

Corporate Human Rights Benchmark

IOSH response to the Business and Human Rights Resource Centre consultation



Submission

18.09.15



Introduction

The Institution of Occupational Safety and Health (IOSH), is the Chartered body for health and safety professionals, a registered charity and international NGO, with over 44,000 members in more than 120 countries. We welcome the opportunity to comment on this important consultation on *the Corporate Human Rights Benchmark* (CHRB).

As requested, IOSH has considered the issues covered in the Framework Paper and also the Draft Indicators ^{1,2} in order to help inform the methodology.

We note the CHRB provides 2 types of indicator (those that are Essential (E)) and those that are Desirable (D)), intended to signal the pathway towards improved human rights performance in a range of areas.

We also note that (E) indicators are those that companies are expected to fulfil in part or in full and are given additional scoring weight; with (D) indicators being those that companies are expected to work towards. Furthermore, that if (E) indicators are not fulfilled, a company will not be able to achieve above a certain CHRB score, even if it demonstrates some of the (D) indicators.

Additionally, we note that the CHRB applies what it refers to as 'sector locks' for companies with activities in sectors exposed to particular human rights risks, identified by AG (agriculture); AP (apparel); and EX (extractives). Companies in these sectors must fulfil these in order to achieve scores 1 or 2.

Finally, in the section on management systems there is a particular emphasis on the adequacy of policies. This means that a company scoring 3 points or less is considered to have a 'limited policy' and will therefore never reach the higher score of 2 for any indicator in section C.1 and C.2 (management systems, p.18).²

In the response that follows, we provide a summary IOSH position and more detailed comments in which we answer the consultation questions. We close with some references and information about IOSH.

Summary IOSH position

1. IOSH supports increased transparency in supply chains so that stakeholders can better understand how organisations are managing human rights and a 'race to the top' is encouraged
2. We are pleased to have registered our interest in the *Corporate Human Rights Benchmark* and to contribute to this important consultation on its methodology
3. We fully support that all health and safety related indicators are deemed 'Essential'
4. We believe that strong, socially responsible leadership and good governance are key elements, together with the need for greater transparency and we welcome their inclusion
5. We believe that good health and safety is absolutely vital and that the CHRB should also include ILO Convention *Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)*³
6. We recommend that CHRB's reporting and transparency requirements are strengthened by making them integral to leadership and by further incentivising the provision of access to meaningful, verifiable and comparable data
7. We suggest that 'acting on' and 'tracking' C.2.4 and C.2.5 (pp.24-5) are re-classified as 'Essential', given that they are core parts of the due diligence definition ("*...assessing actual and potential human rights impacts, integrating and acting on assessment findings, tracking responses and communicating about how impacts are addressed.*")
8. We welcome that a number of the indicators require extension of risk management throughout supply chains (e.g. C.1; C.1.6; C.1.7; C.1.9; C.1.10; D.1.2; D.1.3). For clarity, we suggest that agreed definitions for the terms used in the CHRB should be provided, such as for 'supply chains'; 'suppliers'; 'major suppliers'; 'critical suppliers'; and 'excessive overtime', so that those providing the reports and those using them are clear on the requirements and their extent
9. We welcome reference to the *UN Guiding Principles on Business and Human Rights* and recommend that the CHRB Framework 'design principles' should also include reference to the *UN Guiding Principles Reporting Framework*⁴

Detailed comments – IOSH responses to the consultation questions

Q1. Have CHRB got the principles behind the weighting of the ‘measurement themes’ correct to ensure a balance between policy and performance? If no, what needs changing? (p.7 of Framework Paper)

IOSH believes it would be helpful to further incentivise companies to avoid ‘gaps’ in their data and to ensure that it is accessible, meaningful and verifiable. So, we suggest that in order to gain any score for the reporting / transparency section, all reporting should include an explanation of any significant gaps. We also suggest that the maximum percentage allocated to reporting (currently 10%) is dependent on scoring 2 at E.1.10 (on reporting being verified and informed by stakeholders), because without this, it will be difficult to judge the reliability of the data and overall performance.

Q2. Have CHRB covered the Key Sector Risks that we should be considering for the Extractives, Agriculture and Apparel Sectors? (p.23 of Draft List of Indicators):

“Key Sector risks - The risks regularly 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 (see salient human rights issues below).

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

No, IOSH does not believe that CHRB has covered all the ‘key sector risks’ and we recommend that there should also be coverage of preventing exposure of workers to health risks (e.g. from developing silicosis).

Q3. Is the Benchmark fit for purpose for all stakeholders? (p.4 (Expected Impacts) of Framework Paper)

No, IOSH does not think the Benchmark is fit for purpose for all stakeholders and we advocate that employees, potential employees, unions and insurers should be included as key stakeholders too. In addition, we recommend that there should be more focus on occupational safety and health (OSH).

Q4. Please give feedback on ‘measurement themes’ and indicators? (see Draft List of Indicators)

A. LEADERSHIP - 10%

Please comment on the measurement theme, list of indicators, wording of indicators or scoring.

IOSH believes strong, socially responsible leadership and good governance are key elements and welcomes their inclusion. We suggest this section could also usefully make reference to demonstrating transparency and seeking voluntary transparency from others, for example for disclosures similar to those required under the new UK Modern Slavery Act 2015.⁵

B. GOVERNANCE - 10%

Please comment on the measurement theme, list of indicators, wording of indicators or scoring.

B.1 Policy Commitments (5%)

B.1.1 – To achieve ‘score 1’, IOSH suggests the policy needs to commit the organisation to respecting all human rights and across its supply chains.

B.1.2 – For Extractives, IOSH is concerned that exceeding the law in some countries is not sufficient to ensure good OSH. We suggest the implementation of recognised international standards on OSH as a minimum. For example, we recommend reference to ILO Convention *Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)*.³ Also, we suggest the benchmark needs to be clear how far down supply chain this will extend.

B.2 Board Level Accountability (5%)

B.2.3 – IOSH suggests that this is strengthened. We recommend score 1 should be training; score 2 should be training and experience.

C. MANAGEMENT SYSTEMS - 30%

Please comment on the measurement theme, list of indicators, wording of indicators or scoring.

C.1. Embedding policy (5%)

IOSH suggests strengthening and more clarity in a number of places. The benchmark needs to be clear how far down the supply chain it extends. C.1.6 – needs to define ‘major suppliers’; C.1.8 – should be Essential (not just Desirable) and should be reviewed after 2 years (not 3 years); C.1.10 – needs to define ‘critical suppliers’; C.1.12 – health and safety management must have a system and must have worker involvement, as well as senior responsibility and training (p.22).

C.2. Human Rights due Diligence (15%)

C.2.2 – Under assessment of risks and impacts identified (salient risks and key sector risks), IOSH welcomes inclusion of ‘health and safety’ for Extractives and recommend that for Agriculture and Apparel reference is made to the need to prevent exposure to health hazards at work (e.g. exposure to chemicals).

C.3. Remedies and Grievance Mechanisms (10%)

C.3.2 – IOSH welcomes the emphasis on corporate commitment to ‘no retribution’ for those raising health and safety concerns, which is vital to encourage open and full reporting.

D. PERFORMANCE - 40%

Please comment on the measurement theme, list of indicators, wording of indicators or scoring.

D.1. KPIs & Good Practices (20%)

D.1.1 – forced labour: bonded labour and other unacceptable financial costs – IOSH welcomes the requirement for companies to refrain from such practices and would recommend that the term ‘excessive overtime’ is explained, so that those reporting and those using such reports have the same frame of reference.

D.1.10 – health and safety fatalities, lost days and injury rates – IOSH welcomes the requirement for health and safety performance data and that this includes occupational diseases. We believe it is important to report progress against improvement targets and corrective action plans and that health and safety performance data is meaningful, verifiable and comparable, covering the company’s operations and supply chains.

D.2. Adverse Events (20%)

D.2.1 – For ‘high severity’ IOSH believes that work-related health and safety also needs to include exposure of workers to serious health hazards that can lead to fatal diseases e.g. exposure to silica and asbestos dust. Significant risks of serious injury, illness or death should also be considered high severity failures, due to their potential for causing harm.

E. REPORTING AND TRANSPARENCY - 10%

As indicated in our answer to Q1 above, IOSH believes it would be helpful to further incentivise companies to avoid 'gaps' in their data and to ensure that it is accessible, meaningful and verifiable. So, we suggest that in order to gain any score for the reporting / transparency section, all reporting should include an explanation of any significant gaps. We also suggest that the maximum percentage allocated to reporting (currently 10%) is dependent on scoring 2 at E.1.10 (on reporting being verified and informed by stakeholders), because without this, it will be difficult to judge the reliability of the data and overall performance.

Q5. Do you have any additional feedback and comments?

IOSH has fully supported the introduction of the UK's Modern Slavery Act 2015 and its requirements for transparency in supply chains.⁵ We have advocated that any organisations falling below the 'turnover threshold' now set by the UK Government should also voluntarily make disclosures.⁶

IOSH is a founder-member of the Center for Safety and Health Sustainability (CSHS), an international network of health and safety professionals. The CSHS aims to help organisations to deliver good health and safety and social sustainability and develop guidance to improve performance reporting.⁷

IOSH would welcome the opportunity to provide further input on occupational safety and health to the development of the CHRB and its methodology.

References

1. Business and Human Rights Resource Centre, *Framework Paper for Multi-Stakeholder Consultations*, 2015 <http://business-humanrights.org/en/corporate-human-rights-benchmark-0/online-consultation>
2. Business and Human Rights Resource Centre, *Draft List of Indicators for public consultation*, 2015 <http://business-humanrights.org/en/corporate-human-rights-benchmark-0/online-consultation>
3. International Labour Organisation. ILO Convention *Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)*, 2006
www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312332
4. United Nations. *UN Guiding Principles Reporting Framework*. 2015 www.ungpreporting.org/
5. HM Government. *Modern Slavery Act 2015*. London: The Stationery Office, 2015
www.legislation.gov.uk/ukpga/2015/30/pdfs/ukpga_20150030_en.pdf
6. IOSH. *IOSH response to Home Office Modern Slavery and Supply Chains consultation*. 2015
www.iosh.co.uk/condocs (archive)
7. Center for Safety and Health Sustainability website www.centershhs.org

About IOSH

Founded in 1945, the Institution of Occupational Safety and Health (IOSH) is the largest body for health and safety professionals in the world, with around 44,000 members in over 120 countries, including over 13,000 Chartered Safety and Health Practitioners. Incorporated by Royal Charter, IOSH is a registered charity and an ILO international NGO. The IOSH vision is:

“A world of work which is safe, healthy and sustainable”

The Institution steers the profession, providing impartial, authoritative, free guidance. Regularly consulted by government and other bodies, IOSH is the founding member to UK, European and International professional body networks. IOSH has an active [research and development](#) fund and programme, helping develop the evidence-base for health and safety policy and practice. Summary and full reports are freely accessible from our website. IOSH publishes an international peer-reviewed journal of academic papers twice a year titled *Policy and practice in health and safety*. We have also developed a unique UK resource providing free access to a health and safety research database, as well other free on-line tools and guides, including a website for business start-ups; an occupational health toolkit; and a risk management tool for small firms.

IOSH has 35 Branches in the UK and worldwide including the Caribbean, Hong Kong, Isle of Man, Oman, Qatar, the Republic of Ireland, Singapore and UAE, 16 special interest groups covering aviation and aerospace; communications and media; construction; consultancy; education; environment; fire risk management; food and drink; hazardous industries; healthcare; offshore; public services; railways; retail and distribution; rural industries; and sports grounds and events. IOSH members work at both strategic and operational levels across all employment sectors. IOSH accredited trainers deliver health and safety awareness training to all levels of the workforce from shop floor to managers and directors, through a professional training network of over 2,000 organisations. We issue more than 160,000 certificates per year.

For more about IOSH, our members and our work please visit our website at www.iosh.co.uk

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