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Is your business up to speed on the risks and opportunities of human rights issues?

Inside:

Learn from the early adopters of the UN Guiding Principles Reporting Framework and get ahead of the game.

HUMAN RIGHTS: THE TIME IS

NOW

ESTABLISHING AND REPORTING ON HUMAN RIGHTS IMPACTS

FROM 'NAMED AND SHAMED' TO 'KNOW AND SHOW'



Arabella Bakker
Director of Consultancy
& Communications
Salterbaxter

The launch of the UN Guiding Principles in 2011 was a defining moment, providing for the first time clear formalised guidelines on the expectations of business to protect, respect and remedy human rights.

Today there is an ever-increasing awareness of the risks that corporate activity brings to people, and to business. There is a growing body of legislation in the area and a mounting case book of litigation and non-compliance. Investors are taking note and leading companies are raising the bar.

At the same time, the definition of human rights has continued to evolve presenting a more holistic lens through which to view the impacts that companies can have on people. It not only includes issues such as working conditions or modern slavery, but also things like access to water, freedom of expression, data privacy and LGBT rights. Some of these issues are well-known to business, others are less familiar.

Recent developments such as the launch of the UN Guiding Principles (UNGP) Reporting Framework, the Corporate Human Rights Benchmark, the UK Modern Slavery Act, and the UN Sustainable Development Goals are further accelerating convergence between business and human rights – or at the very least, improving transparency on these issues.

This is creating a new challenge for business – a need to better manage risks by understanding, taking action on and communicating performance on relevant issues. But it is also creating opportunities to enhance social license-to-operate and build trust.

The UNGP Reporting Framework in particular will prove a critical tool in helping business to get on the front foot when it comes to human rights, enabling individual companies to drive and demonstrate action rather than simply reacting when things go wrong. An evolution that Caroline Rees, President of Shift, calls from 'named and shamed' to 'know and show'.



We hope the CHRB will drive a race to the top and provide businesses an opportunity to learn from peers within and across industries, and improve preventative measures as well as effective remedies for victims.”

Vicky Dodman, Chief Executive, CHRB

We think now is a critical moment in that evolution. Users of the UNGP Reporting Framework are realising the benefits, getting ahead of the game and improving their performance and disclosure in a measured and iterative way. Others are taking note. But given the mounting forces outlined above, this opportunity to map your own journey will not remain open for long. That's why we think the time is now for smart companies to get ahead of the game on human rights.

In this supplement, we share the perspectives and practical recommendations of a selection of global experts and three users of the UNGP Reporting Framework – Trafigura, ABN AMRO and Ericsson. We also shine a light on three specific sectors where human rights issues are becoming increasingly important for different reasons, with implications and lessons for others. Finally, we pull this together into five recommendations for those who are thinking about adopting the UNGP Reporting Framework.



The term 'human rights' conjures up different meanings for different people, depending on perspective and geographic outlook. For example, 'human rights in China' might imply labour issues and worker conditions for some stakeholders, while for others it refers to free speech and political freedom. So it's essential that companies are transparent about how they define their human rights impacts, in order to advance how the issues are identified, communicated and acted upon.”

Shawn MacDonald, CEO, Verité

FAST FIVE



Legislation, frameworks and benchmarks that are driving the human rights agenda right now

- 1 The UN Guiding Principles (UNGP) Reporting Framework:** The UNGPs were endorsed by the UN Human Rights Council on 16 June 2011, setting out key principles on corporate responsibility to respect human rights. In February 2015, Shift and Mazars launched a widely-supported Reporting Framework to guide companies in communicating how they align with the UNGPs.
- 2 Salience:** A lens used by the UNGP Reporting Framework to determine a company's most important human rights impacts. Salience is different to materiality – which assesses issues based on importance to stakeholders and business impact – because it focuses on the risk to people, not the business.
- 3 The Corporate Human Rights Benchmark (CHRB):** The CHRB 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. The first benchmark published in March 2017, following three years development, ranks the top 100 companies across the agricultural products, apparel and extractives industries according to six Measurement Themes.
- 4 The UK Modern Slavery Act:** Passed on 26 March 2015, this legislation is designed to tackle slavery in the UK specifically, and requires all companies that operate in the UK to publish an annual statement outlining how it is working to ensure that there is no slavery in any part of its business – including its entire global supply chain.
- 5 The French Corporate Duty of Vigilance Law:** Passed on 21 February 2017, this legislation requires large companies operating on French territory to establish a vigilance plan to prevent human rights violations. The plan must also cover subsidiaries, suppliers and subcontractors.



The UN Guiding Principles Reporting Framework focuses companies' reporting on their salient human rights issues. These are the human rights at risk of the most severe negative impact arising from the company's activities and business relationships. This focus on risks to people is a critical feature of the corporate responsibility to respect. There is also increasing evidence that risks to human rights frequently converge with risks to business. Where the most severe human rights risks are concerned, this convergence is particularly strong."

Richard Karmel, Partner & Global Head of Human Rights, Mazars

OUR PERSPECTIVE: SHIFT

The United Nations endorsed the **Guiding Principles on Business and Human Rights in 2011**, bringing much-needed clarity about the responsibility of companies for human rights impacts in their operations and value chains.

The Guiding Principles provide a blueprint for companies to move past reactive responses to being 'named and shamed' when things go wrong, and instead to proactively 'know and show' that they are addressing human rights risks and impacts across their business. This means conducting human rights due diligence with a focus on risks to people, rather than just risks to the business. It means prioritising for action a company's 'salient' human rights issues: those human rights at risk of the most severe negative impacts. None of this can be done just from desks within company walls – it requires dialogue with key stakeholders – and most critically those whose human rights may be affected – in order to fully understand the risks and identify effective solutions.

This idea of 'knowing and showing' links companies' internal management systems and their external reporting. To help companies with both these dimensions, Shift worked with the audit and advisory firm Mazars to develop the UN Guiding Principles Reporting Framework. The Reporting Framework is based on simple but smart questions to which any company needs to have answers internally as part of its risk management efforts. Those answers will include the information most relevant for disclosure to investors and other stakeholders to assure them that these issues are being managed. Today, companies from Unilever and Newmont to Novo Nordisk and Microsoft are using the Reporting Framework for both these purposes to very positive effect.

Implementing respect for human rights takes time. Companies need a single, consistent and coherent approach to improve their human rights risk management processes, address the growing body of human rights related regulations, and deliver effective reporting that improves dialogue with their stakeholders. The UNGP Reporting Framework makes this possible.

Caroline Rees, President, Shift



Q&A

We spoke to James Nicholson, Head of Corporate Responsibility, at Trafigura on his experiences and advice when it comes to reporting to the new UNGP Reporting Framework

1. Why did Trafigura decide to use the UN Guiding Principles Reporting Framework for its 2016 Responsibility Report?

It was a logical and timely step for Trafigura. In 2016, we instituted a wholesale review of our approach to Corporate Responsibility. We established a new forum for dialogue with a wide range of stakeholders via our first Multi-Stakeholder Forum (MSF). Within the MSF we presented and consulted on a revision to our pre-existing Health, Safety, Environment and Communities (HSEC) Policy. The result was a refined 'Responsibility Policy' which sought to move us beyond simply aiming for HSEC compliance – essential as that remained – towards promoting greater responsibility and respect for human rights as key considerations in our business processes and decision making. In line with this shift, we also set out to align with the UN Guiding Principles (UNGP) Reporting Framework. Doing so was both common-sense and impactful. Starting the process (and to be clear, we have some way to go) helped us build a fuller appreciation of risk, based on the concept of salience – that is using the lens of risk to people, not the business as the starting point.



When exploring remediability, we took soundings externally and worked with senior management internally to establish where we could really move the bar.”

James Nicholson, Head of Corporate Responsibility, Trafigura

2. As a company that has chosen to adopt the UNGP Reporting Framework, what advice would you give to other companies thinking about using it?

Firstly, map your risks. Complement your assessment of ‘materiality’ – that is, material risk to the business – with a review of ‘salient’ risks, meaning those with greatest potential impact on human rights.

For Trafigura that meant looking at our activities through a new lens. At a top level, we source, store, blend and deliver commodities worldwide. Across these channels we have a vast number of direct and indirect business relationships. Our human rights impacts are equally diverse – in their nature, in their potential extent and severity, and in their remediability.

When exploring remediability, we took soundings externally and worked with senior management internally to establish where we could really move the bar. One such area was the global discussion around natural resource revenue transparency.

In this case, the citizens of oil producing nations – supported by campaigning non-governmental organisations – are seeking to hold governments and business to account. They want to see that revenues disclosed by governments from the sale of commodities are indeed matched by payments disclosed by companies.

This campaign spurred the creation of the Extractive Industries Transparency Initiative (EITI). Although EITI’s initial focus was on generating disclosure of payments to governments by mining companies and upstream oil companies, commodities trading firms are also being drawn in.

Trafigura decided that it made sense to address the issue by making a voluntary disclosure of its payments to National Oil Companies in EITI member countries. We were the first (and remain the only) commodities trading house to report systematically on our oil payments under the auspices of EITI. We are also working with producer governments, other companies and NGOs to adapt existing EITI disclosure standards and processes.



So, in conclusion, reconcile your perception of risk with the perception held by those impacted. Engage internally to build support and license to affect change. And lastly, capitalise on existing mechanisms (where possible) to exercise leverage – where they don't exist – take the lead.

3. How have your stakeholders responded to the increased level of transparency on human rights and what role do improved communications play?

Our objective is to build trust over the long term. Communications plays an important role in underpinning that objective. In an industry that has done little to communicate in the past, Trafigura's efforts have been well received but we have so much more to do.

At the most simple level, the commodities trading sector as a whole needs to do more to explain why it exists and how it operates. A sector as large as ours can no longer 'fly under the radar'. Trafigura has invested significantly in telling its story – by actively engaging with stakeholders and through the release of reports and publications such as 'Commodities Demystified'. In developing new channels of engagement we've built a better understanding of what matters and to whom. We're also becoming better understood and, as a consequence, are better positioned to manage our impacts through collaboration with others.

Take the issue of safe and responsible logistics. Trafigura trucks significant volumes of commodities by road every day by contracting with a network of third-party providers. Unsafe road practices impact the right to life of communities, employees, contractors and suppliers – typically with a disproportionately negative impact on vulnerable groups. We know the cement sector, and other players in the oil business, have done a huge amount to advance standards in this area. Through articulating our societal impacts we've prompted discussions with other value-chain actors, including our banks and competitors, and are now developing meaningful programmes to mitigate negative impacts.

SPOTLIGHT ON SECTORS

Businesses across every sector and industry have a duty to respect and protect human rights. Almost every business, no matter how large or small, in every country and across every continent, will impact human rights issues in some form or other. Those companies that do not recognise this face potential legal, regulatory or reputational risks.

The nature and scale of the issues and the risks to business vary by geography, as well as by sector. While much has been written already about human rights in industries such as apparel, extractives and construction, in the second half of this supplement we have chosen to focus on three specific sectors that we think will come into the spotlight for different reasons in the next few years:



Travel & Tourism — which employs more workers worldwide than any other sector



Financial Services — whose investment decisions have a significant impact on human rights down the investment chain



Technology — as the digital age shines a new or different light on certain human rights issues with implications for many other sectors

ALIGNING HUMAN RIGHTS AND THE SUSTAINABLE DEVELOPMENT GOALS IN TRAVEL AND TOURISM



Caroline Carson
Senior Consultant
Salterbaxter

In a world of seven billion people, Travel and Tourism is the world's biggest employer. Taking into account all of its subindustries, it employs 292 million people, securing one in 10 jobs worldwide.

According to the UN, between 2016 and 2030, around 470 million jobs will be needed around the world for new entrants into the labour market. Given the industry's growth is consistently faster than the rest of the global economy, it's clear that Travel and Tourism will play a significant role in filling this gap in the coming decades.

Tourism is also a key development driver in the global South and a main foreign exchange earner for 65 of the 69 developing countries. However, as jobs are created the risks of labour abuses often increase. What's more, this highly fragmented industry relies heavily on relatively low-skilled, seasonal, part-time, and often informal labour and has high levels of migrants and female workers across its many complex supply chains.

For example, larger hotel chains may employ over 150,000 people in as many as 100 countries, without necessarily directly owning all hotels and with around 80-90% of businesses in the sector being small enterprises. As a result, human trafficking represents a potentially critical human rights issue within the travel and tourism industry.

But that's only part of the story. The UN's Sustainable Development Goals (SDGs) agreed upon by 193 countries in September 2015, and in particular Goal 8 with its focus on 'decent work for all', is fast-forwarding the labour rights debate in Travel and Tourism from a discussion about basic workers' rights to one about more inclusive social provisions such as rights to pensions, health care and skills development. As proof Goal 8 has been selected as a key theme in the UN's 2017 International Year for Sustainable Tourism for Development, while the ILO is also working on sector guidelines for policy makers on decent work and socially responsible tourism.



More meaningful engagement across the private sector is needed. Corporations must improve their internal training on slavery awareness and their internal policies, controls and processes so that they are in a better position to respond to the growing risk of slavery in their supply chains. External suppliers must be required to abide by the same standards of conduct as those businesses that they supply."

Archana Kotecha, Head of Legal at Liberty Asia



470

MILLION JOBS

will be needed around the world for new entrants into the labour market between 2016 – 2030.



\$32
BILLION

annual estimate of profit of human traffickers (IOL).



With their universal applicability and importance in shaping development priorities, the SDGs will have a big influence on the scope and implementation of the human rights agenda in the years ahead. Given the recent rise in anti-globalisation and protectionist sentiment – fuelled in large part by a perception of social inequality and unequal growth within and between countries – it’s reasonable to assume that the decent work agenda will quickly become a priority, in particular for companies with large global supply chains.

But this is just one example, and as Heather Johnson and Camilla Goldbeck-Lowe of Ericsson point out on Page 10, the UNGP Reporting Framework and the UN SDGs are far from mutually exclusive. A number of practical guides and tools are already emerging to help companies map linkages between the SDGs and different human rights instruments. For those companies aligning their sustainability approaches to the SDGs applying a human rights-based lens represents a useful and obvious step.

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Many in the hotel sector have done a lot of work to understand trafficking risk, to raise awareness of the issue and to develop policies and procedures to address trafficking. Our human rights working group has really helped our members to understand the risks, share best practice and identify common solutions. Companies need to ensure that policies are not simply position statements and that the correct due diligence is in place. Companies working alone will struggle to address some of these issues so this is why ITP is convening hotel companies to collaborate for meaningful change.

“ITP works with leading hotel companies who have anything from a handful of properties to those with several thousand. As neutral facilitators, we enable companies and specialist organisations to come together and help advance learning and progress on human rights issues. Where SMEs can struggle to resource engagement on issues, joining with an organization such as ours can really help.”

Fran Hughes, Director of the International Tourism Partnership (ITP)

A UNIQUE ROLE FOR THE FINANCIAL SERVICES SECTOR ON HUMAN RIGHTS



Kristina Joss
Senior Consultant
North America
Salterbaxter

Human rights as a corporate sustainability issue has traditionally been linked to businesses with complex supply chains in developing countries where regulations and transparency are minimal. However, as the issue of human rights gains international attention less traditional sectors, such as finance, have come under greater scrutiny.

While many of the direct human rights risks impacting the finance sector are those every business faces – fair and safe working conditions, labour relations with suppliers, inclusive and equal opportunities – financial institutions are also uniquely exposed to human rights risks through the projects and companies in which they invest.

Without corporations properly accounting for the full social and environmental ‘costs’ of their operations, financial institutions have been at risk of allocating capital toward controversial activities such as deforestation and child labour.

The landscape though, is changing.

Over the past decade international frameworks such as the United Nations Principles of Responsible Investment (UNPRI), the Equator Principles, the UNGP Strategic Framework and most recently the UN Sustainable Development Goals have gradually solidified the sector’s role and responsibility in addressing global human rights risks.

The use of due-diligence systems for assessing financial risks have for some time been used to assess environmental, social and governance (ESG) risks in investment and lending activity. Institutional investors are starting to recognise that understanding and managing human rights is critical for complying with new and future legislation, developing competitive advantage and protecting shareholder value. It is therefore no surprise that the new CHRB was developed by a coalition of investors in collaboration with prominent civil society organisations.

And yet, awareness and newly emerging benchmarks alone are not enough. The speed and frequency of transactions and the complex nature of business relationships are unique challenges the sector must overcome. Financial institutions must find ways of integrating human rights assessments across a wide range of their core investment and lending activities, and over the longer term this will require fundamental shifts in how capital allocation is evaluated.

In light of this, today’s leading financial institutions are actively taking steps to first understand their key human rights risks and opportunities, and are starting to embed them gradually across their businesses. This has important practical implications for the larger business community.

Scrutiny of companies’ human rights practices as part of due diligence and active engagement by financial institutions is on the increase and will be accelerated further by benchmarks like the CHRB. The questions will come and companies should be ready to respond.

This creates a strong case for adopting recognised reporting frameworks such as the UNGP, that will help assure investors that the most important human rights issues are being managed. Businesses need to be proactive in engaging with shareholders and other investors to recognise and clearly understand the issues that matter to them the most.

OUR PERSPECTIVE: ABN AMRO

The human rights agenda is becoming increasingly important for financial services institutions. As a sector, we need to better understand the impact of our own activities and those of our clients, but that will take time. ABN AMRO wanted to be an early adopter of the UN Guiding Principles Reporting Framework to help us focus our approach, identify our salient issues and analyse our baseline on human rights – including next steps.

The focus of the Framework on salience has been really important. It has informed the way we think and communicate about human rights now. One of the key salient issues we have identified is privacy, as we hold a lot of financial data for, especially, retail clients. We are not just concerned about the human rights impact by our corporate clients operating in high-risk sectors, but also about our own direct impact on the five million individuals and families with bank accounts and mortgages. This has been a mind shift for some.

It's important to stress this shift because the Framework has done more than just advance our transparency or communication. It has facilitated internal engagement on the intersection of human rights and banking across multiple areas of the business. This has accelerated the implementation of our human rights programme.

But it doesn't stop there because as an industry, we need to work together to advance greater transparency. Initiatives such as the 'Dutch Banking Sector Agreement on Human Rights' are a good example of a model that can bring together voices from the banking sector, civil society, trade unions and government and stimulate overall sector improvements. We see this type of model as a great opportunity to help raise standards across our industry and others.

In terms of advice for others thinking about adopting the UNGP Reporting Framework, there are a few things we would highlight:

- Bring in external stakeholders to get an outside perspective on the issues. We engaged with NGOs, academics and human rights lawyers to discuss the expectations of the report.
- Recognise the importance of the UNGP focus on salience will help you focus your efforts. But it's critical to explain the concept to internal stakeholders across the business and to get their input as it differs from materiality.
- Be pragmatic when you start reporting and learn from the early adopters in other sectors. How a company uses the UNGP Reporting Framework can evolve over time; you don't have to answer all questions in the first year!

Herma van der Laarse, Sustainability Reporting Specialist
ABN AMRO / **Ruben Zandvliet**, Environmental, Social and Ethical Risk Advisor ABN AMRO

NAVIGATING THE NEW COMPLEXITIES FOR TECHNOLOGY AND HUMAN RIGHTS



Arabella Bakker
Director of Consultancy
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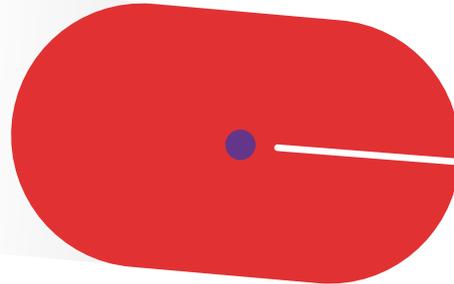
The relationship between the technology sector and human rights is complex and offers a window into the future for others.

On the one hand, new innovations have contributed to the advancement of human rights, such as new technologies that improve supply chain transparency and traceability.

On the other hand, the sector continues to face criticism for human rights violations, notably related to conflict minerals, worker conditions and digital rights issues, and in particular data privacy and freedom of expression are giving rise to complex new tensions between business, governments and consumers.

While brand loyalty seems largely unharmed by more traditional 'out of sight, out of mind' scandals in places such as China and the DRC, the same cannot be said when people feel their digital rights have been compromised.

Debates such as the high profile legal showdown between the FBI and Apple over the encryption of the iPhone belonging to one of the perpetrators of the San Bernardino terrorist attack and more recent discussions about post-truth and fake news are putting pressure on technology companies. There is pressure to play a more proactive role in addressing the human rights issues that emerge as digital technologies become more and more deeply integrated into our society. Are the likes of Facebook protecting free speech or their own commercial interests?

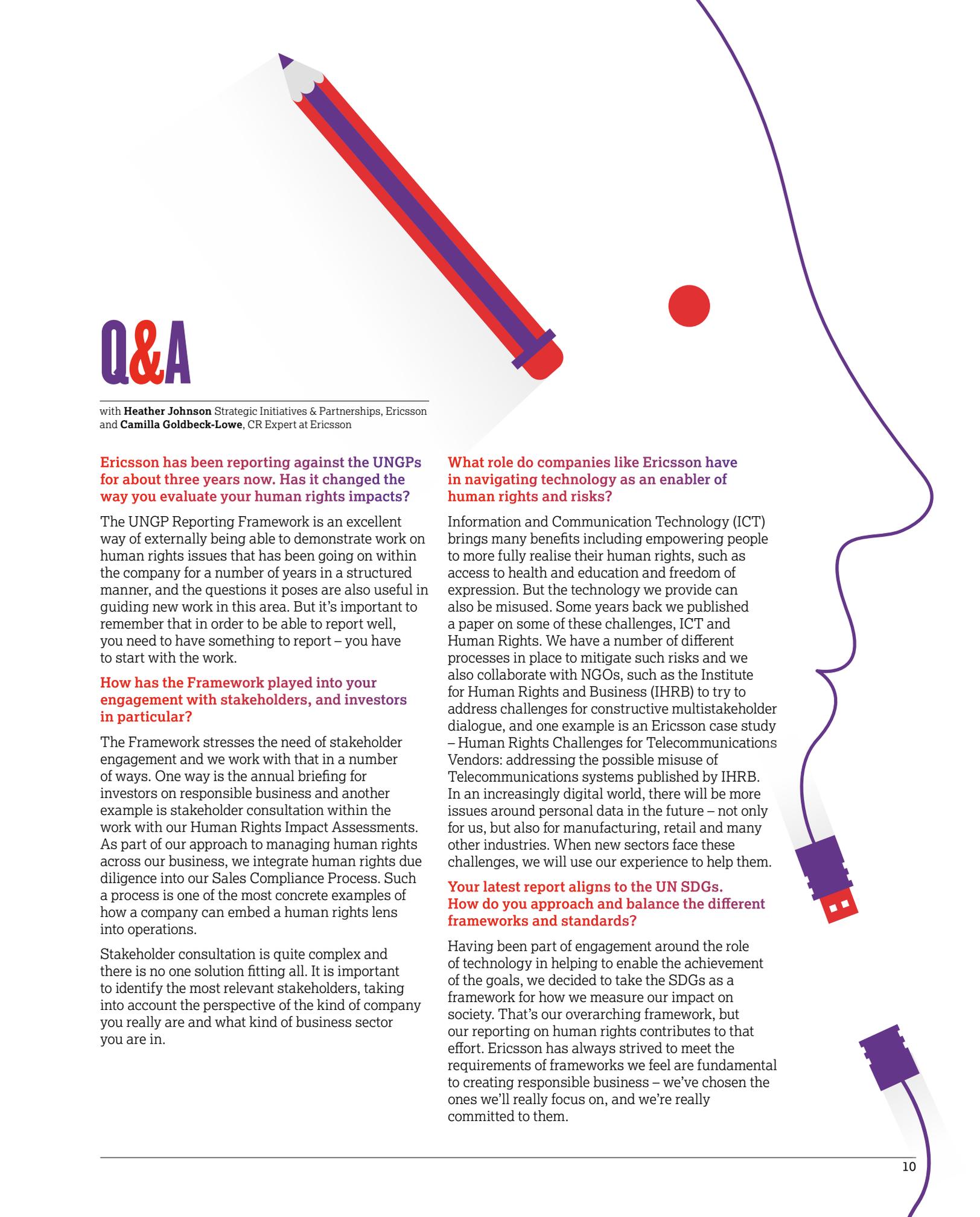


A growing number of initiatives are advocating for greater transparency in this area. In March 2017, the Ranking Digital Rights Corporate Accountability Index released its second ranking of 22 of the world's most powerful telecommunications, internet and mobile companies – a group of companies whose products and services are collectively used by at least half of the world's 3.7 billion internet users. With an average score of 33% most of these companies still do not disclose enough information to users about policies and practices affecting freedom of expression and data privacy. As a result, most of the world's internet users lack the information they need to make informed choices.

The relationship between digital technology, business and human rights is complex, and often ambiguous, emotive and newsworthy.

Technology is powering businesses old and new across a range of sectors, and over the next few years we will see these types of human rights issues becoming increasingly widespread. They are already popping up in sectors such as retailing and banking.

Taking action now to map baseline human rights issues will help identify and raise awareness of your impact and exposure to things like data privacy and freedom of expression. While opening up new channels of engagement and starting a dialogue on these issues will help get your company up to speed and stay ahead of emerging challenges. Don't stand still.



Q&A

with **Heather Johnson** Strategic Initiatives & Partnerships, Ericsson and **Camilla Goldbeck-Lowe**, CR Expert at Ericsson

Ericsson has been reporting against the UNGPs for about three years now. Has it changed the way you evaluate your human rights impacts?

The UNGP Reporting Framework is an excellent way of externally being able to demonstrate work on human rights issues that has been going on within the company for a number of years in a structured manner, and the questions it poses are also useful in guiding new work in this area. But it's important to remember that in order to be able to report well, you need to have something to report – you have to start with the work.

How has the Framework played into your engagement with stakeholders, and investors in particular?

The Framework stresses the need of stakeholder engagement and we work with that in a number of ways. One way is the annual briefing for investors on responsible business and another example is stakeholder consultation within the work with our Human Rights Impact Assessments. As part of our approach to managing human rights across our business, we integrate human rights due diligence into our Sales Compliance Process. Such a process is one of the most concrete examples of how a company can embed a human rights lens into operations.

Stakeholder consultation is quite complex and there is no one solution fitting all. It is important to identify the most relevant stakeholders, taking into account the perspective of the kind of company you really are and what kind of business sector you are in.

What role do companies like Ericsson have in navigating technology as an enabler of human rights and risks?

Information and Communication Technology (ICT) brings many benefits including empowering people to more fully realise their human rights, such as access to health and education and freedom of expression. But the technology we provide can also be misused. Some years back we published a paper on some of these challenges, ICT and Human Rights. We have a number of different processes in place to mitigate such risks and we also collaborate with NGOs, such as the Institute for Human Rights and Business (IHRB) to try to address challenges for constructive multistakeholder dialogue, and one example is an Ericsson case study – Human Rights Challenges for Telecommunications Vendors: addressing the possible misuse of Telecommunications systems published by IHRB. In an increasingly digital world, there will be more issues around personal data in the future – not only for us, but also for manufacturing, retail and many other industries. When new sectors face these challenges, we will use our experience to help them.

Your latest report aligns to the UN SDGs. How do you approach and balance the different frameworks and standards?

Having been part of engagement around the role of technology in helping to enable the achievement of the goals, we decided to take the SDGs as a framework for how we measure our impact on society. That's our overarching framework, but our reporting on human rights contributes to that effort. Ericsson has always strived to meet the requirements of frameworks we feel are fundamental to creating responsible business – we've chosen the ones we'll really focus on, and we're really committed to them.

TAKING ACTION

Business has the opportunity to lead on human rights.

The days of reporting policy statements and no actions are behind us. Now is the time to accelerate performance by taking an honest look at the issues impacted and working with key stakeholders to drive change. The UNGP Reporting Framework provides businesses with a flexible blueprint for doing this.

Here are five recommendations for companies thinking about adopting it.



Get going. Early adopters of the UNGP Reporting Framework have stressed it's a journey. While external pressures are rising, there is still a window of opportunity to get ahead of the game and map your own path. The UNGP Reporting Framework is just that, a framework. It's flexible enough for you to get started immediately at a pace that's right for your business. What's stopping you?



Get up to speed. Understanding the wider human rights landscape around the UNGP Reporting Framework is important. It will inform how you apply the Framework and how you communicate its value to internal stakeholders. We've shared a snapshot but if you haven't already it's worth spending some time familiarising yourself with key areas of policy and practice including within your own sector. You don't have to become an expert!



Outside-in approach. All of our experts and practitioners have stressed the importance of external engagement both in identifying important issues and in helping to improve performance and scale action. What's also clear is that it's not always the usual suspects you need to engage with. Don't be afraid to open up new channels – for example with human rights advisors and lawyers – and call on early adopters or other experts such as Shift or Mazars for advice.



Map value and alignment. A key piece of consensus amongst early adopters is the value the UNGP Reporting Framework provides beyond reporting itself – as a gap analysis, a due-diligence tool and a platform for internal engagement on human rights. Our contributors have also emphasised how the Framework can enhance existing sustainability strategies, aligning with other frameworks such as the SDGs and strengthening approaches to specific issues. Before you start, map out the different ways it can align with and benefit, both sustainability and wider business efforts. This will build the case for adoption and help you get more out of it once you've started.



Start small. You don't have to go straight into reporting against the Framework. If it feels like too much of a stretch, then think creatively of ways to dip your toe in the water. Use some of the Framework's questions in an internal workshop to get the conversation going or complement an existing materiality assessment with a review of salient issues to start mapping baseline risks. These sorts of activities will act as stepping stones towards applying the Framework and should add plenty of value along the way.

For more information see:
www.UNGPreporting.org

LOOKING AHEAD: THE PVH PERSPECTIVE

There is a shift in attitude, one moving towards seeing the benefit of audits and assessments not only as risk mitigation tools but also in facilitating more added-value activity, such as remediation and capacity building.

PVH has seen impressive results from recent pilots in which we invested in engaging suppliers through human interaction and dialogue.

In future I'd like to see that be a joint collaborative effort to accelerate progress on things like capacity building and

to free up time and resource so we can focus our efforts on new types of engagement and system solutions.

Looking ahead, there has to be a combination of voices in the room to further advance human rights issues. For example, in fair and living wage discussions, I don't see enough economists around the table or people who have experience in working with different governments.

From a systems perspective the North Star is really around product level

footprinting, a situation where you could take your product and be able to map it back to facilities, back to the component level and see clear social indicators, based on the entirety of those inputs. I don't think that the IT system infrastructure is currently in place but we are getting more and more detailed stakeholder inquiries, which are driving our transparency and IT systems efforts.

Marissa Pagnani, Group Vice President, Corporate Responsibility, PVH

ABOUT SALTERBAXTER

We are a leading international sustainability strategy and communications consultancy. We help companies and brands Step Up to the challenge of the changing relationship between business and society.

We combine smart strategy, savvy insights and sharp creativity to help business build purpose, deliver performance and drive transformation.



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