

## Corporate Human Rights Benchmark Investor Briefing

The Corporate Human Rights Benchmark (CHRB) is the first-ever public ranking of corporate human rights performance.

The CHRB will publicly rank the top 500 globally listed companies on their human rights policy frameworks, due diligence processes and performance, using the UN Guiding Principles on Business and Human Rights as well as industry-specific standards on human rights and responsible business conduct as the basis for analysis.

The 2017 Pilot Benchmark results were launched in London and on the CHRB website on 13 March 2017. This Pilot Benchmark provides a unique comparative snapshot of the human rights performance of the largest 98 companies across the agricultural products, apparel and extractives industries. On the same day, a summary report on the overall results was issued and in addition detailed results by industry, measurement theme, and company were made available at [www.corporatebenchmark.org](http://www.corporatebenchmark.org)

### Top and bottom scoring companies:

Agricultural Products	Apparel	Extractives
<b>Top 3</b>		
Marks & Spencer Group	Marks & Spencer Group	BHP Billiton
Nestle	Adidas	Rio Tinto
Unilever	Hennes & Mauritz	Total
<b>Bottom 3</b>		
McDonald's	Kohl's	China Petroleum & Chemical
Yum! Brands	Macy's	Oil & Natural Gas Corporation
Costco Wholesale	Costco Wholesale	Grupo Mexico

### The CHRB is led by:

- [APG Asset Management](#)
- [Aviva Investors](#)
- [Business & Human Rights Resource Centre](#)
- [Calvert Research and Management](#)
- [The EIRIS Foundation](#)
- [The Institute for Human Rights and Business](#)
- [Nordea Wealth Management](#)
- [VBDO](#)

The CHRB has attracted strong support from investors. In addition to the investors that are founding members of the CHRB, 85 investors with more than \$5.3 trillion AUM have recognized the CHRB through the investor coalition supporting the UN Guiding Principles Reporting Framework. See the Investor Statement of support here: <http://www.ungpreporting.org/early-adopters/investor-statement/>

The newly formed CHRB Ltd. is governed by a board of directors and chaired by Steve Waygood, Chief Responsible Investment Officer at Aviva Investors.

### Methodology

The Benchmark's Methodology is the result of extensive multi-stakeholder consultation around the world over two years, involving representatives from over 400 companies, governments, civil society organisations, investors, academics and legal experts.

Grounded in international and industry-specific standards on human rights and responsible business conduct, the 2017 Benchmark focuses on companies' policies, governance, processes, practices, and

transparency, as well as how they respond to serious allegations. This is done through the application of 100 indicators across 6 Measurement Themes of different weights.

The pilot is a starting baseline and will over time will be developed through subsequent iterations of the Benchmark across more industries to encompass 500 companies.

### **The CHRB will enable investors to:**

- Track corporate human rights performance progress over time
- Raise the level of awareness of the materiality of human rights and help companies meet investor expectations on human rights
- Inform investment research, analysis and decision making
- Focus direct engagement and shareholder advocacy with companies
- Stimulate flows of capital towards more sustainable companies

### **Call to action**

The newly released results of the 2017 Pilot reveal just a handful of companies at the top, scoring between 55%-69%, with a small number of companies in the middle bands of the Benchmark. A clear majority, 63 out of 98 companies, score below 30%.

We now invite investors to join us in engaging the 98 companies assessed in the 2017 Pilot CHRB to encourage further progress in addressing human rights issues and risks.

As a first step, we will send the companies a letter clarifying what we expect from them with respect to human rights performance, outlined in The Corporate Human Rights Benchmark Investor Expectations on Human Rights below.

Investors and companies will be able see how companies progress against the expectations in the next CHRB assessment. Together with the CHRB assessments and results, the expectations can provide investors and companies with a tool to guide corporate human rights performance and constructive dialogue. To join this effort, please contact [vicky.dodman@corporatebenchmark.org](mailto:vicky.dodman@corporatebenchmark.org)

### **The CHRB Investor Expectations on Human Rights**

Companies are expected to:

- Acknowledge publicly its responsibility to respect human rights and formally incorporate this into publicly available statements of policy.
- Include oversight of human rights-related risk as part of the Board's responsibility
- Embed human rights policy commitments in, management systems, business operations and stakeholder engagements
- Implement due diligence processes to assess and address human rights risks
- Provide remedy in addressing actual adverse impacts on human rights
- Ensure that appropriate processes are in place so that grievances may be addressed early and remediated directly where appropriate
- Maintain management systems to respond to severe and substantiated allegations