevent specific impacts on human rights particularly at risk of occurring given the industry in question.

Many of these inter-relate with the other CHRB Measurement Themes and company approaches to policy commitments and governance, embedding respect for human rights in culture and management systems, undertaking human rights due diligence or implementing remediation processes.

However, these indicators aid the inter- and intra-comparative benefits of the Benchmark. Complemented with the CHRB performance indicators on Responses to Serious Allegations (Measurement Theme E), these indicators seek to achieve a more comprehensive overall proxy measure for the human rights performance of a company being benchmarked.

D

Performance: Company Human Rights Practices

The indicators applied to each industry are mapped in the below tables, split between enabling factors and business processes and key industry risks. These key industry risks have been identified taking into consideration industry research and consultation. See Table 1 for an index of the sources referenced in each indicator.

Enabling Factors and Business Processes

These indicators relate to certain factors and business processes that can help to enable rights-respecting outcomes within company activities.

Enabling Factors and Business Processes	 Agricultural Products	 Apparel	 Extractives
Living wage	✓	✓	✓
Aligning purchasing decisions with human rights	✓	✓	
Mapping and disclosing the supply chain	✓	✓	
Transparency and accountability			✓

Key Industry Risks

Key industry risks are risks commonly regarded as potentially severe or likely within the industry and that companies are expected to demonstrate, through a process of human rights due diligence, how they are preventing them or why they are not relevant.

Key Industry Risks	 Agricultural Products	 Apparel	 Extractives
Child labour	✓	✓	
Forced labour	✓	✓	
Freedom of association and collective bargaining	✓	✓	✓
Health and safety	✓	✓	✓
Indigenous peoples rights and FPIC			✓

Key Industry Risks	 Agricultural Products	 Apparel	 Extractives
Land rights	✓		✓
Security			✓
Water and sanitation	✓		✓
Women’s rights	✓	✓	
Working hours		✓	

These indicators are at times split in relation to:



Agricultural Products

Either a Company’s own agricultural operations
(see also Table 7)

OR/AND

its supply chain
(see also Table 8)



Apparel

Either a Company’s own production or manufacturing operations
(see also Table 7)

OR/AND

its supply chain
(see also Table 8)



Extractives

A Company’s own extractive operations
(see also Table 7)

D1 Agricultural Products

Enabling Factors & Business Processes

D.1.1 Living wage

D.1.1.a Living wage (*in own agricultural operations*)

Sources: ICESCR, Art. 7; HRIB, 2.4.1, ETI, 5; BSCI, V. Fair Remuneration; SA8000, IV.8.1; GLWC

The Company pays all its workers a living wage, which is regularly reviewed and negotiated through collective bargaining with relevant trade unions where they are operating. There are numerous definitions of living wage but the core concept is to provide a decent standard of living for a worker and his or her family based on a regular work week not including overtime hours. A living wage is sufficient to cover food, water, clothing, transport, education, health care and other essential needs for workers and their entitled official dependents and provide some discretionary income. Workers also receive equal pay for equal work.

Score 1

The Company indicates its target timeframe(s) for paying all workers a living wage **AND** the Company describes how it determines a living wage for the regions where it operates, which includes involvement of relevant trade unions.

Score 2

The Company also indicates that it either has met the targets or provides an explanation of why these were not met and its progress toward meeting the targets **AND** the targets are regularly reviewed and negotiated with relevant trade unions **OR** the Company demonstrates progress towards determining a living wage for the regions where it operates, which includes involvement of relevant trade unions.

D.1.1.b Living wage (*in the supply chain*)

Sources: ICESCR, Art. 7, HRIB, 8.2.3, ETI, 5; FWF, 5; BSCI, V. Fair Remuneration; SA8000, IV.8.1; GLWC

The Company ensures its suppliers pay their workers a living wage, which is regularly reviewed and negotiated through collective bargaining with relevant trade unions where they are operating. There are numerous definitions of living wage but the core concept is to provide a decent standard of living for a worker and his or her family based on a regular work week not including overtime hours. A living wage is sufficient to cover food, water, clothing, transport, education, health care and other essential needs for workers and their entitled official dependents and provide some discretionary income. Workers also receive equal pay for equal work.

Score 1

The Company includes living wage guidelines in its contractual arrangements with its suppliers or its supplier code of conduct and describes how these practices are taken into consideration in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to improve their living wage practices.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.1.2 Aligning purchasing decisions with human rights

Sources: UNGP 16; HRIB, 8.1.1; FLA, I.ER.24;

The Company ensures coherence between its purchasing policies and practices and its human rights commitment(s), so that such policies and practices do not undermine its human rights commitments or hinder the ability of its business relationships to meet the Company's expectations and their own human rights responsibilities.

Note: This can happen, for example, where the price for supplying temporary contract workers is so low that the contract does not allow for adequate payments to workers and a reasonable fee for the agency supplying the workers.

Score 1

The Company describes the practices it adopts to avoid price or short notice requirements or other business considerations undermining human rights **OR** it describes the specific positive incentives it provides its business relationships to act with respect for human rights (e.g. price premiums, repeat business, increased orders or longer contracts with good performers).

Score 2

The Company meets both the requirements under Score 1 **AND** provides an example of how a particular tension between respect for human rights and other business interests was addressed.

D.1.3 Mapping and disclosing the supply chain

Sources: GRI G4-12

The Company maps its suppliers and discloses its mapping publicly.

Score 1

The Company indicates that it maps its suppliers beyond tier one, including direct and indirect suppliers, and describes how it goes about this.

Score 2

The Company also discloses the mapping for the most significant parts of its supply chain and explains how it has defined what are the most significant parts of its supply chain.

Key Industry Risks

D.1.4 Child labour

D.1.4.a Age verification and corrective actions (in own agricultural operations)

Sources: CRC, Art. 32; ILO, No. 138 & No. 182; CRBP; HRIB, 2.3; FLA, I.ER.4, V. and CL.3-4; ETI, 4.2 and 4.4; FWF, 3; BSCI, V. No Child Labour and Special Protections for Young Workers; SA8000, IV. 1.2; GRI G4-HR5

The Company verifies the age of job applicants and workers in its own operations. In addition, if the Company learns that it has child labour in its operations, it ensures that the children are enrolled in a remediation/education programme, rather than dismissing them from employment. If children are found to be involved in hazardous work, they are removed immediately from the situation and provided alternative work until they can be enrolled in or are immediately enrolled

in a remediation/education programme. The objective is to ensure that children are not pushed into more dangerous survival strategies.

Score 1

The Company indicates that it does not use child labour **AND** verifies the age of job applicants and workers in its own operations.

Score 2

The Company also describes how it develops, participates in or contributes to programmes for transition from employment to education, enabling children to attend and remain in education, if and when child labour is found in its operations and to improve working conditions for young workers where relevant.

 **D.1.4.b Age verification and corrective actions (in the supply chain)**

Sources: CRC, Art. 32; ILO, No. 138 & No. 182; CRBP; HRIB 8.2.7; FLA, I.ER.4, V. and CL.3-4; ETI, 4.2 and 4.4; FWF, 3; BSCI, V. No Child Labour and Special Protections for Young Workers; SA8000, IV. 1.2 ; GRI G4-HR5

The Company ensures its suppliers verify the age of job applicants and workers. In addition, if the Company learns that it has child labour in its supply chain it ensures that the child/children are enrolled in a remediation/education programme, rather than dismissing them from employment. If children are found to be involved in hazardous work, they are removed immediately from the situation and provided alternative work until they can be enrolled in or are immediately enrolled in a remediation/education programme. The objective is to ensure that children are not pushed into more dangerous survival strategies.

Score 1

The Company includes child labour guidelines, including not using child labour, verifying the age of job applicants and workers and remediation programmes, in its in its contractual arrangements with its suppliers or supplier code of conduct, and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to eliminate child labour and to improve working conditions for young workers where relevant.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.1.5 Forced labour

 **D.1.5.a Debt bondage and other unacceptable financial costs (in own agricultural operations)**

Sources: ICCPR, Art. 8; ILO, No. 29 & No. 105; HRIB 2.2.; ETI, 1.2; FLA, I, I.ER.6, I.ER.10.2, I.ER.18, I.ER.20-21 and IV. and IV.F.1-3; BSCI, V. No Bonded Labour; SA8000, IV.2.1-.3 and IV.8.2-.3 ; GRI G4-HR6

The Company refrains from imposing any financial burdens on workers by withholding wages or expenses that should be covered by the Company, including recruitment fees and related

recruitment costs.

Score 1

The Company indicates that it pays workers regularly, in full and on time and does not require workers to pay work related fees or costs **AND** indicates that all workers receive a payslip with their wages explaining any legitimate deductions.

Score 2

The Company also describes how it implements and monitors this practice in its own operations, particularly with employment agencies/labour brokers/recruitment intermediaries.

D.1.5.b Debt bondage and other unacceptable financial costs (in the supply chain)

Sources: ICCPR, Art. 8; ILO, No. 29 & No. 105; HRIB, 8.2.6; ETI, 1.2; FLA, I.ER.6, I.ER.10.2, I.ER.18, I.ER.20-21 and IV.F.1-3; BSCI, V. No Bonded Labour; SA8000, IV.2.1-3 and IV.8.2-3; GRI G4-HR6

The Company ensures its suppliers refrain from imposing any financial burdens on workers by withholding wages or expenses that should be covered by its suppliers, including recruitment fees and related recruitment costs.

Score 1

The Company includes debt bondage guidelines, including refraining from imposing any financial burdens on workers by withholding wages or expenses including recruitment fees and related recruitment costs, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to eliminate imposing any financial burdens on workers.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.1.5.c Restrictions on workers (in own agricultural operations)

Sources: ICCPR, Art. 12; ILO, No. 29 & No. 105; HRIB 2.2; ETI, 1.2; FLA, I.ER.5, I.ER.10, IV.F.1-2 and IV.F.4-7; FWF, 1; BSCI, V. No Bonded Labour; SA8000, IV.2.4; GRI G4-HR6

The Company refrains from restricting workers' movement, including through the retention of passports or other personal identification or travel documents or ATM cards or similar arrangements for accessing wages.

Score 1

The Company indicates that it does not retain the workers' personal documents or restrict workers' freedom of movement outside of work hours or require workers to stay at and pay for accommodation by the Company.

Score 2

The Company also describes how it implements and checks this practice in its operations, particularly with employment agencies/labour brokers/recruitment intermediaries.

 **D.1.5.d Restrictions on workers (in the supply chain)**

Sources: ICCPR, Art. 12; ILO, No. 29 & No. 105; HRIB, 8.2.6; ETI, 1.2; FLA, I.ER.5, I.ER.10, IV.F.1-2 and F.4-.7; FWF, 1; BSCI, V. No Bonded Labour; SA8000, IV.2.4 ; GRI G4-HR6

The Company ensures its suppliers refrain from restricting workers’ movement, including through the retention of passports or other personal identification or travel documents or ATM cards or similar arrangements for accessing wages or other measures to physically restrict movement.

Score 1

The Company includes guidelines on workers’ freedom of movement, including refraining from restricting workers’ movement through the retention of passports or other personal identification or travel documents or ATM cards or similar arrangements for accessing wages or other measures to physically restrict movement, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to eliminate detention of worker’s documents or other actions to physically restrict movement.

Score 2

The Company meets both of the requirements under Score 1 **AND** the Company provides an analysis of trends in progress made.

D.1.6 Freedom of association and collective bargaining

 **D.1.6.a Freedom of association and collective bargaining (in own agricultural operations)**

Sources: : ICESCR, Art. 7; ICCPR, Art. 22; ILO, No. 87 and No. 98; HRIB, 2.6; SA8000, IV.4 ; GRI G4-HR4

The Company respects the right of all workers to form and join a trade union of their choice and to bargain collectively. In addition, it provides workers’ representatives with appropriate facilities to assist in the development of effective collective bargaining agreement(s). The Company also prohibits intimidation, harassment, retaliation and violence against trade union members and trade union representatives.

Score 1

The Company commits to not interfering with the right of workers to form or join trade unions and to bargain collectively and puts in place measures to prohibit any form of intimidation or retaliation against workers seeking to exercise these rights.

Score 2

The Company also discloses the percentage of its workforce whose terms and conditions of work are covered by collective bargaining agreements.

D.1.6.b Freedom of association and collective bargaining (*in the supply chain*)

Sources: ICESCR, Art. 7, ICCPR, Art. 22; ILO, No. 87 & No. 98; HRIB 2.6; ETI, 2; FLA, I.ER.15.1, I.ER.16, VI.FOA.1-24; FWF, 4; BSCI, V. the Rights to Freedom of Association & Collective Bargaining; SA8000, IV.4 ; GRI G4-HR4

The Company ensures its suppliers respect the right of all workers to form and join a trade union of their choice and to bargain collectively. In addition, the Company ensures its suppliers provide workers' representatives with appropriate facilities to assist in the development of effective collective bargaining agreement(s). The Company also ensures its suppliers prohibit intimidation, harassment, retaliation and violence against trade union members and trade union representatives.

Score 1

The Company includes freedom of association and collective bargaining guidelines, including the prohibition of intimidation, harassment, retaliation and violence against union members and union representatives, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to improve their practices in relation to freedom of association and collective bargaining.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.1.7 Health and safety

D.1.7.a Fatalities, lost days, injury rates (*in own agricultural operations*)

Sources: ICESCR Article 7; HRIB, 3; FLA, VII.HSE.3; BSCI, V. Occupational Health & Safety; SA8000, IV.3.5. and IV.3.7; GRI G4-LA6

The Company discloses a set of quantitative information on health and safety related to its direct employees and seasonal and migrant workforce, namely: injury rate, fatality rate, lost days (or near miss frequency rate).

Score 1

The Company discloses quantitative information on health and safety for its employees related to injury rates or lost days (or near miss frequency rate) and fatalities.

Score 2

The Company also provides an explanation of the figures provided or describes the resulting corrective actions or action plans **OR** sets targets related to rates of injury, lost days and fatalities **AND**, if the Company had already set targets related to the reporting period, it either has met the targets or provides an explanation of why these were not met.

D.1.7.b Fatalities, lost days, injury rates (in the supply chain)

Sources: ICESCR, Art. 7; HRIB 8.2.1; FLA, VII.HSE.3; BSCI, V. Occupational Health & Safety; SA8000, IV.3.5 and IV.3.7; GRI G4-LA6

The Company discloses a set of quantitative information on health and safety related to suppliers' workers, namely: injury rate, fatality rate, lost days or near miss frequency rate.

Score 1

The Company discloses quantitative information on health and safety for employees at suppliers related to injury rates or lost days (or near miss frequency rate) and fatalities.

Score 2

The Company also describes how these practices are taken into account positively in the identification and selection of suppliers **OR** describes how it engages with suppliers to improve their practices in relation to health and safety.

D.1.8 Land rights

D.1.8.a Land acquisition (in own agricultural operations)

Sources: UN Voluntary Guidelines; HRIB 5.2; IFC PS 5; Interlaken Group 2015; USAID 2015; FDC 2014

When acquiring, leasing or making other arrangements to use (or restrict the use of) land, the Company recognises legitimate tenure rights with particular attention to vulnerable tenure rights holders.

Score 1

The Company describes how it identifies legitimate tenure rights holders, including through engagement with the affected or potentially affected communities in the process, with particular attention to vulnerable tenure rights holders.

Score 2

The Company also describes how it plans to or provides financial compensation or other compensation alternatives, including its valuation methods and how legitimate tenure rights holders were involved in the determining the valuation.

Alternatively, where a state is or has been involved in the transaction, the Company follows IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement and describes the steps it has taken to meet the standards with respect to legitimate tenure rights holders. If the Company has not engaged in any land transactions during the Company's last reporting period, it describes its approach generally.

D.1.8.b Land acquisition (in the supply chain)

Sources: UN Voluntary Guidelines; HRIB, 5.2; IFC PS 5; Interlaken Group 2015; USAID 2015; FDC 2014

The Company ensures its suppliers have a process to identify legitimate tenure rights holders when acquiring, leasing or making other arrangements to use (or restrict the use of land), with particular attention to vulnerable tenure rights holders. The Company engages directly with

suppliers on this issue.

Score 1

The Company includes land guidelines, including the requirement to have a process to identify legitimate tenure rights holders when acquiring, leasing or making other arrangements to use, with particular attention to vulnerable tenure rights holders, in its supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company works with suppliers to improve their practices in relation to land use/ acquisition.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in the progress made.

D.1.9 Water and sanitation

D.1.9.a Water and sanitation (in own agricultural operations)

Sources: ICESCR, Art. 11 and 12; SDG, 6, HRIB 5.1 and 5.4.3, UN GC CEO Water Mandate, UN GA Res 64/292

The Company does not negatively affect access to safe water, in line with the UN Sustainable Development Goals and the UN Global Compact's CEO Water Mandate.

Score 1

The Company describes how it implements preventive and corrective action plans for identified specific risks to the right to water and sanitation in its own operations.

Score 2

The Company also has set specific targets on water stewardship that take into consideration water use by local communities and other users in the vicinity of its operations **AND** reports on its progress in meeting targets, including an analysis of trends in progress made.

D.1.9.b Water and sanitation (in the supply chain)

Sources: ICESCR, Art. 11 and 12; SDG, 6, HRIB 5.1 and 5.4.3, UN GC CEO Water Mandate, UN GA Res 64/292

The Company ensures its suppliers do not negatively affect access to safe water, in line with the UN Sustainable Development Goals and the UN Global Compact's CEO Water Mandate.

Score 1

The Company includes access to water and sanitation guidelines, including refraining from negatively affecting access to safe water, in its contractual arrangements with its suppliers or in its supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to improve

Score 2

The Company meets both the requirements under Score 1 **AND** provides an analysis of trends in progress made.

their practices in relation to access to water and sanitation.

D.1.10 Women's rights

D.1.10.a Women's rights (in own agricultural operations)

Sources: CEDAW; ILO, No. 100 & No. 111; WEP; HRIB, 2.7; ETI, 7 and 9; FLA, I.ER.3, II. and III; FWF, 2; BSCI, V. No Discrimination; SA8000, IV.5; GRI G4-LA13

The Company recognises the relevance of women's rights for the industry, given the prevalence of women workers and the different dimensions of inequality they often face. The Company has measures in place to implement its policy commitment to eliminate discrimination against women through: providing equal pay for equal work, and measures to ensure equal opportunities throughout all levels of employment, which may include setting up women's committees that report to management to address and resolve issues. In addition, the Company has in place measures to eliminate health & safety concerns that are particularly prevalent among women workers (e.g. sexual harassment, impact of pesticides on pregnant women).

Score 1

The Company describes its processes to prohibit harassment, intimidation and violence against women **OR** it describes how it takes into account differential impacts on women and men of working conditions, including to reproductive health **OR** it describes how it provides equality of opportunity for women in the workforce that are monitored and maintained throughout all levels of employment.

Score 2

The Company meets all of the requirements under Score 1.

D.1.10.b Women's rights (in the supply chain)

Sources: CEDAW; ILO, No. 100 & No. 111; WEP; HRBI 8.2.5; ETI, 7 and 9; FLA, I.ER.3, II. and III; FWF, 2; BSCI, V. No Discrimination; SA8000, IV.5; GRI G4-LA13

The Company recognises the relevance of women's rights for the industry, given the prevalence of women producers and workers and the different dimensions of inequality they often face. The Company ensures its suppliers have measures in place to implement its policy commitment to eliminate discrimination against women through: providing equal pay for equal work, and measures to ensure equal opportunities throughout all levels of employment, which may include setting up women's committees that report to management to address and resolve issues. In addition, the Company ensures its suppliers have measures in place to eliminate health & safety concerns that are particularly prevalent among women workers and producers (e.g. sexual harassment and physical security).

Score 1

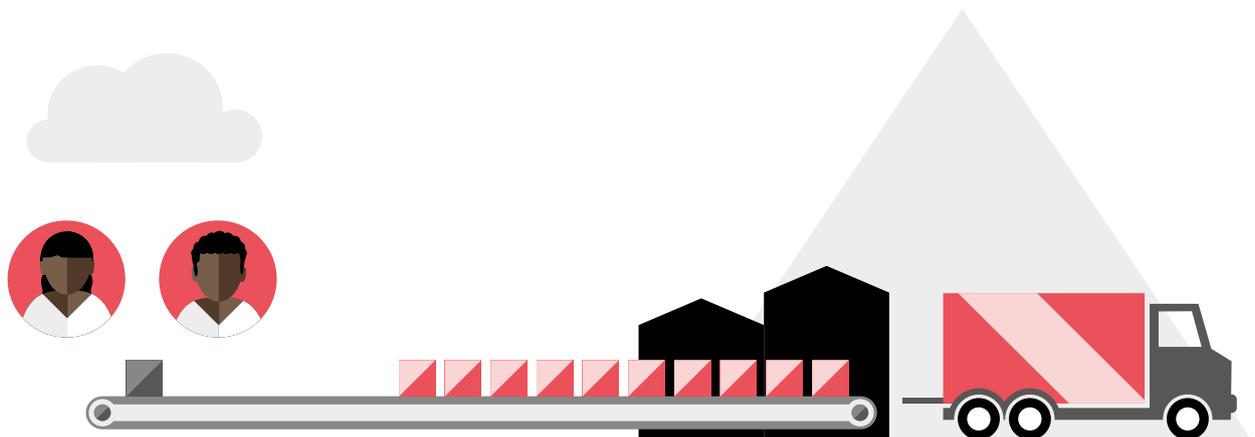
The Company includes women's rights guidelines,

Score 2

The Company meets both of the requirements

including the provision of equal pay for equal work, and measures to ensure equal opportunities throughout all levels of employment and to eliminate health and safety concerns that are particularly prevalent among women workers, in its contractual arrangements with its suppliers or in its supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company works with suppliers to improve their practices in relation to women's rights.

under Score 1 **AND** provides an analysis of trends in progress made.



D2 Apparel

Enabling Factors & Business Processes

D.2.1 Living wage

D.2.1.a Living wage (in own production or manufacturing operations)

Sources: ICESCR, Art. 7; HRIB, 2.4.1, ETI, 5; BSCI, V. Fair Remuneration; SA8000, IV.8.1; GLWC

The Company pays all its workers a living wage, which is regularly reviewed and negotiated through collective bargaining with relevant trade unions where they are operating. There are numerous definitions of living wage but the core concept is to provide a decent standard of living for a worker and his or her family based on a regular work week not including overtime hours. A living wage is sufficient to cover food, water, clothing, transport, education, health care and other essential needs for workers and their entitled official dependents and provide some discretionary income. Workers also receive equal pay for equal work.

Score 1

The Company indicates its target timeframe(s) for paying all workers a living wage **AND** the Company describes how it determines a living wage for the regions where it operates, which includes involvement of relevant trade unions.

Score 2

The Company also indicates that it either has met the targets or provides an explanation of why these were not met and its progress toward meeting the targets **AND** the targets are regularly reviewed and negotiated with relevant trade unions **OR** the Company demonstrates progress towards determining a living wage for the regions where it operates, which includes involvement of relevant trade unions.

D.2.1.b Living wage (in the supply chain)

Sources: ICESCR, Art. 7, HRIB, 8.2.3, ETI, 5; FWF, 5; BSCI, V. Fair Remuneration; SA8000, IV.8.1; GLWC

The Company ensures its suppliers pay their workers a living wage, which is regularly reviewed and negotiated through collective bargaining with relevant trade unions where they are operating. There are numerous definitions of living wage but the core concept is to provide a decent standard of living for a worker and his or her family based on a regular work week not including overtime hours. A living wage is sufficient to cover food, water, clothing, transport, education, health care and other essential needs for workers and their entitled official dependents and provide some discretionary income. Workers also receive equal pay for equal work.

Score 1

The Company includes living wage guidelines in its contractual arrangements with its suppliers or its supplier code of conduct and describes how these practices are taken into consideration in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to improve their living wage practices.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.2.2 Aligning purchasing decisions with human rights

Sources: UNGP 16, HRIB, 8.1.1; FLA, I.ER.24

The Company ensures coherence between its purchasing policies and practices and its human rights commitment(s), so that such policies and practices do not undermine its human rights commitments or hinder the ability of its business relationships to meet the Company's expectations and their own human rights responsibilities.

Note: This can happen, for example, where the price for supplying temporary contract workers is so low that the contract does not allow for adequate payments to workers and a reasonable fee for the agency supplying the workers.

Score 1

The Company describes the practices it adopts to avoid price or short notice requirements or other business considerations undermining human rights **OR** it describes the specific positive incentives it provides its business relationships to act with respect for human rights (e.g. price premiums, repeat business, increased orders or longer contracts with good performers).

Score 2

The Company meets both the requirements under Score 1 **AND** provides an example of how a particular tension between respect for human rights and other business interests was addressed.

D.2.3 Mapping and disclosing the supply chain

Sources: GRI G4-12

The Company maps its suppliers and discloses its mapping publicly.

Score 1

The Company indicates that it maps its suppliers beyond tier one, including direct and indirect suppliers, and describes how it goes about this.

Score 2

The Company also discloses the mapping for the most significant parts of its supply chain and explains how it has defined what are the most significant parts of its supply chain.

Key Industry Risks

D.2.4 Child labour

D.2.4.a Age verification and corrective actions (in own production or manufacturing operations)

Sources: CRC, Art. 32; ILO, No. 138 & No. 182; CRBP; HRIB, 2.3; FLA, I.ER.4, V. and CL.3-.4; ETI, 4.2 and 4.4; FWF, 3; BSCI, V. No Child Labour and Special Protections for Young Workers; SA8000, IV. 1.2; GRI G4-HR5

The Company verifies the age of job applicants and workers in its own operations. In addition, if the Company learns that it has child labour in its operations, it ensures that the children are en-

rolled in a remediation/education programme, rather than dismissing them from employment. If children are found to be involved in hazardous work, they are removed immediately from the situation and provided alternative work until they can be enrolled in or are immediately enrolled in a remediation/education programme. The objective is to ensure that children are not pushed into more dangerous survival strategies.

Score 1

The Company indicates that it does not use child labour **AND** verifies the age of job applicants and workers in its own operations.

Score 2

The Company also describes how it develops, participates in or contributes to programmes for transition from employment to education, enabling children to attend and remain in education, if and when child labour is found in its operations and to improve working conditions for young workers where relevant.

 **D.2.4.b Age verification and corrective actions (in the supply chain)**

Sources: CRC, Art. 32; ILO, No. 138 & No. 182; CRBP; HRIB, 2.3 and 8.2.7; FLA, I.ER.4, V. and CL.3-4; ETI, 4.2 and 4.4; FWF, 3; BSCI, V. No Child Labour and Special Protections for Young Workers; SA8000, IV.1.2; GRI G4-HR5

The Company ensures its suppliers verify the age of job applicants and workers. In addition, if the Company learns that it has child labour in its supply chain it ensures that the child/children are enrolled in a remediation/education programme, rather than dismissing them from employment. If children are found to be involved in hazardous work, they are removed immediately from the situation and provided alternative work until they can be enrolled in or are immediately enrolled in a remediation/education programme. The objective is to ensure that children are not pushed into more dangerous survival strategies.

Score 1

The Company includes child labour guidelines, including not using child labour, verifying the age of job applicants and workers and remediation programmes, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to eliminate child labour and to improve working conditions for young workers where relevant.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.2.5 Forced labour

 **D.2.5.a Debt bondage and other unacceptable financial costs (in own agricultural operations)**

Sources: ICCPR, Art. 8; ILO, No. 29 & No. 105; HRIB 2.2.; ETI, 1.2; FLA, I, I.ER.6, I.ER.10.2, I.ER.18, I.ER.20-21 and IV. and IV.F.1-3; BSCI, V. No Bonded Labour; SA8000, IV.2.1-3 and IV.8.2-3; GRI G4-HR6

The Company refrains from imposing any financial burdens on workers by withholding wages or expenses that should be covered by the Company, including recruitment fees and related recruitment costs.

Score 1

The Company indicates that it pays workers regularly, in full and on time and does not require workers to pay work related fees or costs **AND** indicates that all workers receive a payslip with their wages explaining any legitimate deductions.

Score 2

The Company also describes how it implements and monitors this practice in its own operations, particularly with employment agencies/labour brokers/recruitment intermediaries.

D.2.5.b Debt bondage and other unacceptable financial costs (in the supply chain)

Sources: ICCPR, Art. 8; ILO, No. 29 & No. 105; HRIB Indicator 8.2.6; ETI, 1.2; FLA, I.ER.6, I.ER.10.2, I.ER.18, I.ER.20-21, IV.F.1-3; FWF, 1; BSCI, V. No Bonded Labour; SA8000, IV.2.1-.3 and IV.8.2-.3; GRI G4-HR6

The Company ensures its suppliers refrain from imposing any financial burdens on workers by withholding wages or expenses that should be covered by its suppliers, including recruitment fees and related recruitment costs.

Score 1

The Company includes debt bondage guidelines, including refraining from imposing any financial burdens on workers by withholding wages or expenses including recruitment fees and related recruitment costs, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to eliminate imposing any financial burdens on workers.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.2.5.c Restrictions on workers (in own production or manufacturing operations)

Sources: ICCPR, Art. 12; ILO, No. 29 & No. 105; HRIB 2.2; ETI, 1.2; FLA, I.ER.5, I.ER.10, IV.F.1-.2 and IV.F.4-.7; FWF, 1; BSCI, V. No Bonded Labour; SA8000, IV.2.4; GRI G4-HR6

The Company refrains from restricting workers' movement, including through the retention of passports or other personal identification or travel documents or ATM cards or similar arrangements for accessing wages.

Score 1

The Company indicates that it does not retain the workers' personal documents or restrict workers'

Score 2

The Company also describes how it implements and checks this practice in its operations, particu-

freedom of movement outside of work hours or require workers to stay at and pay for accommodation by the Company.

larly with employment agencies/labour brokers/recruitment intermediaries.

D.2.5.d Restrictions on workers (in the supply chain)

Sources: ICCPR, Art. 12; ILO, No. 29 & No. 105; HRIB, 8.2.6; ETI, 1.2; FLA, I.ER.5, I.ER.10, IV.F.1-.2 and F.4-.7; FWF, 1; BSCI, V. No Bonded Labour; SA8000, IV.2.4; GRI G4-HR6

The Company ensures its suppliers refrain from restricting workers' movement, including through the retention of passports or other personal identification or travel documents or ATM cards or similar arrangements for accessing wages or other measures to physically restrict movement.

Score 1

The Company includes guidelines on workers' freedom of movement, including refraining from restricting workers' movement through the retention of passports or other personal identification or travel documents or ATM cards or similar arrangements for accessing wages or other measures to physically restrict movement, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to eliminate detention of worker's documents or other actions to physically restrict movement.

Score 2

The Company does both of the requirements under Score 1 **AND** the Company provides an analysis of trends in progress made.

D.2.6 Freedom of association and collective bargaining

D.2.6.a Freedom of association and collective bargaining (in own production or manufacturing operations)

Sources: : ICESCR, Art. 7; ICCPR, Art. 22; ILO, No. 87 and No. 98; HRIB, 2.6; SA8000, IV.4; GRI G4-HR4

The Company respects the right of all workers to form and join a trade union of their choice and to bargain collectively. In addition, it provides workers' representatives with appropriate facilities to assist in the development of effective collective bargaining agreement(s). The Company also prohibits intimidation, harassment, retaliation and violence against trade union members and trade union representatives.

Score 1

The Company commits to not interfering with the right of workers to form or join trade unions and to bargain collectively and puts in place measures to prohibit any form of intimidation or retaliation

Score 2

The Company also discloses the percentage of its workforce whose terms and conditions of work are covered by collective bargaining agreements.

against workers seeking to exercise these rights.

D.2.6.b Freedom of association and collective bargaining (in the supply chain)

Sources: ICESCR, Art. 7, ICCPR, Art. 22; ILO, No. 87 & No. 98; HRIB 2.6; ETI, 2; FLA, I.ER.15.1, I.ER.16, VI.FOA.1-24; FWF, 4; BSCI, V. the Rights to Freedom of Association & Collective Bargaining; SA8000, IV.4; GRI G4-HR4

The Company ensures its suppliers respect the right of all workers to form and join a trade union of their choice and to bargain collectively. In addition, the Company ensures its suppliers provide workers' representatives with appropriate facilities to assist in the development of effective collective bargaining agreement(s). The Company also ensures its suppliers prohibit intimidation, harassment, retaliation and violence against trade union members and trade union representatives.

Score 1

The Company includes freedom of association and collective bargaining guidelines, including the prohibition of intimidation, harassment, retaliation and violence against union members and union representatives, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to improve their practices in relation to freedom of association and collective bargaining.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.2.7 Health and safety

D.2.7.a Fatalities, lost days, injury rates (in own production or manufacturing operations)

Sources: ICESCR, Art. 7; HRIB, 3; FLA, VII.HSE.3; BSCI, V. Occupational Health & Safety; SA8000, IV.3.5 and IV.3.7; GRI G4-LA6

The Company discloses a set of quantitative information on health and safety related to its total workforce, namely: injury rate, fatality rate, lost days or near miss frequency rate.

Score 1

The Company discloses quantitative information on health and safety for its employees related to injury rates or lost days (or near miss frequency rate) and fatalities.

Score 2

The Company also provides an explanation of the figures provided or describes the resulting corrective actions or action plans **OR** sets targets related to rates of injury, lost days and fatalities **AND**, if the Company had already set targets related to the reporting period, it either has met the targets or provides an explanation of why not.

D.2.7.b Fatalities, lost days, injury rates (in the supply chain)

Sources: ICESCR, Art. 7; HRIB, 8.2.1; FLA, VII.HSE.3; BSCI, V. Occupational Health & Safety; SA8000, IV.3.5 and IV.3.7; GRI G4-LA6

The Company discloses a set of quantitative information on health and safety related to suppliers' workers, namely: injury rate, fatality rate, lost days (or near miss frequency rate).

Score 1

The Company discloses quantitative information on health and safety for employees at suppliers related to injury rates or lost days (or near miss frequency rate) and fatalities.

Score 2

The Company also describes how these practices are taken into account positively in the identification and selection of suppliers **OR** describes how it engages with suppliers to improve their practices in relation to health.

D.2.8 Women's rights

D.2.8.a Women's rights (in own production or manufacturing operations)

Sources: CEDAW; ILO, No. 100 & No. 111; WEP; HRIB, 2.7; ETI, 7 and 9; FLA, I.ER.3, II. and III; FWF, 2; BSCI, V. No Discrimination; SA8000, IV.5; GRI G4-LA13

The Company recognises the relevance of women's rights for the industry, given the prevalence of women workers and the different dimensions of inequality they often face. The Company has measures in place to implement its policy commitment to eliminate discrimination against women through: providing equal pay for equal work, and measures to ensure equal opportunities throughout all levels of employment, which may include setting up women's committees that report to management to address and resolve issues. In addition, the Company has in place measures to eliminate health & safety concerns that are particularly prevalent among women workers (e.g. sexual harassment, impact of pesticides on pregnant women).

Score 1

The Company describes its processes to prohibit harassment, intimidation and violence against women **OR** it describes how it takes into account differential impacts on women and men of working conditions, including to reproductive health **OR** it describes how it provides equality of opportunity for women in the workforce that are monitored and maintained throughout all levels of employment.

Score 2

The Company meets all of the requirements under Score 1.

D.2.8.b Women's rights (in the supply chain)

Sources: CEDAW; ILO, No. 100 & No. 111; WEP; HRIB, 8.2.5; ETI, 7 and 9; FLA, I.ER.3, II. and III.; FWF, 2; BSCI, V. No Discrimination; SA8000, IV.5; GRI G4-LA13

The Company recognises the relevance of women's rights for the industry, given the prevalence

of women workers and the different dimensions of inequality they often face. The Company ensures its suppliers have measures in place to implement its policy commitment to eliminate discrimination against women through: providing equal pay for equal work, and measures to ensure equal opportunities throughout all levels of employment, which may include setting up women's committees that report to management to address and resolve issues. In addition, the Company ensures its suppliers have measures in place to eliminate health & safety concerns that are particularly prevalent among women workers (e.g. sexual harassment and physical security).

Score 1

The Company includes women's rights guidelines, including the provision of equal pay for equal work, and measures to ensure equal opportunities throughout all levels of employment and to eliminate health and safety concerns that are particularly prevalent among women workers, in its contractual arrangements with its suppliers or in its supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company works with suppliers to improve their practices in relation to women's rights.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.

D.2.9 Working hours

D.2.9.a Working hours (in own production or manufacturing operations)

Sources: ICESCR, Art. 7; ILO, No. 1, 14 & 106; HRIB, 8.2.2; FWF, 6; BSCI, V. Decent Working Hours; SA8000, IV.7

The Company respects applicable international standards and national laws and regulations concerning maximum working hours and minimum breaks and rest periods. The Company also assesses the ability of workers within its factories to comply with its commitments to respect working hours and minimum breaks and rest period when allocating work or setting targets.

Score 1

The Company indicates that it respects applicable international standards and national laws and regulations concerning maximum hours and minimum breaks and rest periods in its own operations.

Score 2

The Company also describes how it implements and checks this practice in its operations.

D.2.9.b Working hours (in the supply chain)

Sources: ICESCR, Art. 7; ILO, No. 1, 14 & 106; HRIB, 8.2.2; FLA, VIII. and HOW.1-19; ETI, 6; FWF, 6; BSCI, V. Decent Working Hours; SA8000, IV.7

The Company ensures its suppliers respect applicable international standards and national laws and regulations concerning maximum working hours and minimum breaks and rest periods. The Company also assesses the ability of suppliers to comply with its commitments to respect

working hours and minimum breaks and rest period when allocating work or setting targets in its purchasing orders.

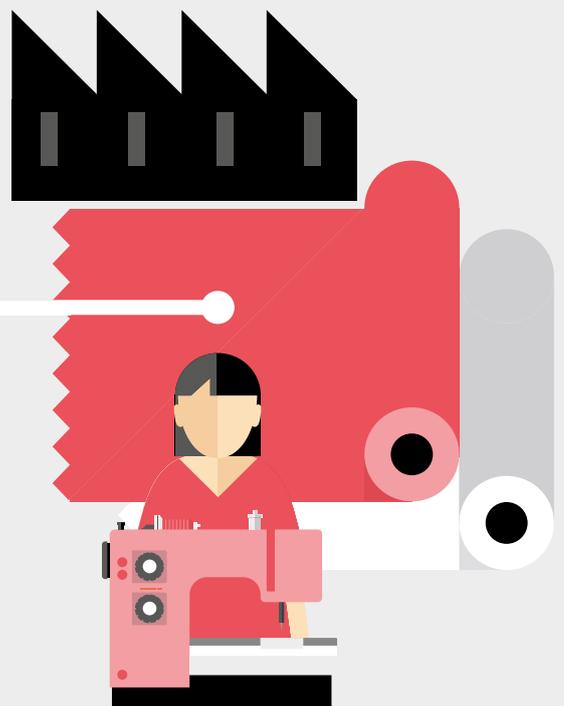
Score 1

The Company includes working hours guidelines, including respect for applicable international standards and national laws and regulations concerning maximum hours and minimum breaks and rest periods, in its contractual arrangements with its suppliers or supplier code of conduct and describes how these practices are taken into account positively in the identification and selection of suppliers **OR** the Company describes how it works with suppliers to improve their practices in relation to working hours.

Score 2

The Company meets both of the requirements under Score 1 **AND** provides an analysis of trends in progress made.





D3 Extractives

Enabling Factors & Business Processes

D.3.1 Living wage (*in own extractive operations*)

Sources: ICESCR, Art. 7; HRIB, 2.4.1; SA8000, IV.8.1; GLWC

The Company pays all its workers a living wage, which is regularly reviewed and negotiated through collective bargaining with relevant trade unions where they are operating. There are numerous definitions of living wage but the core concept is to provide a decent standard of living for a worker and his or her family based on a regular work week not including overtime hours. A living wage is sufficient to cover food, water, clothing, transport, education, health care and other essential needs for workers and their entitled official dependents and provide some discretionary income. Workers also receive equal pay for equal work.

Score 1

The Company indicates its target timeframe(s) for paying all workers a living wage **AND** the Company describes how it determines a living wage for the regions where it operates, which includes involvement of relevant trade unions.

Score 2

The Company also indicates that it either has met the targets or provides an explanation of why these were not met and its progress toward meeting the targets **AND** the targets are regularly reviewed and negotiated with relevant trade unions **OR** the Company demonstrates progress towards determining a living wage for the regions where it operates, which includes involvement of relevant trade unions.

D.3.2 Transparency and accountability (*in own extractive operations*)

Sources: EITI

The Company understands the importance of more openness around how countries and businesses manage natural resource wealth to ensure that these resources can benefit all citizens and demonstrates this by participating in initiatives on transparency, in particular on revenue transparency or disclosing payments and contracts.

Score 1

The Company is a member of Extractive Industry Transparency Initiative (EITI) **OR** the Company publicly reports by country the taxes and revenue payments to some countries beyond legal requirements for disclosure.

Score 2

If the Company operates in a non-EITI member country, it also describes the steps taken to be active participants in the process to promote transparency around revenue and tax payments and licensing/contracting/agreements or to becoming a member of EITI **OR** the Company provides an example of public disclosure of contracts/agreements or licenses that provide the terms attached to the exploitation of oil, gas or minerals, in countries for which there are no such disclosure requirements.

Alternatively, if the Company does not operate in an EITI member country and publicly reports, by country, taxes and revenue payments to ALL countries where it operates, then Score 2 will be met.

Key Industry Risks

D.3.3 Freedom of association and collective bargaining (*in own extractive operations*)

Sources: ICESCR, Art. 7; ICCPR, Art. 22; ILO, No. 87 and No. 98; HRIB, 2.6; SA8000, IV.4 ; GRI G4-HR4

The Company respects the right of all workers to form and join a trade union of their choice and to bargain collectively. In addition, it provides workers' representatives with appropriate facilities to assist in the development of effective collective bargaining agreement(s). The Company also prohibits intimidation, harassment, retaliation and violence against trade union members and trade union representatives.

Score 1

The Company commits to not interfering with the right of workers to form or join trade unions and to bargain collectively and puts in place measures to prohibit any form of intimidation or retaliation against workers seeking to exercise these rights.

Score 2

The Company also discloses the percentage of its workforce whose terms and conditions of work are covered by collective bargaining agreements.

D.3.4 Health and safety: Fatalities, lost days, injury rates (*in own extractive operations*)

Sources: : ICESCR, Art. 7; HRIB, 3.3; GRI G4-LA6

The Company discloses a set of quantitative information on health and safety related to its direct employees, its workers and on site contractors namely: injury rate, fatality rate, lost days or near miss frequency rate.

Score 1

The Company discloses quantitative information on health and safety for its employees and workers related to injury rates or lost days (or near miss frequency rate) and fatalities.

Score 2

The Company also provides an explanation of the figures provided or describes the resulting corrective actions or action plans **OR** sets targets related to rates of injury, lost days and fatalities **AND**, if the Company had already set targets related to the reporting period, it either has met the targets or provides an explanation of why these were not met.

D.3.5 Indigenous peoples rights and free prior and informed consent (FPIC) *(in own extractive operations)*

Sources: UNDRIP; ILO, No. 169; UNSR IP 2013; HRIB, 5.5 and 5.2.1; IFC PS, 7; ICMM PS 2013; IPIECA 2012; GRI G4-HR8

The Company respects indigenous peoples' rights in its processes to decide whether and how to carry out projects (or changes to existing projects) that are located in or impact on lands or territories or resources traditionally owned or occupied or traditionally or customarily used by indigenous peoples (legitimate tenure rights holders as set out in the UN Voluntary Guidelines) or on their cultural heritage. These processes assess and address impacts of the Company's activities and those of their business relationships and any related actions of the government.

Score 1

Where operations or proposed operations may impact on indigenous peoples, the Company describes its process to identify and recognise affected or potentially affected indigenous peoples **AND** it describes how it engages directly with indigenous community(ies) in carrying out the assessment.

Score 2

The Company also indicates it is committed to free prior and informed consent (FPIC) **AND** provides the most recent example where it has obtained free prior and informed consent (FPIC) or where it decided not to pursue the land or resources impacting on indigenous peoples.

D.3.6 Land rights *(in own extractive operations)*

Sources: UN Voluntary Guidelines; HRIB, 5.2; IFC PS, 5; Interlaken Group 2015; USAID 2015

When acquiring, leasing or making other arrangements to use (or restrict the use of) land, the Company recognises legitimate tenure rights with particular attention to tenure rights holders from marginalised groups.

Score 1

The Company describes how it identifies legitimate tenure rights holders, including through engagement with the affected or potentially affected communities in the process, with particular attention to tenure rights holders from marginalised groups.

Score 2

The Company also describes how it plans to or provides financial compensation or other compensation alternatives, including its valuation methods and how legitimate tenure rights holders were involved in the determining the valuation.

Alternatively, where a state is or has been involved in the transaction, the Company follows IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement and describes the steps it has taken to meet the standards with respect to legitimate tenure rights holders. If the Company has not engaged in any land transactions during the Company's last reporting period, it describes its approach generally.

D.3.7 Security (*in own extractive operations*)

Sources: : ICCPR, Art. 6 and 9; VPSHR; ICOC; HRIB, 6; IFC PS, 4

The Company maintains the safety and security of operations within an operating framework that ensures respect for human rights and international humanitarian law, and acts in a manner consistent with applicable international standards, particularly with regard to the use of force.

Score 1

The Company describes how it implements its security policy (including commitments to the Voluntary Principles on Security and Human Rights and/or the International Code of Conduct for Private Security Service Providers) and provides an example of how it ensures respect for human rights in the course of maintaining security of operations, including when working with contracted private or public security providers if applicable

Score 2

The Company also provides evidence that it extends its security assessment(s) and protection measures to cover the security of local communities around its operations where indicated by security assessments, works with community members to improve security and prevent or address any tensions, such as by increasing the proportion of security provided by the local community.

D.3.8 Water and sanitation (*in own extractive operations*)

Sources: ICESCR, Art. 11 and 12; SDG, 6; HRIB, 5.1 and 5.4.3; UN GC CEO Water Mandate, UN GA Res 64/292

The Company does not negatively affect access to safe water, in line with the UN Sustainable Development Goals and the UN Global Compact's CEO Water Mandate.

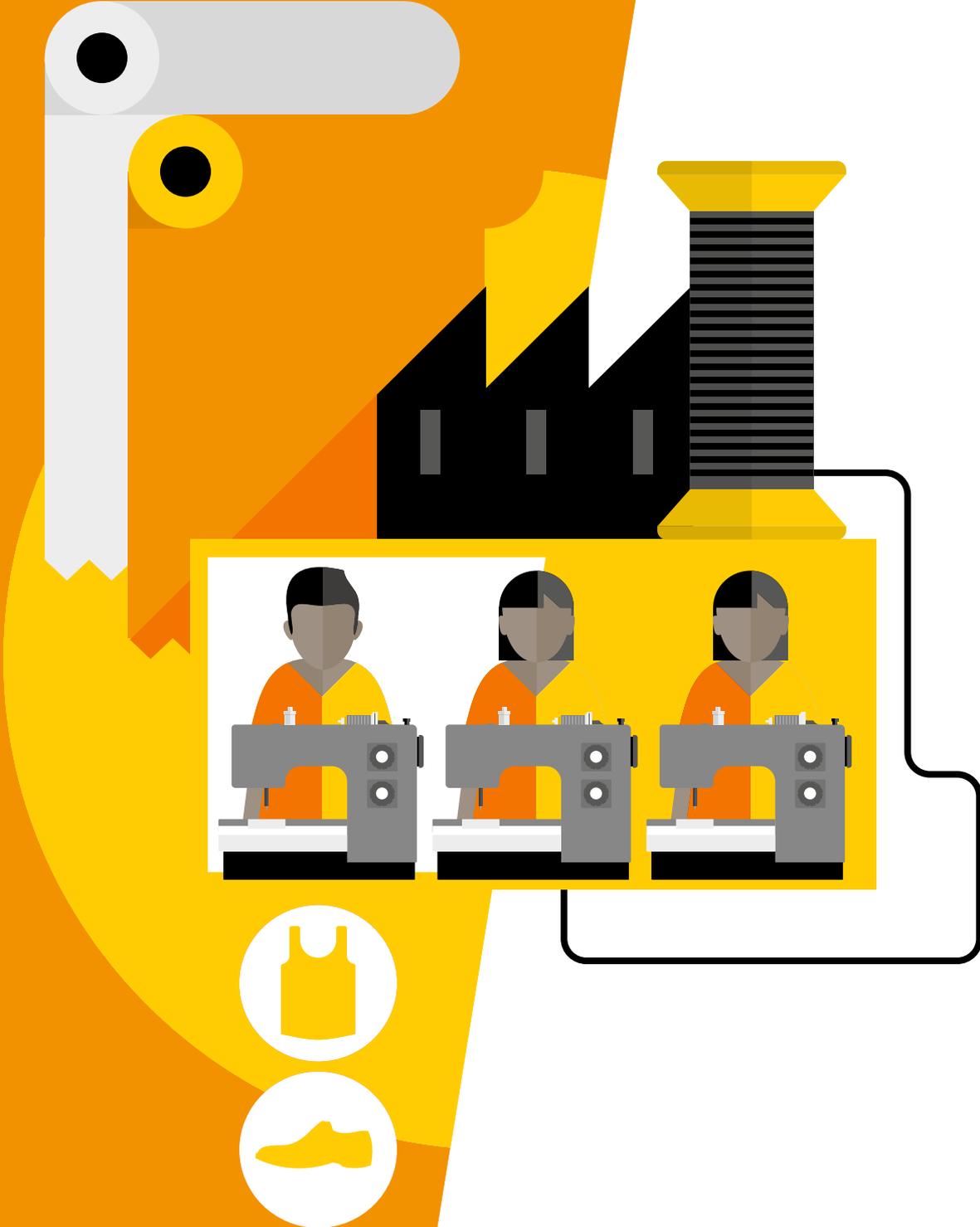
Score 1

The Company describes how it implements preventive and corrective action plans for identified specific risks to the right to water and sanitation in its own operations.

Score 2

The Company has also set specific targets on water stewardship that take into consideration water use by local communities and other users in the vicinity of its operations **AND** reports on its progress in meeting targets, including an analysis of trends in progress made.







Performance: Responses to Serious Allegations

This Measurement Theme focuses on responses to serious allegations of negative impacts a Company may be alleged or reported to be responsible for by an external source.

While previous Measurement Themes have focused on the specific policies, systems, processes, and practices the Company puts in place to proactively avoid adverse impacts, indicators in the Responses to Serious Allegations Measurement Theme seek to assess a Company's response to an allegation that an impact has occurred. The Response to Serious Allegations Measurement Theme does not seek to assess the allegation itself.

E

Performance: Responses to Serious Allegations

Which allegations will be included?

Recognising the need for companies to focus their resources on responding to severe and substantiated allegations, the following criteria will be applied to assess whether an allegation will be assessed under this Measurement Theme.

Severe impacts:

This Measurement Theme will cover allegations of severe human rights impacts. The commentary to UN Guiding Principle 14 states that ‘severity of impacts will be judged by their scale, scope and irremediable character’. The Interpretive Guide to the UN Guiding Principles provides additional information about severity. Severe negative impacts are defined in the Guiding Principles as those impacts that would be greatest in terms of:

- a. **Scale:** The gravity of the impact on the human right(s); and/or
- b. **Scope:** The number of individuals that are or could be affected; and/or
- c. **Remediability:** The ease with which those impacted could be restored to their prior enjoyment of the right(s).

Clear human rights link:

The types of alleged impacts covered will include the following (see Table 17 below):

- Child Labour
- Forced Labour
- Discrimination
- Freedom of Association and Collective Bargaining
- Working Hours
- Health and Safety
- Right to security of persons including

freedom from torture, cruel inhumane or degrading treatment.

- Land rights including forced displacement
- Indigenous peoples rights
- Environmental damage leading to water, land or air harmful to human health or negative impacts on livelihoods.

Recent:

Allegations must have occurred within the previous three years from the start date of the annual CHRB research period. Allegations of impacts that have taken place more than three years prior to the date of the annual CHRB research period may be included if renewed allegations arise in connection with the original allegation (for example, about a failure to provide an effective remedy).

External source:

The indicators in this Measurement Theme are based on allegations from external sources such as print media, NGOs, news sites, governmental agencies, commentaries and social media. Only sources covered by Vigeo Eiris, BHRRC and RepRisk will be considered and each source will be shared with the Companies assessed. Sources mainly include multilateral organisations, trade unions and relevant NGOs. Analysts working for BHRRC, RepRisk and Vigeo Eiris regularly monitor email listings and search global press and NGO websites for information relating to alleged breaches and the Dow Jones/Reuters Factiva service is used to source news articles. The allegations will be reviewed by these organisations and any duplicate allegations across the databases will be removed. Note that these will not consider companies’ self-reported impacts, which are dealt with in indicators under the other CHRB Measurement Themes.

Level of detail provided on the allegation:

Allegations must have enough detail to link the Company to the allegation, i.e. to put the Company’s responsibility into question if the facts were established. Such details can include specifications about specific operations or locations and specific details about the alleged impacts. A Company, or a joint venture or consortium (where the Company has an equity stake of 5 % or more), must be specifically named in an allegation to be included.

Practical thresholds:

Outlined below are the indicative thresholds for including allegations in this Measurement Theme, relevant international standards and some examples to highlight the kinds of allegations that could qualify in practice.

Table 17: Examples of types of alleged impacts relevant to Measurement Theme E

Type of impact to which the allegation is related	Relevant International Conventions	Threshold for the type of allegations that could be included	Examples of the type of allegations that could be included
Forced Labour	ILO Conventions 29 and 105 - prohibiting the use of forced labour, indentured labour, slave labour and prison labour	Allegations that involve: <ul style="list-style-type: none"> coercion bonded labour workers not being paid their wages in the context of overall poor working conditions 	Sourcing from suppliers not paying their employees, or sourcing from suppliers employing young girls and women in a form of bonded labour.
Child Labour	ILO conventions 138 and 182 - prohibiting the employment of children below 15 years, and below 18 years in most hazardous work	Allegations that involve: <ul style="list-style-type: none"> hazardous work under the age of 18 child labour under the age of 15 (or age as per national law, whichever is higher) children working excessive hours or that result in the death of a child child exploitation, including sexual exploitation 	Allegations that over 60 % workers at supplier factories/ contractors’ workers interviewed were between 15 and 18 (the hazardous nature of the work is not appropriate for workers below the age of 18 according to the ILO).
Discrimination	ILO conventions 100 and 111 -prohibiting discrimination at work	Allegations that involve: <ul style="list-style-type: none"> repeated degrading discriminatory treatment (physical abuse) violence against those affected or serious, substantial threats of violence such as death threats forced pregnancy testing or discrimination against pregnant women 	Allegations of pregnancy testing on women prior to hiring them, or of sexual assaults at supplier factories.

Type of impact to which the allegation is related	Relevant International Conventions	Threshold for the type of allegations that could be included	Examples of the type of allegations that could be included
Working Hours	ILO Conventions 1, 14 and 106 - Hours of Work (Industry), Weekly Rest (Industry) and Weekly Rest (Commerce and Offices)	Allegations that involve: <ul style="list-style-type: none"> ● forced overtime (the allegations must explicitly detail the forced overtime) OR overtime that result in the death of a worker ● excessive overtime (employees or workers in the supply chain working more than 60 hours a week on an ongoing basis) 	Allegations that average working hours per month exceed 300 hours at factories where workers' employment depends on signing a 'voluntary application of overtime work'.
Freedom of Association and Collective Bargaining	ILO conventions 87 and 98 - Freedom of association / Collective bargaining	Allegations that involve: <ul style="list-style-type: none"> ● active and systematic opposition to employees or other workers from forming or joining unions, or threatens those who do join, or dismisses workers who have joined ● interfering in the union's activities or administration ● repeated refusal to recognise a union over a period of time (two years) in one location or allegations that it has refused to recognise a union in multiple locations 	Allegations that employees have been dismissed for being part of a union or being forced to leave their unions.
Health and Safety	ILO conventions relating to this issue include: Occupational Safety and Health Convention 155, Prevention of Major Industrial Accidents Convention 174 and the Safety and Health in Mines Convention 176	Allegations that involve: <ul style="list-style-type: none"> ● accidents involving 5 or more deaths or serious injuries of employees or contractors or other persons outside the workforce where there are allegations that the Company failed to apply health and safety principles ● the Company's supply chain, where 10 or more deaths or serious injuries of the suppliers' employees or contractors or other persons outside the workforce where there are allegations that the supplier failed to apply health and safety principles ● major accidents that do not result in this level of deaths or serious injuries if on the basis of the information available it seems likely that such deaths or injuries were only avoided by chance (e.g. an explosion occurring on a Sunday when no employees are on site) 	A tunnel collapse in a mine and killing over 28 workers or explosion at an oil pipeline killing 62 people and injuring 136 people.
Right to security of persons including freedom from torture, cruel inhumane or degrading treatment	UN Code of Conduct for Law Enforcement Officials (1979)	Allegations that involve: <ul style="list-style-type: none"> ● violations by security forces linked to the Company or company personnel that have resulted in at least one fatality or torture 	Allegations that security guards at a mine site shot and killed artisanal miners or protesters against the mine.

Type of impact to which the allegation is related	Relevant International Conventions	Threshold for the type of allegations that could be included	Examples of the type of allegations that could be included
	<p>UN Basic Principles on the Use of Force & Firearms by Law Enforcement Officials (1990)</p> <p>Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984)</p> <p>Geneva Convention relative to the Treatment of Prisoners of War (1949)</p>	<ul style="list-style-type: none"> ● death or death threats allegedly linked to Company made against human rights defenders ● death or death threats allegedly linked to the Company made against leaders protesting against a Company project ● intentional killings 	
Land rights	<p>Land rights specifically related to indigenous peoples:</p> <p>ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169)</p> <p>UN Declaration on the Rights of Indigenous Peoples, 2007</p>	<p>Allegations that involve:</p> <ul style="list-style-type: none"> ● forced evictions of local communities to clear land for the Company's use ● companies using indigenous lands without indigenous peoples' free, prior and informed consent 	<p>Allegations that land was confiscated and local communities were forcibly removed from their lands.</p>
Right to livelihood and / or right to health	<p>No specific standard is used in this impact</p>	<p>Allegations that involve:</p> <ul style="list-style-type: none"> ● environmental damage linked to Company with clear links to health or other human rights impacts 	<p>On-going allegations related to gas flaring and/or oil spills that have reportedly caused serious damage to the environment, human health and livelihoods.</p>

Note: Table 17 is not an exhaustive list and will evolve as allegations are reviewed. Human rights issues key to other industries (ie: privacy rights for ICT firms) will be added as these industries are included in future iterations of the Benchmark.

Number of allegations covered

In the 2016 Pilot Benchmark, a maximum of two allegations per type of impact (see the first column in Table 18) will be assessed for each Company. This is due to practical limitations. All allegations across BHRRC, Vigeo Eiris and RepRisk databases will be considered when selecting cases to assess. If there are more than two allegations recorded in these databases about a specific type of impact for a Company, allegations will be selected for scoring by prioritising according to the following criteria:

- **High severity:** see criteria above on scale, scope and remediability.
- **Systemic nature:** multiple allegations or allegation on-going for an extended period of time.
- **Prior warning:** abuses that were foreseeable or allegedly deliberate.
- **Legal/regulatory framework:** ongoing court cases, fines, judgements, formal inquiries by government departments and regulators. In addition, regard may also be paid to the scale of coverage of the issue.

If a Company only has allegations recorded under a single type of impact, up to three allegations will be assessed under this category.

Scoring

Scoring for the Responses to Serious Allegations Measurement Theme is dealt with differently than the other Measurement Themes. The scoring operates by deducting points rather than adding them. In other words, companies without any serious allegations will receive the full score on this Measurement Theme – a maximum of eight points, which is equal to the full weighting of this Measurement Theme (20%) in the overall scoring of

the Benchmark.

The scoring will operate according to the following rules:

- The Company's response to each serious allegation that is assessed is scored in indicators E.1 to E.3. Indicator E.3 is worth double points. Hence, a company receives a score between 0-8 points per response.
- These scores per allegation are then averaged.
- The Company's average score is weighted to convert from a 0-8 point scale to a 0-100% scale. The weighting depends on whether the Company has multiple serious allegations as follows:
 - If the Company has only 1 serious allegation, then each point in its average score is weighted 12.5%;
 - If the Company has 2 serious allegations, then each point scored in its average score is weighted 10%;
 - If the Company has 3 or more serious allegations, then each point in its average score is weighted 7.5%.
- In all cases, if the Company's average score is 8 points, i.e., it has received the maximum score on all allegations, it will score 100% on Measurement Theme E, which amounts to 20% of the overall weighting of the Benchmark.
- This is also illustrated in Table 18.

Table 18: Scoring for Measurement Theme E

Number of serious allegations	Average response score	
	Less than 8 points	8 points
0	100 %	100 %
1	12.5 % per point	100 %
2	10 % per point	100 %
3 or more	7.5 % per point	100 %

Actual versus potential impacts

This Measurement Theme covers allegations of actual impacts; allegations regarding potential impacts that have a likelihood of occurring in the future will not be addressed in this Measurement Theme, but in other Measurement Themes of the Benchmark. Therefore, in the context of this Measurement Theme, ‘alleged’ refers to impacts that the company may or may not have acknowledged (i.e. denied that it occurred, or that it has caused or contributed to the impact).

Allegations arising during assessment

If an allegation about a company arises during the assessment period, CHRB will assess the response using a modified approach. In order to receive a Score 1 or 2, the company will have to issue a letter of commitment that it will comply with the requirements set out under each indicator.



Indicators for assessing a company's response

E.1 The Company has responded publicly to the allegation

The Company has publicly responded to the allegation and provided further details.

Score 1

The Company has responded publicly to the allegation.

Note: This may be a response the Company has made public through a statement in a publicly accessible document on its website, in the press, through BHRRRC, or through the CHRB Disclosure Platform..

Score 2

The Company has responded publicly and in detail to the each aspect of the allegation.

Note: In case of on-going judicial process or if disclosing full details could have adverse impact on affected people, such details are not required to be disclosed publicly and will not affect obtaining a Score 2.

E.2 The Company has appropriate policies in place

The Company has policies in place related to the allegation to prevent the type of alleged impact from re-occurring.

Score 1

The Company has a publicly available statement of policy committing it to respecting the general human rights principle in question relevant to the impacts covered by the allegation **AND** the commitment is applicable to business relationships which may have contributed to or been linked to the alleged impact.

Score 2

The Company meets both of the requirements under Score 1 **AND** has a policy that refers to the specific type of human rights issue in question.

Note: The policy can be part of a broader human rights policy as long as it provides details on the specific human rights issue in question.

E.3 The Company has taken appropriate action.

The Company has taken appropriate action to address the alleged impacts.

Score 1

The Company takes appropriate action to address the alleged impact including through providing remedy(ies) to the affected people and putting in place related management systems to prevent such impacts depending on its 'level of involvement' (see next page) **AND** engages in a dialogue with the stakeholders reportedly affected in the allegation (or, if the Company is alleged to be directly linked, it encourages its business relationship to do so).

If the Company denies the allegation, it fulfils requirements under Score 1 **AND** is able to describe what actions it would take to prevent and remediate such alleged impacts, including by improving its management systems.

Score 2

The Company fulfills all the requirements under Score 1 **AND** provides evidence that it provides remedy(ies) that are satisfactory to the victims **AND** provides evidence of having improved its management systems to prevent such impacts from occurring again.

If the Company denies the allegation, it fulfills the requirements under Score 1 **AND** engages in a dialogue with the stakeholders reportedly affected in the allegation (or, if the Company is alleged to be directly linked, it encourages its business relationship to do so).

Key concepts - Level of involvement in an impact

A Company is expected to take appropriate action to respond to impacts under the UN Guiding Principles where a Company identifies that they have caused or contributed to adverse human rights impacts. This varies according to the 'level of involvement' in an impact:

- where the Company identifies it has **caused** or may cause an adverse human rights impact, it should take the necessary steps to cease or prevent the impact and provide for or cooperate in remediation through legitimate processes.
- where the Company identifies that it has **contributed** or may contribute to an adverse human rights impact, it should take the necessary steps to cease or prevent its contribution, use its leverage to mitigate any remaining impact to the greatest extent possible, and provide for or cooperate in remediation through legitimate processes.
- where a Company identifies that it has not caused or contributed to an adverse human rights impact, but that impact is nevertheless **directly linked** to its operations, products or services by its business relationship with another entity, the Company should seek to prevent and mitigate the impact and may take a role in remediation.

If the Company has leverage to prevent or mitigate an adverse impact, it should exercise it. Leverage is considered to exist where the Company has the ability to effect change in the wrongful practices of an entity that causes a harm.

(Sources: Guiding Principles 13, 19 and 22)





Transparency

This Measurement Theme seeks to recognise companies that disclose relevant information on human rights, regardless of whether the disclosed information is sufficient to meet a Score 1 or 2 in a CHRB indicator. 'Disclosure points' are awarded to companies that report relevant information related to a CHRB indicator against specific requirements under the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), UN Guiding Principles Reporting Framework (UNGPRF) reporting standards or equivalent standards. Note that requirements under GRI, SASB or UNGPRF or equivalent standards that are much broader than the respective CHRB indicator are not taken into account.

F Transparency

Scoring

Some CHRB indicators do not have a related disclosure point under the above noted reporting standards. The total number of disclosure points therefore varies by industry:



Agricultural Products: 28 potential points



Apparel: 26 potential points



Extractives: 25 potential points

For each disclosure point, a company can score zero or one point. A company’s transparency score is calculated by adding the number of points awarded in this Measurement Theme and dividing it by the maximum number of points available.

Table 19 below lists the relevant CHRB indicator, its disclosure point, and the specific requirements under the related reporting standard.

Table 19: Disclosure points and relevant CHRB indicators

CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
A.2.1 Commitment from the top	GRI G4-42 (limited to social impacts and to highest governance body/board level) OR equivalent information	GRI G4-42: Report the highest governance body’s [and senior executives’ roles] in the development, approval, and updating of the organisation’s purpose, value or mission statements, strategies, policies, and goals related to [economic, environmental and] social impacts.
A.2.2 Board discussions	GRI G4-47 (limited to social impacts) OR UNGPRF A2.2 (limited to highest governance body/board level) OR equivalent information	GRI G4-47: Report the frequency of the highest governance body’s review of [economic, environmental and] social impacts, risks, and opportunities. UNGPRF A2.2. What kinds of human rights issues are discussed [by senior management and] by the board, and why?
A.2.3 Incentives and performance management	GRI G4-51-b (limited to highest governance body/board level) OR equivalent information	GRI G4-51: b. Report how performance criteria in the remuneration policy relate to the highest governance body’s [and senior executives’ economic, environmental and] social objectives.
B.1.1 Responsibility and resources for day-to-day human rights functions	GRI G4-35 (limited to social topics) OR GRI G4-36 (limited to social topics) OR UNGPRF A2.1 OR equivalent information	GRI G4-35: Report the process for delegating authority for [economic, environmental and] social topics from the highest governance body to senior executives and other employees. GRI G4-36: Report whether the organisation has appointed an executive-level position or positions with responsibility for [economic, environmental and] social topics, and whether post holders report directly to the highest governance body. UNGPRF A2.1: How is day-to-day responsibility for human rights

CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
		performance organised within the company, and why?
B.1.2 Incentives and performance management	GRI G4-51-b (limited to senior executives) OR equivalent information	GRI G4-51: b. Report how performance criteria in the remuneration policy relate to [the highest governance body's and] senior executives' economic, environmental and social objectives.
B.1.4.b Communication/dissemination of policy commitment(s) to business relationships	UNGPRF A1.3 OR equivalent information	UNGPRF A1.3: How is the public commitment disseminated?
B.1.5 Training on human rights	GRI G4-HR2 OR equivalent information	GRI G4-HR2: a. Report the total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations. b. Report the percentage of employees in the reporting period trained in human rights policies or procedures concerning aspects of human rights that are relevant to operations.
B.1.6 Monitoring and corrective actions	GRI G4-LA15-b (AP/AG) OR GRI G4-HR9 (AG/AP/EX) OR GRI G4-HR11-b (AP/AG) OR SASB CN0501-05 (AP) OR SASB CN0501-06 (AP) OR SASB CN0103-21 (AG) OR equivalent information	GRI G4-LA15: b. Report the number of suppliers identified as having significant actual and potential negative impacts for labor practices. GRI G4-HR9: Report the total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. GRI G4-HR11: b. Report the number of suppliers identified as having significant actual and potential negative human rights impacts. SASB CN0501-05: Percentage of (1) tier 1 suppliers and (2) suppliers beyond tier 1 that have been audited to a labor code of conduct, percentage conducted by a third-party auditor. SASB CN0501-06: Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits. SASB CN0103-21: Suppliers' social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate.
B.1.7 Engaging business relationships	GRI G4-LA14 (AP/AG) OR GRI G4-HR10 (AP/AG) OR GRI G4-LA15-d-e (AP/AG) OR GRI G4-HR11-d-e (AP/AG) OR equivalent information	GRI G4-LA14: Report the percentage of new suppliers that were screened using labor practices criteria. practices criteria. GRI G4-HR10: Report the percentage of new suppliers that were screened using human rights criteria. GRI G4-LA15: d. Report the percentage of suppliers identified as having significant actual and potential negative impacts for labor practices with which improvements were agreed upon as a result of assessment. e. Report the percentage of suppliers identified as having significant actual and potential negative impacts for labor practices with which relationships were terminated as a result of assessment, and why.

CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
		<p>GRI G4-HR11:</p> <p>d. Report the percentage of suppliers identified as having significant actual and potential negative human rights impacts with which improvements were agreed upon as a result of assessment.</p> <p>e. Report the percentage of suppliers identified as having significant actual and potential negative human rights impacts with which relationships were terminated as a result of assessment, and why.</p>
<p>B.1.8 Framework for engagement with potentially affected stakeholders</p>	<p>GRI G4-25-a. (limited to social topics)</p> <p>OR GRI G4-26-a. (limited to social topics)</p> <p>OR UNGPRF C2</p> <p>OR equivalent information</p>	<p>GRI G4-25:</p> <p>a. Report the basis for identification and selection of stakeholders with whom to engage.</p> <p>GRI G4-26:</p> <p>a. Report the organisation’s approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.</p> <p>UNGPRF C2:</p> <p>What is the company’s approach to engagement with stakeholders in relation to each salient human rights issue?</p>
<p>B.2.1 Identifying: Processes and triggers for identifying human rights risks and impacts</p>	<p>UNGPRF B2</p> <p>OR equivalent information</p>	<p>UNGPRF B2:</p> <p>Describe how the salient human rights issues were determined, including any input from stakeholders.</p>
<p>B.2.2 Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)</p>	<p>UNGPRF B1</p> <p>OR GRI G4-LA15-c (AP/AG)</p> <p>OR GRI G4-HR11-c (AP/AG)</p> <p>OR GRI G4-SO2 (EX/AG)</p> <p>OR equivalent information</p>	<p>UNGPRF B1:</p> <p>State the salient human rights issues associated with the company’s activities and business relationships during the reporting period.</p> <p>GRI G4-LA15:</p> <p>c. Report the significant actual and potential negative impacts for labor practices identified in the supply chain.</p> <p>GRI G4-HR11:</p> <p>c. Report the significant actual and potential negative human rights impacts identified in the supply chain.</p> <p>GRI G4-SO2:</p> <p>Report operations with significant actual and potential negative impacts on local communities, including: The location of the operations; The significant actual and potential negative impacts of operations.</p>
<p>B.2.3 Integrating and Acting: Integrating assessment findings internally and taking appropriate action</p>	<p>UNGPRF C4.3</p> <p>OR equivalent information</p>	<p>UNGPRF C4.3:</p> <p>During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?</p>
<p>B.2.4 Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</p>	<p>UNGPRF C5</p> <p>OR equivalent information</p>	<p>UNGPRF C5:</p> <p>How does the company know if its efforts to address each salient human rights issue are effective in practice?</p>
<p>C.1 Grievance channels / mechanisms to receive complaints or concerns from workers</p>	<p>GRI G4-LA16</p> <p>OR GRI G4-HR12</p>	<p>GRI G4-LA16:</p> <p>a. Report the total number of grievances about labor practices filed through formal grievance mechanisms during the reporting period.</p> <p>b. Of the identified grievances, report how many were: Addressed</p>

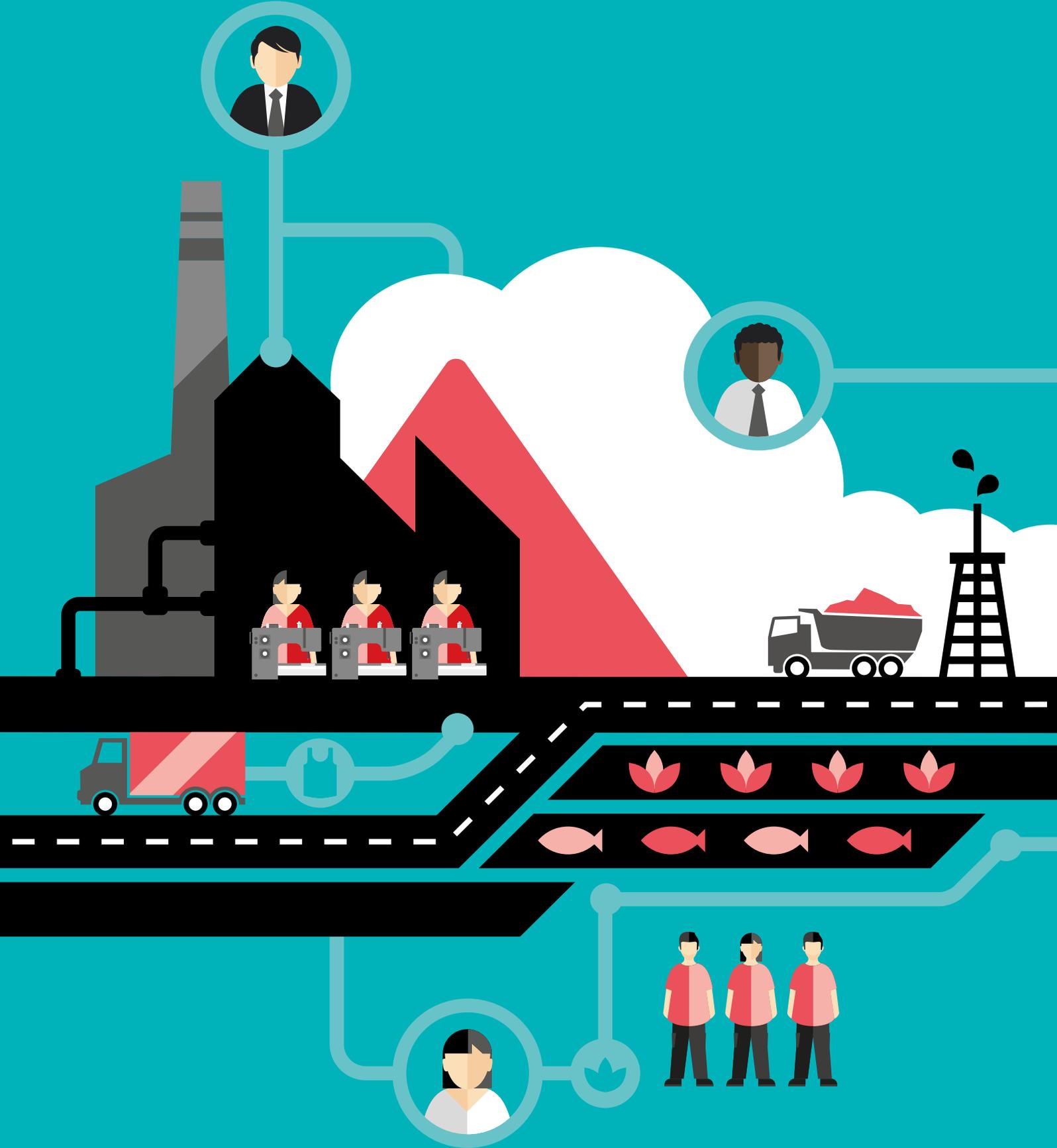
CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
	<p>OR UNGPRF C6.1 OR equivalent information</p>	<p>during the reporting period; Resolved during the reporting period.</p> <p>c. Report the total number of grievances about labor practices filed prior to the reporting period that were resolved during the reporting period.</p> <p>GRI G4-HR12: a. Report the total number of grievances about human rights impacts filed through formal grievance mechanisms during the reporting period.</p> <p>b. Of the identified grievances, report how many were: Addressed during the reporting period; Resolved during the reporting period.</p> <p>c. Report the total number of grievances about human rights impacts filed prior to the reporting period that were resolved during the reporting period.</p> <p>UNGPRF C6.1: Through what means can the company receive complaints or concerns related to each salient issue?</p>
<p>C.2. Grievance channels/ mechanisms to receive complaints or concerns from external individuals and communities</p>	<p>GRI G4-HR12 OR UNGPRF C6.1 OR equivalent information</p>	<p>GRI G4-HR12: a. Report the total number of grievances about human rights impacts filed through formal grievance mechanisms during the reporting period.</p> <p>b. Of the identified grievances, report how many were: Addressed during the reporting period; Resolved during the reporting period.</p> <p>c. Report the total number of grievances about human rights impacts filed prior to the reporting period that were resolved during the reporting period.</p> <p>UNGPRF C6.1: Through what means can the company receive complaints or concerns related to each salient issue?</p>
<p>C.3. Users are involved in the design and performance of the channel(s)/mechanism(s)</p>	<p>UNGPRF C6.2 OR equivalent information</p>	<p>UNGPRF C6.2: How does the company know if people feel able and empowered to raise complaints or concerns?</p>
<p>C.4 Procedures related to the mechanism(s)/channel(s) are publicly available and explained</p>	<p>UNGPRF C6.3 OR equivalent information</p>	<p>UNGPRF C6.3: How does the company process complaints and assess the effectiveness of outcomes?</p>
<p>C.7 Remedying adverse impacts and incorporating lessons learned</p>	<p>UNGPRF C6 OR UNGPRF C6.4 OR UNGPRF C6.5 OR equivalent information</p>	<p>UNGPRF C6: How does the company enable effective remedy if people are harmed by its actions or decisions in relation to the salient human rights issues?</p> <p>UNGPRF C6.4: During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?</p> <p>UNGPRF C6.5: During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?</p>
<p> D.1.1.a Living wage (in own agricultural operations)</p>	<p>GRI G4-EC5 OR equivalent information.</p>	<p>GRI G4-EC5: Ratios of standard entry level wage [by gender] compared to local minimum wage at significant locations of operation.</p>

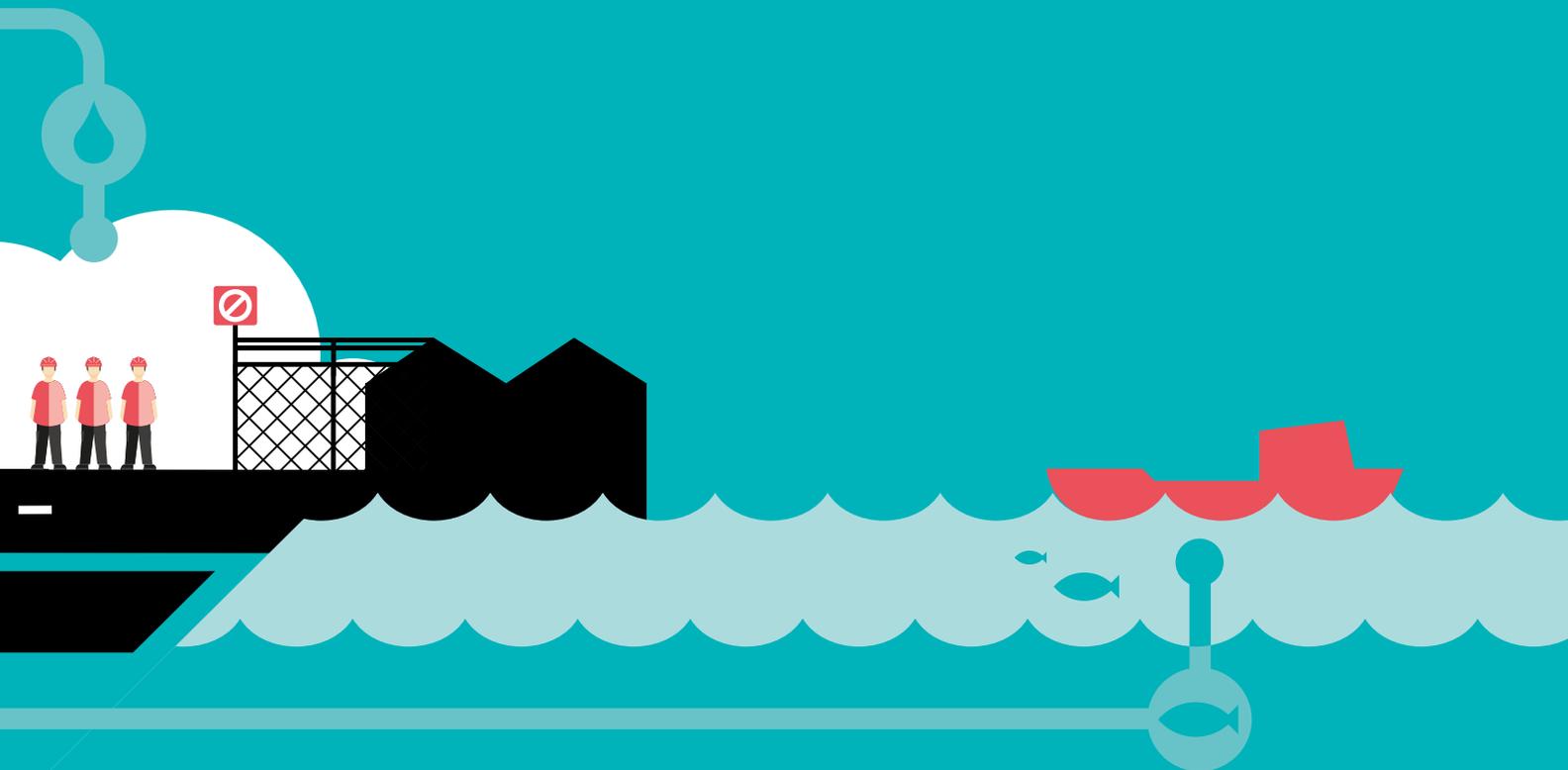
CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
 D.1.2 Aligning purchasing decisions with human rights	UNGPRF C4.2 OR equivalent information	UNGPRF C4.2: When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed.
 D.1.4 Child labour	GRI G4-HR5 OR equivalent information	GRI G4-HR5: a. Report operations and suppliers considered to have significant risk for incidents of: Child labor; Young workers exposed to hazardous work. b. Report operations and suppliers considered to have significant risk for incidents of child labor either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. c. Report measures taken by the organisation in the reporting period intended to contribute to the effective abolition of child labor.
 D.1.5 Forced labour	GRI G4-HR6 OR equivalent information	GRI G4-HR6: a. Report operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. b. Report measures taken by the organisation in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.
 D.1.6 Freedom of association and collective bargaining	GRI G4-HR4 OR equivalent information	GRI G4-HR4: a. Report operations and suppliers in which employee rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. b. Report measures taken by the organisation in the reporting period intended to support rights to exercise freedom of association and collective bargaining.
 D.1.7.a Fatalities, lost days, injury rates (in own agricultural operations)	GRI G4-LA6 OR SASB CN0101-18 OR equivalent information	GRI G4-LA6: Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender. SASB CN0101-18: (1) Total recordable injury rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees
 D.1.9.a Water and sanitation (in own agricultural operations)	GRI G4-EN9 OR equivalent information	G4-EN9: a. Report the total number of water sources significantly affected by withdrawal by type: Size of water source; Whether or not the source is designated as a protected area (nationally or internationally); Biodiversity value (such as species diversity and endemism, total number of protected species); Value or importance of water source to local communities and indigenous peoples. b. Report standards, methodologies, and assumptions used.
 D.1.9.b Water and sanitation (in the supply chain)	SASB CN0101-23	SASB CN0101-23: Percentage of agricultural raw materials sourced from regions with

CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
(in the supply chain)	<p>OR SASB CN0102-22</p> <p>OR SASB CN0201-13</p> <p>OR SASB CN0103-19</p> <p>OR equivalent information</p>	<p>High or Extremely High Baseline Water Stress.</p> <p>SASB CN0102-22: Percentage of contract producers in regions with High or Extremely High Baseline Water Stress.</p> <p>SASB CN0201-13: Percentage of beverage ingredients sourced from regions with High or Extremely High Baseline Water.</p> <p>SASB CN0103-19: Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress.</p>
<p> D.1.10.a Women's rights (in own agricultural operations)</p>	<p>GRI G4-LA1 (limited to gender)</p> <p>OR GRI G4-LA3</p> <p>OR GRI G4-LA13</p> <p>OR GRI G4 – HR3</p> <p>OR equivalent information</p>	<p>GRI G4-LA1: Total number and rates of new employee hires and employee turnover by [age group], gender, [and region].</p> <p>GRI G4-LA3: Return to work and retention rates after parental leave, by gender.</p> <p>GRI G4-LA13: Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.</p> <p>GRI G4-HR3: a. Report the total number of incidents of discrimination during the reporting period. b. Report the status of the incidents and the actions taken with reference to the following: Incident reviewed by the organisation; Remediation plans being implemented; Remediation plans have been implemented and results reviewed through routine internal management review processes; Incident no longer subject to action.</p>
<p> D.2.1.a Living wage (in own production or manufacturing operations)</p>	<p>GRI G4-EC5</p> <p>OR equivalent information</p>	<p>GRI G4-EC5: Ratios of standard entry level wage [by gender] compared to local minimum wage at significant locations of operation.</p>
<p> D.2.2 Aligning purchasing decisions with human rights</p>	<p>UNGPRF C4.2</p> <p>OR equivalent information</p>	<p>UNGPRF C4.2: When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed.</p>
<p> D.2.4 Child labour</p>	<p>GRI G4-HR5</p> <p>OR equivalent information</p>	<p>GRI G4-HR5: a. Report operations and suppliers considered to have significant risk for incidents of: Child labor; Young workers exposed to hazardous work. b. Report operations and suppliers considered to have significant risk for incidents of child labor either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. c. Report measures taken by the organisation in the reporting period intended to contribute to the effective abolition of child labor.</p>

CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
 D.2.5 Forced labour	GRI G4-HR6 OR equivalent information	GRI G4-HR6: a. Report operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. b. Report measures taken by the organisation in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.
 D.2.6 Freedom of association and collective bargaining	GRI G4-HR4 OR equivalent information	GRI G4-HR4: a. Report operations and suppliers in which employee rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. b. Report measures taken by the organisation in the reporting period intended to support rights to exercise freedom of association and collective bargaining.
 D.2.7.a Fatalities, lost days, injury rates (in own production or manufacturing operations)	GRI G4-LA6 OR equivalent information	GRI G4-LA6: Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.
 D.2.8.a Women's rights (in own production or manufacturing operations)	GRI G4-LA1 (limited to gender) OR GRI G4-LA3 OR GRI G4-LA13 OR GRI G4-HR3 OR equivalent information	GRI G4-LA1: Total number and rates of new employee hires and employee turnover by [age group], gender, [and region]. GRI G4-LA3: Return to work and retention rates after parental leave, by gender. GRI G4-LA13: Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation. GRI G4-HR3: a. Report the total number of incidents of discrimination during the reporting period. b. Report the status of the incidents and the actions taken with reference to the following: Incident reviewed by the organisation; Remediation plans being implemented; Remediation plans have been implemented and results reviewed through routine internal management review processes; Incident no longer subject to action.
 D.3.1 Living wage (in own extractive operations)	GRI G4-EC5 OR equivalent information	GRI G4-EC5: Ratios of standard entry level wage [by gender] compared to local minimum wage at significant locations of operation.
 D.3.3 Freedom of association and collective bargaining (in own extractive operations)	GRI G4-HR4 OR equivalent information	GRI G4-HR4: a. Report operations and suppliers in which employee rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: Type of operation (such as manufacturing plant) and supplier; Countries or geographical areas with operations and suppliers considered at risk. b. Report measures taken by the organisation in the reporting period intended to support rights to exercise freedom of association and collective bargaining.

CHRB Indicator	CHRB Disclosure Point	Reporting Standard Requirements
<p> D.3.4 Health and safety: Fatalities, lost days, injury rates (in own extractive operations)</p>	<p>GRI G4-LA6 OR SASB NR0101-17 OR equivalent information</p>	<p>GRI G4-LA6: Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.</p> <p>SASB NR0101-17: (1) Total Recordable Injury Rate (TRIR), (2) Fatality Rate, and (3) Near Miss Frequency Rate for (a) full-time employees, (b) contract employees, and (c) short-service employees</p>
<p> D.3.5 Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations)</p>	<p>GRI G4-HR8 OR equivalent information</p>	<p>GRI G4-HR8: a. Report the total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period. b. Report the status of the incidents and actions taken with reference to: Incident reviewed by the organisation; Remediation plans being implemented; Remediation plans have been implemented and results reviewed through routine internal management review processes; Incident no longer subject to action.</p>
<p> D.3.7 Security (in own extractive operations)</p>	<p>GRI G4-HR7 OR equivalent information</p>	<p>GRI G4-HR7: a. Report the percentage of security personnel who have received formal training in the organisation's human rights policies or specific procedures and their application to security. b. Report whether training requirements also apply to third party organisations providing security personnel.</p>
<p> D.3.8 Water and sanitation (in own extractive operations)</p>	<p>SASB NR0101-05 OR GRI G4-EN9 OR equivalent information</p>	<p>SASB NR0101-05: Total fresh water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress.</p> <p>G4-EN9: a. Report the total number of water sources significantly affected by withdrawal by type: Size of water source; Whether or not the source is designated as a protected area (nationally or internationally); Biodiversity value (such as species diversity and endemism, total number of protected species); Value or importance of water source to local communities and indigenous peoples. b. Report standards, methodologies, and assumptions used.</p>





Annexes

Annex 1 - Index of Indicators

A. Governance and Policy Commitments

A.1 Policy commitments

- A.1.1 Commitment to respect human rights
 - A.1.2 Commitment to respect the human rights of workers
 - A.1.3 Commitment to respect human rights particularly relevant to the industry
 - A.1.3 Agricultural products industry
 - A.1.3 Apparel industry
 - A.1.3 Extractives industry
 - A.1.4 Commitment to engage with stakeholders
 - A.1.5 Commitment to remedy
 - A.1.6 Commitment to respect the rights of human rights defenders
-

A.2 Board level accountability

- A.2.1 Commitment from the top
 - A.2.2 Board discussions
 - A.2.3 Incentives and performance management
-

B. Embedding Respect and Human Rights Due Diligence

B.1 Embedding respect for human rights in company culture and management systems

- B.1.1 Responsibility and resources for day-to-day human rights functions
 - B.1.2 Incentives and performance management
 - B.1.3 Integration with enterprise risk management
 - B.1.4 Communication/dissemination of policy commitment(s)
 - B.1.4.a Communication/dissemination of policy commitment(s) within Company's own operations
 - B.1.4.b Communication/dissemination of policy commitment(s) to business relationships
 - B.1.5 Training on human rights
 - B.1.6 Monitoring and corrective actions
 - B.1.7 Engaging business relationships
 - B.1.8 Framework for engagement with potentially affected stakeholders
-

B.2 Human rights due diligence

- B.2.1 **Identifying:** Processes and triggers for identifying human rights risks and impacts
 - B.2.2 **Assessing:** Assessment of risks and impacts identified (salient risks and key industry risks)
 - B.2.3 **Integrating and Acting:** Integrating assessment findings internally and taking appropriate action
 - B.2.4 **Tracking:** Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
 - B.2.5 **Communicating:** Accounting for how human rights impacts are addressed
-

C. Remedies and Grievance Mechanisms

C.1 Grievance channels/mechanisms to receive complaints or concerns from workers

C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities

C.3 Users are involved in the design and performance of the channel(s)/mechanism(s)

C.4 Procedures related to the mechanism(s)/channel(s) are publicly available and explained

C.5 Commitment to non-retaliation over concerns/complaints made

C.6 Company involvement with State-based judicial and non-judicial grievance mechanisms

C.7 Remediating adverse impacts and incorporating lessons learned

D. Performance: Company Human Rights Practices

D.1 Agricultural Products

D.1.1 Living wage

D.1.1.a Living wage (in own agricultural operations)

D.1.1.b Living wage (in the supply chain)

D.1.2 Aligning purchasing decisions with human rights

D.1.3 Mapping and disclosing the supply chain

D.1.4 Child labour

D.1.4.a Age verification and corrective actions (in own agricultural operations)

D.1.4.b Age verification and corrective actions (in the supply chain)

D.1.5 Forced labour

D.1.5.a Debt bondage and other unacceptable financial costs (in own agricultural operations)

D.1.5.b Debt bondage and other unacceptable financial costs (in the supply chain)

D.1.5.c Restrictions on workers (in own agricultural operations)

D.1.5.d Restrictions on workers (in the supply chain)

D.1.6 Freedom of association and collective bargaining

D.1.6.a Freedom of association and collective bargaining (in own agricultural operations)

D.1.6.b Freedom of association and collective bargaining (in the supply chain)

D.1.7 Health and safety

D.1.7.a Fatalities, lost days, injury rates (in own agricultural operations)

D.1.7.b Fatalities, lost days, injury rates (in the supply chain)

D.1.8 Land rights

D.1.8.a Land acquisition (in own agricultural operations)

D.1.8.b Land acquisition (in the supply chain)

D.1.9 Water and sanitation

D.1.9.a Water and sanitation (in own agricultural operations)

D.1.9.b Water and sanitation (in the supply chain)

D.1.10 Women's rights

D.1.10.a Women's rights (in own agricultural operations)

D.1.10.b Women's rights (in the supply chain)

D.2 Apparel

D.2.1 Living wage

D.2.1.a Living wage (in own production or manufacturing operations)

- D.2.1.b Living wage (in the supply chain)
- D.2.2 Aligning purchasing decisions with human rights
- D.2.3 Mapping and disclosing the supply chain
- D.2.4 Child labour
 - D.2.4.a Age verification and corrective actions (in own production or manufacturing operations)
 - D.2.4.b Age verification and corrective actions (in the supply chain)
- D.2.5 Forced labour
 - D.2.5.a Debt bondage and other unacceptable financial costs (in own production or manufacturing operations)
 - D.2.5.b Debt bondage and other unacceptable financial costs (in the supply chain)
 - D.2.5.c Restrictions on workers (in own production or manufacturing operations)
 - D.2.5.d Restrictions on workers (in the supply chain)
- D.2.6 Freedom of association and collective bargaining
 - D.2.6.a Freedom of association and collective bargaining (in own production or manufacturing operations)
 - D.2.6.b Freedom of association and collective bargaining (in the supply chain)
- D.2.7 Health and safety
 - D.2.7.a Fatalities, lost days, injury rates (in own production or manufacturing operations)
 - D.1.7.b Fatalities, lost days, injury rates (in the supply chain)
- D.2.8 Women's rights
 - D.2.8.a Women's rights (in own production or manufacturing operations)
 - D.2.8.b Women's rights (in the supply chain)
- D.2.9 Working hours
 - D.2.9.a Working hours (in own production or manufacturing operations)
 - D.2.9.b Working hours (in the supply chain)

D.3 Extractives

- D.3.1 Living wage (in own extractive operations)
- D.3.2 Transparency and accountability (in own extractive operations)
- D.3.3 Freedom of association and collective bargaining (in own extractive operations)
- D.3.4 Health and safety: Fatalities, lost days, injury rates (in own extractive operations)
- D.3.5 Indigenous peoples rights and free prior and informed consent (FPIC)
(in own extractive operations)
- D.3.6 Land rights (in own extractive operations)
- D.3.7 Security (in own extractive operations)
- D.3.8 Water and sanitation (in own extractive operations)

E. Embedding Respect And Human Rights Due Diligence

E.1 The Company has responded publicly to the allegation

E.2 The Company has appropriate policies in place

E.3 The Company has taken appropriate action

F. Transparency

CHRB Indicator	Reporting Standard Requirements
A.2.1 Commitment from the top	GRI G4-42 (limited to social impacts and to highest governance body/board level) OR equivalent information.
A.2.2 Board discussions	GRI G4-47 (limited to social impacts) OR UNGPRF A2.2 (limited to highest governance body/board level) OR equivalent information.
A.2.3 Incentives and performance management	GRI G4-51-b (limited to highest governance body/board level) OR equivalent information.
B.1.1 Responsibility and resources for day-to-day human rights functions	GRI G4-35 (limited to social topics) OR GRI G4-36 (limited to social topics) OR UNGPRF A2.1 OR equivalent information.
B.1.2 Incentives and performance management	GRI G4-51-b (limited to senior executives) OR equivalent information
B.1.4.b Communication / dissemination of policy commitment(s) to business relationships	UNGPRF A1.3 OR equivalent information.
B.1.5 Training on human rights	GRI G4-HR2 OR equivalent information.
B.1.6 Monitoring and corrective actions	GRI G4-LA15-b (AP/AG) OR GRI G4-HR9 (AP/AG/EX) OR GRI G4-HR11-b (AP/AG) OR SASB CN0501-05 (AP) OR SASB CN0501-06 (AP) OR SASB CN0103-21 (AG) OR equivalent information.
B.1.7 Engaging business relationships	GRI G4-LA14 (AP/AG) OR GRI G4-HR10 (AP/AG) OR GRI G4-LA15-d-e (AP/AG) OR GRI G4-HR11-d-e (AP/AG) OR equivalent information.
B.1.8 Framework for engagement with potentially affected stakeholders	GRI G4-25-a (limited to social topics) OR GRI G4-26-a (limited to social topics) OR UNGPRF C2 OR equivalent information.

CHRB Indicator	Reporting Standard Requirements
B.2.1 Identifying: Processes and triggers for identifying human rights risks and impacts	UNGPRF B2 OR equivalent information.
B.2.2 Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	UNGPRF B1 OR GRI G4-LA15-c (AP/AG) OR GRI G4-HR11-c (AP/AG) OR GRI G4-SO2 (EX/AG) OR equivalent information.
B.2.3 Integrating and Acting: Integrating assessment findings internally and taking appropriate action	UNGPRF C4.3 OR equivalent information.
B.2.4 Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	UNGPRF C5 OR equivalent information.
C.1 Grievance channels/mechanisms to receive complaints or concerns from workers impacts	GRI G4-LA16 OR GRI G4-HR12 OR UNGPRF C6.1 OR equivalent information.
C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities	GRI G4-HR12 OR UNGPRF C6.1 OR equivalent information.
C.3 Users are involved in the design and performance of the channel(s)/mechanism(s)	UNGPRF C6.2 OR equivalent information.
C.4 Procedures related to the mechanism(s) / channel(s) are publicly available and explained	UNGPRF C6.3 OR equivalent information.
C.7 Remedying adverse impacts and incorporating lessons learned	UNGPRF C6 OR UNGPRF C6.4 OR UNGPRF C6.5 OR equivalent information.

CHRB Indicator	Reporting Standard Requirements
D.1.1.a Living wage (in own agricultural operations)	GRI G4-EC5 OR equivalent information.
D.1.2 Aligning purchasing decisions with human rights	UNGPRF C4.2 OR equivalent information
D.1.4 Child labour	GRI G4-HR5 OR equivalent information.
D.1.5 Forced labour	GRI G4-HR6 OR equivalent information.
D.1.6 Freedom of association and collective bargaining	GRI G4-HR4 OR equivalent information.
D.1.7.a Fatalities, lost days, injury rates (in own agricultural operations)	GRI G4-LA6 OR SASB CN0101-18 OR equivalent information.
D.1.9.a Water and sanitation (in own agricultural operations)	GRI G4-EN9 OR equivalent information.
D.1.9.b Water and sanitation (in the supply chain)	SASB CN0101-23 OR SASB CN0102-22 OR SASB CN0201-13 OR SASB CN0103-19 OR equivalent information.
D.1.10.a Women's rights (in own agricultural operations)	GRI G4-LA1 (limited to gender) OR GRI G4-LA3 OR GRI G4-LA13 OR GRI G4 - HR3 OR equivalent information.
D.2.1.a Living wage (in own production or manufacturing operations)	GRI G4-EC5 OR equivalent information.
D.2.2 Aligning purchasing decisions with human rights	UNGPRF C4.2 OR equivalent information.
D.2.4 Child labour	GRI G4-HR5 OR equivalent information.
D.2.5 Forced labour	GRI G4-HR6 OR equivalent information.
D.2.6 Freedom of association and collective bargaining	GRI G4-HR4 OR equivalent information.

CHRB Indicator	Reporting Standard Requirements
D.2.7.a Fatalities, lost days, injury rates (in own production or manufacturing operations)	GRI G4-LA6 OR equivalent information.
D.2.8.a Women’s rights (in own production or manufacturing operations)	GRI G4-LA1 (limited to gender) OR GRI G4-LA3 OR GRI G4-LA13 OR GRI G4 - HR3 OR equivalent information.
D.3.1 Living wage (in own extractive operations)	GRI G4-EC5 OR equivalent information.
D.3.3 Freedom of association and collective bargaining (in own extractive operations)	GRI G4-HR4 OR equivalent information.
D.3.4 Health and safety: Fatalities, lost days, injury rates (in own extractive operations)	GRI G4-LA6 OR SASB NR0101-17 OR equivalent information.
D.3.5 Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations)	GRI G4-HR8 OR equivalent information.
D.3.7 Security (in own extractive operations)	GRI G4-HR7 OR equivalent information.
D.3.8 Water and sanitation (in own extractive operations)	SASB NR0101-05 OR GRI G4-EN9 OR equivalent information.

The CHRB tentatively plans to double or half weight certain indicators when the Pilot Benchmark is published in November 2016. This is due to their particular importance within the Measurement Theme in question. The following indicators are tentatively planned to have double weighting, because they are of particular importance within their Measurement Theme:

A.1.1 Commitment to respect human rights

A.1.3 Commitment to respect human rights particularly relevant to the industry

B.1.8 Framework for engagement with potentially affected stakeholders

B.2.2 Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)²

C.3 Users are involved in the design and performance of the channel(s)/mechanism(s)

C.7 Remediating adverse impacts and incorporating lessons learned

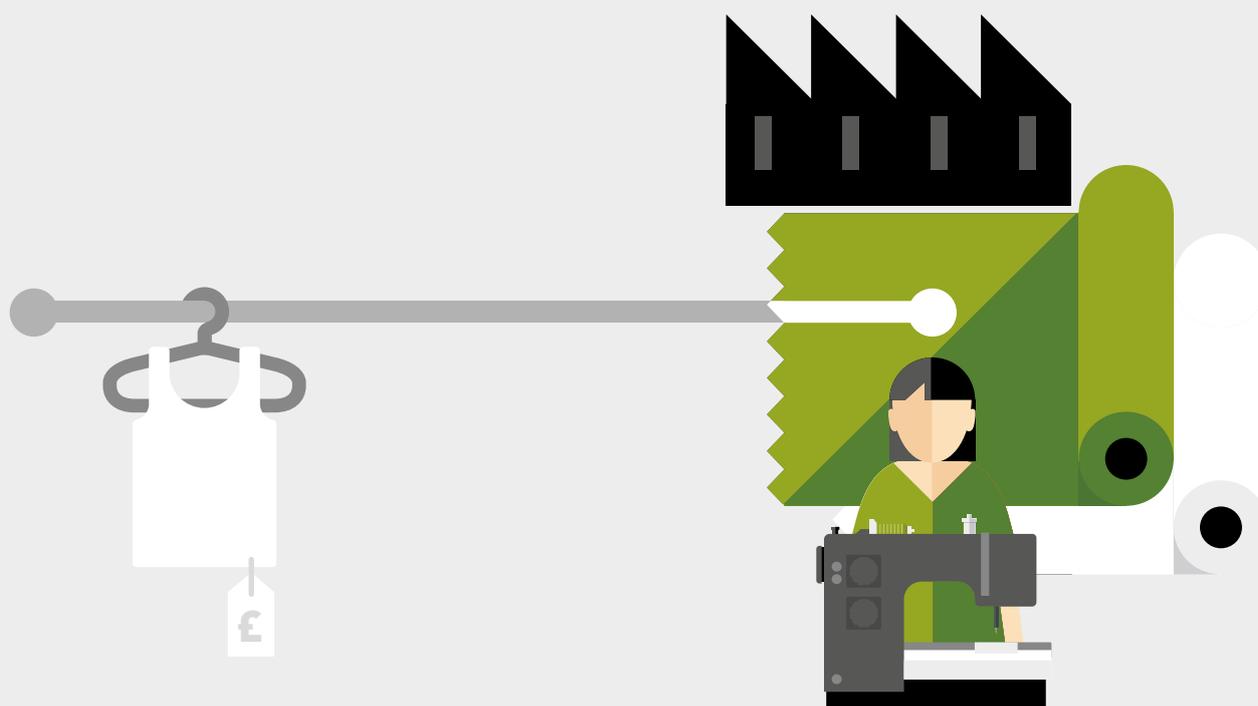
E.3 The Company has taken appropriate action

Additionally, there is one indicator that is tentatively planned to receive half weighting:

A.1.6 Commitment to respect the rights of human rights defenders.

This means that for this indicator a company can score zero, half or one point.

²This is not to imply that assessing is the most important step in the human rights due diligence. This indicator is double weighted solely because of methodological reasons: it is the only indicator in this Measurement Theme that checks whether a company has assessed its salient human rights risks and explained whether the key industry risks are or are not relevant.



Annex 2 - Glossary

Affected stakeholder - An individual whose human rights have been or may be affected by a company's operations, products or services.

Business activities - Everything that a company does in the course of fulfilling the strategy, purpose, objectives and decisions of the business. This may include activities such as mergers and acquisitions, research and development, design, construction, production, distribution, purchasing, sales, provision of security, contracting, human resource activities, marketing, conduct of external/government relations including lobbying, engagement with stakeholders, relocation of communities, and social investment.

Business relationships - The relationships a company has with business partners, entities in its value chain and any other State or non-State entity directly linked to its operations, products or services. They include indirect relationships in its value chain, beyond the first tier, and minority as well as majority shareholding positions in joint ventures.

Child labour and child work - Not all work done by children (defined as human beings below the age of 18) should be classified as child labour that is to be targeted for elimination. "Child labour" is a much narrower concept than "child work" and refers to children working in contravention of ILO standards contained in Conventions 138 and 182 and the UN Convention on the Rights of the Child. This means all children below 12 years of age working in any economic activities, those aged between 12 and 14 engaged in work that is more than just light work, and all children engaged in the worst forms of child labour (children being enslaved, forcibly recruited for armed conflict, prostituted, trafficked, forced into illegal activities or hazardous work (work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children)).

Civil Society Organisation (CSOs) - Non-State, not-for-profit, voluntary entities formed by people in the social sphere that are separate from the State and the market. CSOs represent a wide range of interests and ties. They can include community-based organisations as well as non-governmental organisations (NGOs). In the context of the CHRB, CSOs do not include business or for-profit associations.

Disclosure - All information released by a company for the purpose of informing shareholders or other stakeholders.

Embedding - The macro-level process of ensuring that a company's responsibility to respect human rights is driven across the organisation, into its business values and culture. It requires that all personnel are aware of the company's public commitment to respect human rights, understand its implications for how they conduct their work, are trained, empowered and incentivised to act in ways that support the commitment, and regard it as intrinsic to the core values of the workplace. Embedding is one continual process, generally driven from the top of the company. (See UN Guiding Principle 16)

Effectiveness criteria - The UN Guiding Principles set out eight "effectiveness criteria" for non-judicial grievance mechanisms. They should be: legitimate, accessible, predictable, equitable, transparent, rights-compatible, based on dialogue and engagement, and a source of continuous learning. While these criteria mostly relate to the quality of processes, they include an important requirement that outcomes should be in line with internationally-recognised human rights. (See UN Guiding Principle 31).

Extractive business partners - Refers to operational level contractors (includes on-site and off-site contractors involved in operations (such as those involved in resettlement op-

erations or other similar operations off-site), contracted security providers, etc.) and joint ventures or similar contractual arrangements with multiple parties to carry out exploration and/or production.

Extractive operations - This term is used to cover exploration, development, production, decommissioning and closure, but not processing, refining, marketing or end-use of extractive resources. There are various terms used in each of oil & gas (upstream) and mining industries to describe these phases that involve the exploration for and extraction of resources.

Fundamental rights at work - are set out in and are often referred to as the ILO core labour standards and cover: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) the elimination of discrimination in respect of employment and occupation (See ILO Declaration on the Fundamental Rights and Principles At Work).

Forced labour - Forced labour refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities. Forced labour, contemporary forms of slavery, debt bondage and human trafficking are closely related terms though not identical in a legal sense. Most situations of slavery or human trafficking are however covered by ILO's definition of forced labour. (See ILO Forced Labour Convention, 1930 (No. 29) and Abolition of Forced Labour Convention, 1957 (No. 105)).

Free Prior and Informed Consent (FPIC) - FPIC is instrumental to the rights of participation and self-determination of indigenous peoples, and acts as a safeguard for all those rights of indigenous peoples that may be affected by external actors. The United Nations

Declaration on the Rights of Indigenous Peoples (UNDRIP) sets out circumstances when FPIC shall be sought and when exceptions are permissible.

Human rights - Basic international standards aimed at securing dignity and equality for all. Every human being is entitled to enjoy them without discrimination. They include the rights contained in the International Bill of Human Rights (see below). They also include the principles concerning fundamental rights at work set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

Human rights defender - A term used to describe people who, individually or with others, act to promote or protect human rights.

Human rights due diligence – An ongoing risk management process that a reasonable and prudent company needs to follow in order to identify, prevent, mitigate and account for how it addresses its adverse human rights impacts. As set out in the UN Guiding Principles 17-21, this includes four key steps: assessing actual and potential human rights impacts; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed.

Human rights impacts - A “negative human rights impact” or “human rights abuse” or “human rights harms” occur when an action removes or reduces the ability of an individual to enjoy his or her human rights. Human rights impacts can either have occurred or be on-going or be potential human rights impacts in the future, which are also referred to as human right risks (see below). The term “human rights violation” is used when governments are the source or cause of the harm.

Human rights risks - A company's human rights risks are any risks that its operations may lead to one or more negative human rights impacts. They therefore relate to its

potential human rights impacts. Importantly, a company's human rights risks are the risks that its operations pose to human rights. This is separate from any risks that involvement in human rights impacts may pose to the enterprise, although the two are increasingly related.

Human rights performance - The extent to which a company achieves the objective of effectively preventing and addressing negative human rights impacts with which it may be or has been involved.

Indigenous peoples – Given the diversity of indigenous peoples, an official definition of “indigenous” has not been adopted by any UN-system body. Instead the system has developed a modern understanding of this term based on a number of factors: self-identification as indigenous peoples at the individual level and accepted by the community as their member; historical continuity with pre-colonial and/or pre-settler societies; strong link to territories and surrounding natural resources; distinct social, economic or political systems; distinct language, culture and beliefs; from non-dominant groups of society; resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities. (See the UN Declaration on the Rights of Indigenous Peoples).

International Bill of Human Rights - This term covers the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

Key industry risks – The risks commonly regarded as potentially severe and/or likely within the industry and that companies are expected to demonstrate, through a process of human rights due diligence, how they are preventing them or why they are not relevant. Therefore, while these risks are anticipated to be relevant given the company's industry,

they may not necessarily be the individual company's most salient human rights issues. See also 'Salient human rights issues' below.

Legitimate tenure rights holders - Existing tenure rights holders, whether recorded/formal/recognised or not, which can include those of customary and informal tenure, groups under customary tenure systems, those holding subsidiary tenure rights, such as gathering rights (FAO CFS Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security).

Leverage - The ability of a company to effect change in the wrongful practices of another party that is causing or contributing to an adverse human rights impact.

Livelihoods - Livelihoods allow people to secure the basic necessities of life, such as food, water, shelter and clothing.

Living Wage - There are numerous definitions of living wage but the core concept is to provide a decent standard of living for a worker and his or her family. A living wage is sufficient to cover food, water, clothing, transport, education, health care and other essential needs for workers and their family based on a regular work week not including overtime hours.

Marginalised groups - Refers to individuals belonging to specific groups or populations that require particular attention, including indigenous peoples, women; national or ethnic, religious or linguistic minorities; children; persons with disabilities; and migrant workers and their families. (UN Guiding Principle 12 and see Table 16).

Materiality - Materiality refers to what is really important or has great consequences, and the various definitions of materiality take differing views depending on who is asking and for what purpose. For company public

reporting, materiality often refers to a threshold used to determine what information a company will disclose in its formal reporting. Definitions of what constitutes that threshold vary considerably.

Mitigation - The mitigation of a negative human rights impact refers to actions taken to reduce the extent of the impact. The mitigation of a human rights risk refers to actions taken to reduce the likelihood that a potential negative impact will occur.

Negative (or adverse) impact on human rights - A negative or adverse human rights impact occurs when an action removes or reduces the ability of an individual to enjoy his or her human rights.

Prevention - The prevention of a negative human rights impact refers to actions taken to ensure the impact does not occur.

Public commitment to respect human rights - A high-level and widely available statement by a company that sets out its intention to respect human rights with the expectation of being accountable for achieving that aim (UN Guiding Principle 16).

Remediation/Remedy – Refers to both the process of providing remedy for a negative human rights impact and the substantive outcomes that can counteract, or make good, the negative impact. These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.

Responsibility to respect human rights - The responsibility of a company to avoid infringing on the human rights of others and to address negative impacts with which it may be involved, as set out in the UN Guiding

Principles.

Salient human rights issues - Those human rights that are at risk of the most severe negative impacts through a company's activities or business relationships. They therefore vary from company to company. See also 'Key Industry Risks'.

Severe human rights impact - A negative human rights impact is severe by virtue of one or more of the following characteristics: its scale, scope or irremediability. Scale means the gravity of the impact on the human right(s). Scope means the number of individuals that are or could be affected. Irremediability means the ease or otherwise with which those impacted could be restored to their prior enjoyment of the right(s).

Stakeholder - Any individual or organisation that may affect, or be affected by a company's actions and decisions. In the UN Guiding Principles the primary focus is on affected or potentially affected stakeholders, meaning individuals whose human rights have been or may be affected by a company's operations, products or services. Other particularly relevant stakeholders in the context of the UN Guiding Principles are the legitimate representatives of potentially affected stakeholders, including trade unions, as well as civil society organisations and others with experience and expertise related to business impacts on human rights.

Stakeholder engagement/consultation – An 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.

Suppliers - Refers to direct, contracted or tier 1 suppliers.

Supply chain - Refers to all supply chain business relationships, including both direct and

indirect, tier 1 and beyond.

UN Guiding Principles on Business and Human Rights (UN Guiding Principles/UNGPR)

- A set of 31 principles that set out the respective roles of States and companies in ensuring that companies respect human rights in their business activities and through their business relationships. The UN Guiding Principles were endorsed by the United Nations Human Rights Council in 2011.

Value chain - A company's value chain encompasses the activities that convert input into output by adding value. It includes entities with which it has a direct or indirect business relationship and which either (a) supply products or services that contribute to the company's own products or services or (b) receive products or services from the company.

Water stewardship - Water stewardship is the use of water in ways that are socially equitable, environmentally sustainable, and economically beneficial. It can be adopted by businesses, through corporate water stewardship, as well as by growers, communities, and others. Ultimately, stewardship is a tool to address these critical water challenges and drive sustainable water management.

Workers - An individual performing work for a company, regardless of the existence or nature of any contractual relationship with that company.

Annex 3 - Sources Referenced

A wide range of global and industry-specific initiatives and standards were used to develop the CHRB Methodology to ensure that the benchmark is grounded in realistic expectations. These are listed below. See also the Measurement Themes and Indicators section where specific initiatives are cross-referenced against individual indicators.

Global Standards

United Nations Guiding Principles on Business and Human Rights (UNGPs), 2011

United Nations (UN) Conventions & Declarations:

- [Universal Declaration of Human Rights \(UDHR\)](#), 1948
- [International Covenant on Civil and Political Rights \(ICCPR\)](#), 1966
- [International Covenant on Economic, Social and Cultural Rights \(ICESCR\)](#), 1966
- [The Convention on the Rights of the Child \(CRC\)](#), 1989
- [The Convention on the Elimination of All Forms of Racial Discrimination \(CERD\)](#), 1965
- [The Convention on the Elimination of All Forms of Discrimination Against Women \(CEDAW\)](#), 1979
- [The Convention on the Rights of Persons with Disabilities \(CRPD\)](#), 2006
- [The Convention on the Protection of the Rights of All Migrant Workers and Members of their Families \(ICMW\)](#), 1990
- [The Declaration on the Rights of Indigenous Peoples \(UNDRIP\)](#), 2007
- [The Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities](#) 1981

OECD Guidelines for Multinational Enterprises, 2011

International Labour Organization (ILO) core labour standards:

- Freedom of association and the effective recognition of the right to collective bargaining (Convention [No. 87](#) & [No. 98](#))
- The elimination of all forms of forced and compulsory labour (Convention [No. 29](#) & [No. 105](#))
- The effective abolition of child labour (Convention [No. 138](#) & [No. 182](#))
- The elimination of discrimination in respect of employment and occupation (Convention [No. 100](#) & [No. 111](#))

UN Global Compact

- [UN Global Compact CEO Water Mandate](#)

Additional International Labour Organisation (ILO) Conventions

- [Indigenous and Tribal Peoples Convention, \(Convention No. 169\)](#), 1991
- Working Hours (Conventions [No. 1](#), [No. 14](#) & [No. 106](#))

International Finance Corporation Performance Standards on Environmental and Social Sustainability, 2012

UN Sustainable Development Goals, 2015

Human Rights-Specific Indicators

[Human Rights Indicators: A Guide for Measurement and Implementation \(OHCHR, 2012\)](#)

[Key Performance Indicators for Investors to Assess Labor & Human Rights Risks Faced by Global Corporations in Supply Chains \(IRRC Institute, 2012\)](#)

[Human Rights Indicators for Business \(DIHR, 2015\)](#)

Reporting Frameworks & Standards

[UN Guiding Principles Reporting Framework](#)

[Sustainability Accounting Board Accounting Standards](#)

[Global Reporting Initiative, including sector supplements for mining and metals & oil and gas](#)

Agricultural Products Industry Standards and Sources

[FAO, CFS Voluntary Guidelines On The Responsible Governance Of Tenure Of Land, Fisheries And Forests In The Context Of National Food Security](#)

[FAO-OECD Guidance for Responsible Agricultural Supply Chains](#)

[FAO Guidelines on the Right to Food](#)

[Fair Labor Association Code of Conduct](#)

[Sedex Risk Assessment Tool & Supplier Workbook](#)

[Ethical Trading Initiative Base Code](#)

[Oxfam Behind the Brands](#)

[Know the Chain](#)

[Access to Nutrition Index](#)

[The New Alliance for Food Security and Nutrition: Analytical Framework For Land-Based Investments In African Agriculture - Due Diligence And Risk Management For Land-Based Investments In Agriculture](#)

[Access to Seeds Index](#)

[USAID, Operational Guidelines for Land Based Investment](#)

[The Committee on World Food Security, Principles for Responsible Investment in Agriculture and Food Systems \(2014\)](#)

[Landesa, Bridging the Gap between Intention and Action: Tools to Enable Socially Responsible Land-Related Investment](#)

[Roundtables on Sustainable Palm Oil, Biomaterials](#)

Free and Fair Labor in Palm Oil Production: Principles and Implementation Guidance

Global Compact Food And Agriculture Business Principles

French Ministry of Foreign Affairs & French Development Agency, Technical Committee on Land Tenure and Development, Guide to due diligence of agribusiness projects that affect land and property rights – Operational Guide

COSA Measuring Sustainability Report

Principles for Responsible Agricultural Investment that Respects Rights, Livelihoods and Resources

Sustainable Sourcing of Agricultural Raw Materials: a Practitioner’s Guide

Interlaken Group, and its Guide Respecting Land and Forest Rights

International Cocoa Initiative

Selected agriculture, food and beverage company policies and procedures

Wide range of reports & materials from UN – FAO, ILO, UNICEF, UNEP, UNDP, World Bank Group

Wide range of reports on agriculture, food and beverage industry from civil society, academic & expert sources

Apparel Industry Standards and Sources

IFC Environmental and Social Management System Implementation

The Alliance for Bangladesh Worker Safety

Handbook for Textiles & Apparel

Sedex Risk Assessment Tool & Supplier Workbook

The Bangladesh Accord on Fire and Building Safety

Fair Labor Association Code of Conduct

Know the Chain

Ethical Trading Initiative Base Code

Not for Sale

Free2Work

Fair Wear Foundation

IHRB’s Dhaka Principles on Migration with Dignity

Clean Clothes Campaign

OECD work on garment and footwear supply chains

EU work on garment supply chains

IFC-ILO Better Work Programme

Global Social Compliance Programme

Wide range of reports on apparel industry from civil society, academic & expert sources

Selected apparel company policies and procedures

Wide range of reports, materials from UN – ILO, UNICEF

Extractives Industry Standards and Sources

Voluntary Principles on Security and Human Rights

IPIECA materials

Extractive Industries Transparency Initiative

ICMM materials

International Code of Conduct for Private Security Service Providers (ICoC)

ARPEL materials - Regional Association Of Oil, Gas And Biofuels Sector Companies In Latin America And The Caribbean

American National Standards Institute - Management System for Quality of Private Security Company Operations – Requirements with Guidance

OECD materials on conflict minerals & extractive sector

Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development materials

The Initiative for Responsible Mining Assurance (IRMA) – Standard for Responsible Mining

Better Coal Initiative

Responsible Jewellery Council

Canadian Mining Association materials

World Gold Council Conflict Free Gold Standard

Canadian Government CSR Checklist for Canadian Mining Companies Working Abroad

PRI Collaborative Engagement on Human Rights in the Extractive Sector

China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters Guidelines for Social Responsibility in Outbound Mining Investments

UN Global Compact Draft Responsible Business Practice Toolkit for the Land, Construction and Real Estate Sector

Centre for Social Responsibilities in Mining materials

Equitable Origin EO100 Standard

Interlaken Group, and its Guide Respecting Land and Forest Rights

Fairminded Standard For Gold From Artisanal And Small-Scale Mining, Including Associated Precious Metals

Wide range of reports on extractive industry from civil society, academic & expert sources

Wide range of reports & materials from UN – ILO, UNICEF, UNEP, UNDP, World Bank Group

Selected extractive company policies and procedures





Harnessing the competitive nature of the markets to drive better human rights performance.

