

The Corporate Human Rights Benchmark

The competitive nature of the market is a powerful driver for change. The Corporate Human Rights Benchmark (CHRB) will build on a competitive approach to incentivise better human rights performance by companies through developing a transparent, publicly available and credible ranking of corporate human rights policy and performance. The CHRB was launched at the December 2014 UN Annual Forum on Business and Human Rights, receiving extensive media coverage of the launch, including in Forbes, the Guardian, Huffington Post, and Responsible Investor. The CHRB will be the world's first free and public benchmarking of hundreds of companies around the world.

Why the need for a benchmark? There is already considerable evidence that public transparency combined with public rankings of companies' performance can help to drive a race to the top. A [new survey by the Economist Intelligence Unit](#) on business and human rights has found that 39% of the CEO respondents felt benchmarking companies on their human rights performance would make the biggest difference on the issue. The CHRB provides a productive application of the human rights reporting that will soon be standard for the largest companies under the EU Non-Financial Reporting Directive. In addition to incentivizing business behaviour, the CHRB will make an important contribution to creating greater leverage for policy-makers, investors, communities and consumers.

What the Corporate Human Rights Benchmark Will Do

- Make corporate human rights **performance easier to see and simpler to understand** for a wide range of audiences - inside and outside companies.
- **Commend and reward companies doing well** while pointing the way forward to better performance.
- Introduce a **positive competitive environment** encouraging companies to race to the top of the annual ranking.
- Enable investors, civil society and regulators to challenge companies where performance is poor and improvements are necessary, using an **evidence-based approach to improving corporate accountability**.

Expected Impacts

- **Investors** will be better equipped with information to direct investments to companies actually performing against human rights standards and away from those who are not.
- **Business** will be incentivised to make information publicly available and when adverse events do occur they will be more likely to demonstrate "learning", resulting in greater preventative measures as well as adequate remedies for victims.
- **Civil society, communities and customers** will be empowered to make well-informed choices about specific companies and products through greater transparency and better data on performance, and will have better information to encourage and pressure advances by companies.
- **Policy-makers** will have an objective means by which to focus on those companies and business sectors that have the greatest human rights impacts and in particular those which are underperforming against significant human rights risks, highlighting where regulation and incentives might be necessary.

Expected Outputs

The ultimate aim of the Benchmark - to rank top 500 globally listed companies - will be achieved incrementally.

March - June 2016:

- Pilot Benchmark 100 companies from the extractives, agriculture/food and beverage, Apparel sectors using Methodology 1.0.

March - June 2017:

- Broaden remit to the finance, heavy manufacturing and engineering, light manufacturing or service Industries and the electronics sectors using Methodology 1.0. Undertake consultations on and revisions to Methodology 1.0.

March - June 2018:

- Release Methodology 2.0 and broaden to include pharmaceutical and ICT sectors – reach target of 500 companies.

Consultations

The methodology for the Benchmark is under development and will be based on inclusive consultation with diverse actors in this field. Five initial consultations were held in 2014 – in London twice, New York City, Amsterdam and Tokyo – providing rich insights that continue to inform the work.

There will further consultations on the draft methodology in key hubs around the world from June – September 2015, as well as an online consultation. Further details will be announced on the CHR [website](#) and in forthcoming newsletters.

Funding

The CHR is currently receiving start-up financial support from the **UK Department for Business Innovations and Skills**, the **Ministry of Foreign Affairs of the Netherlands** and the **Joseph Rowntree Charitable Trust**.

The CHR is currently seeking further, sustainable funding to make the Benchmark available on an ongoing basis.

The Corporate Human Rights Benchmark is intended to be an open source, publicly available ranking of companies. To fully ensure its independence, the CHR will not receive funding from any companies, except for investors.

Contacts & Support

The CHR is led by a coalition of partners: **Aviva Investors**, the **Business and Human Rights Resource Centre**, **Calvert Investments**, **EIRIS**, the **Institute for Human Rights and Business**, **VBDO**.

To sign up to receive regular newsletter updates please visit the [CHR website](#).

If you would like to contact or support the CHR, please get in touch with:

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