



Corporate Human Rights Benchmark - Core UNGP Indicators

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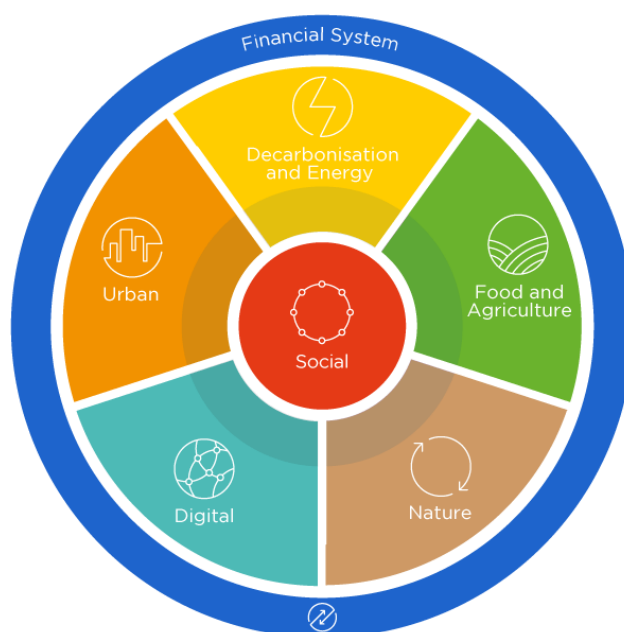
Introduction

The Corporate Human Rights Benchmark (CHRB) aims to drive corporate accountability and create a pathway for better human rights practices by assessing and ranking companies in high-risk sectors on their human rights performance. The CHRB identifies where progress and leadership are evident as well as areas where improvements are needed, both for individual companies and across industries. As with all benchmarks from the World Benchmarking Alliance (WBA), this tool is vital for stakeholders, including civil society, investors and governments, to hold companies accountable.

WBA develops free and public benchmarks that measure and rank 2,000 of the most influential companies globally on how they contribute to the United Nations' Sustainable Development Goals (SDGs). These keystone companies – the “SDG2000” – include public, private and state-owned companies and represent USD 45 trillion in collective revenues. They are spread across 87 countries and directly employ 95 million people, with a quarter of the companies headquartered in developing, emerging or frontier markets.

In order to measure their contribution to the SDGs, WBA assesses these companies across seven critical systems transformations, namely: decarbonisation and energy, food and agriculture, nature, digital, urban, financial and social. Following the SDG's 'leave no one behind' principle, the **social transformation**, which focuses on the fundamentals of respecting human rights, providing and promoting decent work and ethical business conduct, sits at the heart of WBA's model (Figure 1).

FIGURE 1: WBA'S SEVEN SYSTEMS TRANSFORMATIONS



Going beyond the fundamentals

The CHRB is part of WBA’s social transformation and functions as a spotlight benchmark to shine a light on respect for human rights in sectors considered to be at high risk for negative impacts (Figure 2). Whereas our [Social Benchmark](#) focuses on scale, assessing 2,000 companies on whether they are taking the first fundamental steps towards respect for human rights, the CHRB goes beyond the fundamentals by holding around 100 companies in high-risk sectors accountable for their performance and progress on respecting human rights and implementation of the full UN Guiding Principles on Business and Human Rights (UNGPs).

The Social Benchmark and the CHRB are complementary, as they allow for the production and analysis of evidence at two levels: an assessment of a large number of companies on a set of core metrics in the Social Benchmark; and a deeper evaluation of a smaller number of companies in high-risk sectors in the CHRB. This dual approach allows WBA’s social transformation to achieve both breadth and depth in holding companies accountable for their impacts on people.

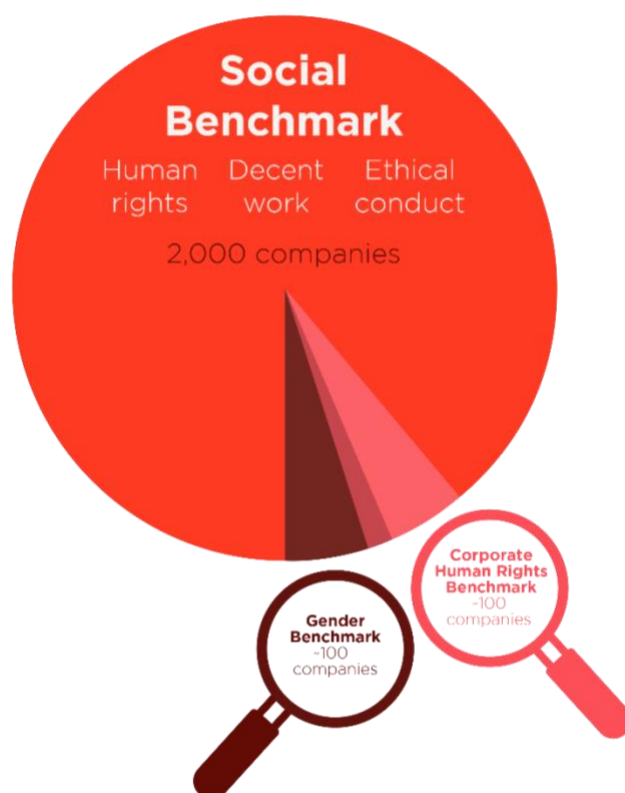
Continuous learning

Over the past five iterations of the CHRB, we have seen that benchmarking on business and human rights produces positive results to hold companies accountable. However, we have also learned how it could work even better.

In 2020–2021, the CHRB conducted a year-long review of its methodology. As part of this, we consulted a diverse range of stakeholders, including companies, investors, civil society organisations and individual experts. The [revised methodology for the 2022–2023 CHRB](#), published in September 2021, further emphasised the actual performance of companies and included an integrated focus on stakeholder engagement. New topics such as recruitment fees and the intersection between business models and human rights risks were also included. More information about the 2020-2021 methodology review process can be found in this [overview document](#).

After the fifth CHRB iteration was completed in 2023, the CHRB methodology was updated in 2024 to integrate learnings from five years of benchmarking and improve integration with other WBA benchmarks. As a part of this process, particularly impactful CHRB indicators – including those on stakeholder engagement in human rights due diligence and remedy – were scaled up to be included in the Social Benchmark, enabling a more comprehensive human rights assessment for all SDG2000 companies. A more detailed overview of the changes can be found on page 18 of the [full CHRB methodology](#).

FIGURE 2: SOCIAL TRANSFORMATION BENCHMARKS



Using the Corporate Human Rights Benchmark

As a free and publicly available resource, the CHRB enables stakeholders to hold corporations accountable for their human rights commitments and actions. Investors play a crucial role in driving corporate accountability on human rights and can utilise CHRB insights to inform their engagement and advocacy, due diligence and risk assessments as well as voting and proxy decisions. Policymakers, regulators and advocacy groups can leverage the insights generated by the CHRB to inform discussions and shape decisions on norms and legislation regarding business and human rights. WBA plays an active role in engaging with various stakeholders through the publication of targeted resources and initiatives such as Collective Impact Coalitions.

The CHRB also serves as a practical guide for companies to improve their human rights performance. The methodology functions as a road map for implementing the UNGPs and, by comparing their human rights practices with those of their peers, companies can identify best practices and areas for improvement. WBA engages directly with companies and fosters collaboration through initiatives such as Communities of Practice. Furthermore, the CHRB encourages companies to hold each other accountable, creating a network of mutual responsibility, especially among companies that are interlinked through supply chains and partnerships.



The Core UNGP Indicators

Following several rounds of benchmarking with the full CHRB methodology, WBA has introduced the Core UNGP Indicators – a subset of the full methodology that allows stakeholders to assess whether companies are implementing key expectations of the UN Guiding Principles on Business and Human Rights (UNGPs).

The 13 Core UNGP Indicators have been selected from the full CHRB methodology, which includes approximately 50 indicators across five different themes. The Core UNGP Indicators are applicable across industries and cover four critical areas of the UNGPs: high-level commitments, embedding human rights in management systems, human rights due diligence and access to remedy.

Stakeholders such as governments, academic institutions and civil society organisations can use the Core UNGP Indicators to assess companies far beyond the scope of 2,000 companies that the WBA has set out to assess in its annual or biannual benchmark iterations. Various stakeholders around the world have already used the CHRB Core UNGP Indicators to take [snapshots of companies performances on human rights](#).

FIGURE 3: THE CORE UNGP INDICATORS.

Indicator code	Indicator name
A. Governance and policy commitments	
A01	Commitment to respect human rights
A02	Commitment to respect the human rights of workers
A08	Commitment to remedy
C. Embedding respect for human rights in company culture and management systems	
C01	Responsibility and resources for day-to-day human rights functions
D. Human rights due diligence	
D01	Identifying human rights risks and impacts
D02	Assessing human rights risks and impacts
D03	Integrating and acting on human rights risks and impact assessments
D04	Tracking the effectiveness of actions to respond to human rights risks and impacts
D05	Communicating on human rights impacts
E. Remedies and grievance mechanisms	
E01	Grievance mechanism(s) for workers
E02	Grievance mechanism(s) for external individuals and communities
E07	Remediating adverse impacts



Selection of indicators

As previously mentioned, the purpose of this tool is to facilitate third party assessments on companies' implementation of the key expectations of the UNGPs. While the full CHRB methodology is sector specific and covers seven themes and over 50 indicators, the indicators in this document (see Figure 3) are sector agnostic and focus on the key expectations of the UNGPs as outlined in Guiding Principles 15 and 16: making a policy commitment to respect human rights, embedding its commitment to human rights in operational policies and procedures, conducting human rights due diligence, and enabling access to remedy.

While these indicators are primarily 'process' based, as opposed to 'performance' based, previous analysis by the CHRB has found a close correlation between a company's score against the Core UNGP Indicators and its score against the full methodology.

Approach to assessing and scoring

How to read a CHRB indicator

A typical CHRB indicator (see Figure 4) follows a specific structure with different elements:

- **Indicator code and name:** A shorthand for the indicator, which corresponds with the indicator code and title in the full CHRB methodology.
- **Indicator description:** A brief description of the indicator topic. Many of the terms in the methodology have a specific definition that is drawn from international standards and industry-specific sources wherever possible.
- **Rationale:** The justification for the indicator is provided, explaining why the specific human rights topic is important.
- **Elements:** This section breaks down the indicator into specific parts or requirements that a company must meet to score positively. It provides clarity on the necessary components.
- **Sources:** The key international frameworks or standards that support the indicator.

FIGURE 4: EXAMPLE OF A CHRB INDICATOR

D01 Identifying human rights risks and impacts

Indicator: The company proactively identifies its human rights risks and impacts on an on-going basis, including when these are triggered by key moments in the company's activities (e.g. policy change, market entry, new projects). This includes engaging with stakeholders and vulnerable groups as part of the identification process.

Rationale: Identifying human rights risks and impacts helps the company understand the key human rights risks and impacts in their operations and supply chains, understanding which risks are most prevalent for relevant (affected) stakeholders and what risks and impacts need to be understood more closely.

Elements:

- a) The company describes the process(es) it has in place to identify its human rights risks and impacts in specific locations or activities, covering its own operations.
- b) The company describes the process(es) it has in place to identify its human rights risks and impacts through relevant business relationships, including its supply chain.
- c) The company describes how it involves affected stakeholders and internal or independent external human rights experts in its human rights risks and impact identification process(es).
- d) The company describes how its risk and impact identification process(es) are triggered by new country operations, new business relationships, new human rights challenges or conflict affecting particular locations.

Sources: UNGP 17 and 18; UNGPRF B2 and C3; HRIB 1.2.1; GRI 412-1 and 414-2



Indicator scoring

Each Measurement Area is broken down into multiple indicators, each worth 1 point in total. Since there are 12 core indicators in total, this system results in a maximum score of 12 points. Within each indicator, multiple elements are equally weighted. For instance, if an indicator includes 2 elements, each element is worth 0.5 points; if it has 4 elements, each element is worth 0.25 points. This approach ensures that every indicator contributes a maximum of 1 point to the overall score, regardless of the number of elements it contains.

The total available points across all indicators determine the weight of each Measurement Area in the overall score. Each Measurement Area's weight is directly related to the total number of indicators within it. For example, the Human Rights Due Diligence area has 5 indicators out of the 12 available, giving it a weight of 42% in the overall scoring. Scores are then normalized on a 0-100 scale based on the specific weight of each Measurement Area. This distribution ensures that each area's contribution to the total score reflects the number of points it holds within the Methodology. For detailed weights of each Measurement Area, please refer to the attached Annex.

For a more detailed explanation on scoring, you can consult [WBA's scoring approach](#). Please note that weighting for the Core UNGP Indicators differ from weighting in the [full CHRB methodology](#).

Types of evidence

An assessment will use publicly available information from the company's website(s), its formal financial and non-financial reporting or other public documents, plus statements such as those related to its policy commitments. These could be codes of conduct, policies, values, guidelines, frequently asked questions (FAQs) and other related documents. You may also consider reports, such as annual reports, corporate social responsibility and sustainability reports, or human rights reports if these are available, or reports written for other purposes if these contain relevant information.

Timeframe for requirements

Information provided by the company must be less than three years old at the start of the assessment year, except for policies or as otherwise specified in the indicator.



A. Policy commitments

Indicators at a glance:

- A01 Commitment to respect human rights
- A02 Commitment to respect the human rights of workers
- A08 Commitment to remedy (core UNGP)

What do the UN Guiding Principles on Business and Human Rights (UNGPs) 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. 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 or business principles.

Why is this important?

A policy commitment sets the 'tone at the top' of the company, which 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 management's 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.

Research note on commitment language

Whenever a CHRB indicator requires a policy commitment, researchers will look for an explicit commitment or any form of promise that companies will uphold the specific rights, instruments and/or standards listed in the indicator description. Language that is ambiguous, vague or weak will be considered insufficient to qualify as a clear expression of commitment.

The examples listed below would typically be accepted as a clear expression of commitment:

- The company commits to respect X
- The company is committed to respecting the rights under X
- The company adheres to X
- The company upholds X
- The company endorses the principles enshrined in X
- The company's policy complies with X
- The company's policy is drafted in accordance with X

By contrast, the examples listed below would be considered insufficient:

- The company's commitments are consistent with X
- The company's commitments are informed by / based on X
- The company strives to ensure X is respected
- The company recognises the principles of X



A01 Commitment to respect human rights

Indicator: The company publicly commits to respect all internationally recognised human rights across its activities.

Rationale: A company's human rights commitment signals that respect for human rights is a core value and sets clear expectations for employees and business partners. It also signals that top management views this respect as fundamental, guiding internal practices and shaping the company's culture.

Elements:

- a) The company has a publicly available policy statement committing it to respect human rights.
- b) The company has a publicly available policy statement committing it to the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises.

Sources: UNGP 11 and 12; UNGPRF A1; GRI 103-2

A02 Commitment to respect the human rights of workers

Indicator: The company publicly commits to respect the principles concerning fundamental rights at work in the 11 ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work (see box below). It also has a publicly available statement of policy committing it to respect the human rights of workers in its business relationships.

Rationale: A commitment to the ILO core conventions demonstrates a company's dedication to fundamental labour rights. It sets clear expectations for fair treatment of workers, guiding the organisation and its business relationships to uphold international labour standards.

Elements:

- a) The company has a publicly available policy statement committing it to respect the human rights that the ILO has declared to be fundamental rights at work.
- b) The company has a publicly available policy statement that expects its business relationships to commit to respecting the human rights that the ILO has declared to be fundamental rights at work.

Sources: UNGP 12 and 16(c); UNGPRF A1; FLA Code of Conduct; GRI 103-2



The fundamental principles and rights at work

The ILO Declaration on Fundamental Principles and Rights at Work covers the following fundamental principles and rights at work, laid out in 11 conventions:

- Freedom of Association and the Effective recognition of the Right to Collective Bargaining (Convention No. 87 and No. 98)
- Health and Safety of Workers (Convention No. 155)
- Elimination of all Forms of Forced or Compulsory Labour (Convention No. 29 and No. 105)
- Effective Abolition of Child Labour (Convention No. 138 and No. 182)
- Elimination of Discrimination in Respect of Employment and Occupation (Convention No. 100 and No. 111)
- Safe and Healthy Working Environment (Convention No. 187)

Additional ILO labour standard:

- Working Hours (Convention No. 1, No. 14, No. 30 and No. 106)

A08 Commitment to remedy

Indicator: The company publicly commits to provide or cooperate 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.

Rationale: A commitment to remedy ensures the company provides effective solutions for addressing human rights impacts and grievances. It sets clear expectations for addressing harm, offering redress and improving practices, thereby reinforcing the company's dedication to accountability and continuous improvement.

Elements:

- a) The company has a publicly available policy statement committing it to remedy the adverse impacts on individuals, workers and communities that it has caused or contributed to.
- b) The company expects its business relationships to commit to the right to remedy.
- c) The company has a publicly available policy statement committing it to co-operate with judicial and non-judicial mechanisms to provide access to remedy.
- d) The company has a publicly available policy statement committing it to work with business relationships to remedy adverse impacts which are directly linked to the company's operations, products or services.

Sources: UNGP 22; UNGPRF C6



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

Indicator at a glance:

C01 Responsibility and resources for day-to-day human rights functions

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 commitments into company culture. The company should align the policies and procedures that govern its wider business activities and relationships with its 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.

C01 Responsibility and resources for day-to-day human rights functions

Indicator: The company outlines senior-level responsibility for human rights as well as the organisation of the day-to-day responsibility for human rights across relevant internal functions. This includes responsibility for the ILO core labour standards at a minimum. The company also allocates resources and expertise for the day-to-day management of human rights within its operations and business relationships.

Rationale: A company committed to respecting human rights appoints specific individuals in senior managerial positions with overall accountability for implementing its human rights policy, and it distributes accountability and resources for the day-to-day management of human rights issues within the company and supply chain. This ensures that the company's human rights strategy and its implementation are the responsibility of senior management who have appropriate resources available.

Note: Board-level responsibility is assessed under indicator B01 and is therefore not considered in this indicator.

Elements:

- a) The company indicates the senior manager role(s) accountable for implementation and decision-making regarding human rights issues within the company.
- b) The company describes how it assigns responsibility for implementing its human rights policy commitment(s) for the day-to-day management across relevant departments.
- c) The company describes how it allocates resources and expertise for the day-to-day management of relevant human rights issues within its own operations.



- d) The company describes how it allocates resources and expertise for the day-to-day management of relevant human rights issues within its supply chain.

Sources: UNGP 19; UNGPRF A2 and A2.1; GRI 102-19 and 102-20



D. Human rights due diligence

Indicators at a glance:

- D01 Identifying human rights risks and impacts
- D02 Assessing human rights risks and impacts
- D03 Integrating and acting on human rights risks and impact assessments
- D04 Tracking the effectiveness of actions to respond to human rights risks and impacts
- D05 Communicating on human rights impacts

FIGURE 5: THE FIVE STEPS OF HUMAN RIGHTS DUE DILIGENCE



Identifying and assessing

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

Assessment is the process by which the company gathers the basic information it needs to know what its human rights risks are, so it can prevent and mitigate them. It is the starting point for the 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 and acting

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

To address negative human rights impacts, companies 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', the company can take the findings from its impact assessments, 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 negative impacts on people, which is central to achieving respect for human rights.

Tracking

What do the UN Guiding Principles on Business and Human Rights 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, and 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 on Business and Human Rights 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 it respects human rights in practice that a company builds trust in its performance, demonstrates its reliability as a partner and gains a sustainable 'social license to operate'. More widely, it is part of being accountable for how the company does 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.



D01 Identifying human rights risks and impacts

Indicator: The company proactively identifies its human rights risks and impacts on an on-going basis, including when these are triggered by key moments in the company's activities (e.g. policy change, market entry, new projects). This includes engaging with stakeholders and vulnerable groups as part of the identification process.

Rationale: Identifying human rights risks and impacts helps the company understand the key human rights risks and impacts in their operations and supply chains, understanding which risks are most prevalent for relevant (affected) stakeholders and what risks and impacts need to be understood more closely.

Elements:

- a) The company describes the process(es) it has in place to identify its human rights risks and impacts in specific locations or activities, covering its own operations.
- b) The company describes the process(es) it has in place to identify its human rights risks and impacts through relevant business relationships, including its supply chain.
- c) The company describes how it involves affected stakeholders and internal or independent external human rights experts in its human rights risks and impact identification process(es).
- d) The company describes how its risk and impact identification process(es) are triggered by new country operations, new business relationships, new human rights challenges or conflict affecting particular locations.

Sources: UNGP 17 and 18; UNGPRF B2 and C3; HRIB 1.2.1; GRI 412-1 and 414-2

Key concepts

Key sector risks: These are the risks commonly regarded as potentially severe and/or likely within the sector 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 sector, 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. Therefore, they vary from company to company and over time.

Materiality: Refers to what is really important or has great consequences. The various definitions of materiality provide 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.

D02 Assessing human rights risks and impacts

Indicator: Having identified its human rights risks and impacts, the company assesses them and then prioritises its salient human rights risks and impacts. This includes engaging with stakeholders and vulnerable groups as part of the assessment process.



Rationale: Assessing the key human rights risks and impacts and understanding their saliency for the company's operations and supply chain allows the company to set strategic priorities for managing these risks, and to focus mitigation and remedy efforts where the (potential) harm to people is greatest.

Elements:

- a) The company describes the process(es) it has in place to assess its human rights risks and impacts and discloses what it considers to be its salient human rights issues, covering its own operations.
- b) The company describes the process(es) it has in place to assess its human rights risks and impacts in its supply chain.
- c) The company publicly discloses the results of its human rights risks and impact assessments, which may be aggregated across its operations and locations.
- d) The company describes how it involves affected stakeholders in its human rights risks and impact assessment process(es).

Sources: UNGP 17, 18 and 24; UNGPRF B1, B2 and C3; HRIB 1.2.1; GRI 412-1 and 414-2

D03 Integrating and acting on human rights risk and impact assessments

Indicator: The company integrates the findings of its assessments of human rights risks and impacts into relevant internal functions and processes in order to take appropriate actions to prevent, mitigate or remediate its salient human rights risks and impacts. This includes engaging with stakeholders and vulnerable groups on any action taken or to be taken.

Rationale: Integrating and acting on human rights risks and impact assessments allows the company to comprehensively prevent, mitigate and remediate its (potential) risks and impacts, reducing or eliminating negative impacts on affected people and communities.

Elements:

- a) The company describes the process(es) it has in place to prevent, mitigate or remediate its salient human rights issues in its own operations.
- b) The company describes the process(es) it has in place to prevent, mitigate or remediate its salient human rights issues in its supply chain.
- c) The company provides an example of the specific actions taken or to be taken on at least one of its salient human rights issues as a result of assessment process(es) in at least one of its activities/operations in the last three years.
- d) The company describes how it involves affected stakeholders in decisions about the actions to take in response to its salient human rights issues.

Sources: UNGP 17, 19 and 24; UNGPRF C4; GRI 103-2

D04 Tracking the effectiveness of actions to respond to human rights risks and impacts

Indicator: The company tracks and evaluates the effectiveness of actions taken in response to its human rights risks and impacts and describes how it uses that information to improve processes and



systems on an ongoing basis. This includes engaging with stakeholders and vulnerable groups when evaluating the effectiveness of any action taken.

Rationale: Tracking and evaluating the effectiveness of actions taken enables a company to know whether its human rights due diligence has achieved the desired results and is central to any continuous improvement and change process.

Elements:

- a) The company describes the process(es) it has in place to track or monitor the actions taken in response to human rights issues and for evaluating whether the actions have been effective.
- b) The company 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 its due diligence process(es).
- c) The company describes how it involves affected stakeholders in evaluation(s) of whether the actions taken have been effective.

Sources: UNGP 17, 20 and 24; UNGPRF C5; GRI 103-3

D05 Communicating on human rights impacts

Indicator: The company communicates externally how it addresses its human rights impacts (i.e. throughout its due diligence process(es)) in a manner that is accessible to its intended audiences, especially affected stakeholders who have raised concerns. These communications also provide enough information to evaluate the adequacy of the response(s) and do not pose risks to affected stakeholders or personnel. Such communications should provide accurate, balanced and complete information.

Rationale: Communicating externally about how the company addresses its human rights impacts is crucial for transparency and accountability and requires a company to show clearly that it understands and respects human rights and communicates with relevant stakeholders.

Elements:

- a) The company provides an example demonstrating how it communicates with affected stakeholders regarding specific human rights issues raised by the stakeholders or on their behalf.
- b) The company describes any challenge(s) to effective communication with affected stakeholders it has identified in its human rights due diligence process and how it is working to address them.

Sources: UNGP 20 and 21; UNGPRF C2



E. Remedies and grievance mechanisms

Indicators at a glance:

- E01 Grievance mechanism(s) for workers
- E02 Grievance mechanism(s) for external individuals and communities
- E07 Remediating adverse impacts

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 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 so that they can respond quickly and effectively. Strong remediation processes can help prevent impacts or conflicts from increasing or escalating.

E01 Grievance mechanism(s) for workers

Indicator: The company has one or more mechanisms (its own, third party or shared) through which workers can raise complaints or concerns, including in relation to human rights issues. The mechanism(s) is available to all workers and takes into account accessibility by marginalised groups.

Rationale: Providing accessible mechanisms for workers to raise concerns is essential for addressing actual and potential human rights impacts. By ensuring mechanisms are available in languages workers understand and that workers are aware of them, the company enhances the mechanisms' effectiveness. Through ensuring its own workers and those in the supply chain have access to grievance mechanisms, companies help empower all workers to report negative impacts and seek access to remedy.

Elements:

- a) The company indicates that it has one or more mechanism(s), or participates in a third-party or shared mechanism, accessible to all workers to raise complaints or concerns related to the company.
- b) The company describes how it ensures the mechanism(s) is available in all appropriate languages and that workers are aware of it (e.g. specific communication(s)/training).
- c) The company describes how it ensures workers in its supply chain have access to either: the company's own mechanism(s) to raise complaints or concerns about human rights issues at



the company's business relationships, or the company expects its business relationships to establish a mechanism(s) for their workers to raise such complaints or concerns.

- d) The company expects its business relationships to convey the same expectation on access to grievance mechanism(s) to their own business relationships.

Sources: UNGP 22, 29 and 30; UNGPRF C6.1 and C6.3; GRI 103-2; ARP 7.1, 8.1 and 8.8

E02 Grievance mechanism(s) for external individuals and communities

Indicator: The company has one or more mechanisms (its own, third party or shared) through which individuals and communities who may be adversely impacted by the company can raise complaints or concerns, including in relation to human rights issues. The mechanism(s) is available to all external individuals and communities and takes into account accessibility by marginalised groups.

Rationale: Providing accessible mechanisms for external individuals and communities to raise concerns is essential for addressing actual and potential human rights impacts. By ensuring the mechanism is available in appropriate languages and that stakeholders are aware of it, the company enhances the mechanism's effectiveness. Through ensuring individuals and communities have access to grievance mechanisms, companies help empower them to report negative impacts and seek access to remedy.

Elements:

- a) The company indicates that it has one or more mechanism(s), or participates in a shared mechanism, accessible to all external individuals and communities who may be adversely impacted by the company, or those acting on their behalf, to raise complaints or concerns.
- b) The company describes how it ensures the mechanism(s) is available in local languages and that all affected external stakeholders at its own operations are aware of it (e.g. specific communication(s)/training).
- c) The company describes how it ensures external individuals and communities have access to either: the company's own mechanism(s) to raise complaints or concerns about human rights issues at the company's business relationships, or the company expects its business relationships to establish a mechanism for external individuals and communities to raise such complaints or concerns.
- d) The company expects its business relationships to convey the same expectation on access to grievance mechanism(s) to their own business relationships.

Sources: UNGP 22, 29 and 30; UNGPRF C6.1 and C6.3; GRI 103-2; ARP 7.1, 8.1 and 8.8

E07 Remedying adverse impacts

Indicator: The company provides or cooperates in remediation (see definition below) to victims 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 mechanism(s)). It also incorporates changes to systems, processes (e.g. human rights due diligence processes) and practices to prevent similar adverse impacts in the future.

Rationale: Companies have a responsibility to provide or cooperate in remediation when they have caused or contributed to adverse impacts, as emphasised by UN Guiding Principle 22. By transparently reporting on the provision of remedy and monitoring its implementation, companies can build trust



with stakeholders and demonstrate accountability. Incorporating lessons learned from negative impacts reduces the likelihood of reoccurrence and further harm.

Elements:

- a) For adverse human rights impacts which it has caused or to which it has contributed, the company describes the approach it took to provide or enable a timely remedy for victims or, if no adverse impacts have been identified, the company describes the approach it would take to provide or enable timely remedy for victims.
- b) For adverse human rights impacts which it has caused or to which it has contributed, the company also describes changes to systems, processes and practices to prevent similar adverse impacts in the future or, if no adverse impacts have been identified, the process it would take to review and change systems, processes or practices to prevent similar adverse impacts in the future.
- c) The company describes its approach to monitoring implementation of the agreed remedy.

Sources: UNGP 19, 22 and 31; UNGPRF C6, C6.4 and C6.5; GRI 103-2 and 413-2; ARP 12.2 and 13.1

Definition of remediation/remedy

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.



Annex 1: Core UNGP Indicators scoring rules

Indicator code	Indicator name	Indicator points	MA points	Total weighting
A. Governance and policy commitments			3	25%
A01	Commitment to respect human rights	1		
A02	Commitment to respect the human rights of workers	1		
A08	Commitment to remedy	1		
C. Embedding respect for human rights in company culture and management systems			1	8%
C01	Responsibility and resources for day-to-day human rights functions	1		
D. Human rights due diligence			5	42%
D01	Identifying human rights risks and impacts	1		
D02	Assessing human rights risks and impacts	1		
D03	Integrating and acting on human rights risks and impact assessments	1		
D04	Tracking the effectiveness of actions to respond to human rights risks and impacts	1		
D05	Communicating on human rights impacts	1		
E. Remedies and grievance mechanisms			3	25%
E01	Grievance mechanism(s) for workers	1		
E02	Grievance mechanism(s) for external individuals and communities	1		
E07	Remedying adverse impacts	1		



Annex 2: Key definitions

A [full glossary](#) is available on the WBA website, however the following terms are critical to understanding the Core UNGP Indicators:

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

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.

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 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.

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 – Defined as tier 1 and beyond, including subcontractors. For the purposes of CHRB, the scope under assessment will vary depending on the sector.

Supply chain – Refers to all supply chain business relationships, tier 1 and beyond, including subcontractors.

UN Guiding Principles on Business and Human Rights – 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.

Workers – An individual performing work for a company, regardless of the existence or nature of any contractual relationship with that company.





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