

The Role of Corporate Reporting in the Implementation of the UNGP on Human Rights

Fourth UN Forum on Business and Human Rights
18th November 2015 11:40 to 13:00
Room XXI (Building E)

Parallel Session – In collaboration with:
Clifford Chance, GRI, Group of Friends of Paragraph 47, Shift and Mazars

Summary of 2nd part of the session

The panel included two companies (Ericsson and Statoil) and two organisations involved in developing reporting frameworks (GRI and Shift, on behalf of the Reporting and Assurance Frameworks Initiative led by Shift and Mazars).

The session was introduced by Richard Karmel of Mazars (a large professional services firm) who noted that the playing field for detailed reporting on human rights is currently in its infancy. However, with the recent and envisaged introduction of legislation across Europe, more and more companies will be required to report in some form on how they respect human rights. Currently, it is only some of the largest and most well known companies, such as those on the panel, that more substantively report on human rights.

Teresa Fogelberg, deputy Chief Executive of GRI, set out an upbeat picture of wider reporting on sustainability performance based on GRI's detailed analysis of recent reports. More than 6,000 companies are reporting under the GRI framework of which a third reported to at least some extent on human rights. She highlighted the opportunity for companies using GRI that want to go more in depth on their human rights reporting through the use of the UNGP Reporting Framework (a product of RAFI).

Rachel Davis, Managing Director of Shift, summarised the uptake of the UNGP Reporting Framework since its launch in February 2015. Six global companies (including Ericsson) have reported, or have committed to report, using it and investors responsible for US\$4.8 trillion of assets under management have expressed their support for the Framework. She stressed that one of the principal objectives of the Framework is to strengthen companies' internal management of human rights by focusing on salient issues, meaning those that pose the greatest risks to people, distinct from risks to the business.

Camilla Goldbeck-Lowe, Corporate Responsibility expert at Ericsson, set out the challenges and opportunities when reporting on human rights. As an early adopter of the UNGP Reporting Framework, she noted that Ericsson has found that while the Framework sets out the path to follow, it has also helped highlight a lack of understanding within the wider business of Ericsson's responsibility to respect rights. The Framework has helped them build internal awareness and provide a focus for the company's reporting by helping identify what is most relevant to be publicly reported on.

Malin Helgesen, Leading Counsel at Statoil, articulated the tension that exists between reporting and implementation. Whilst companies may report that they have procedures to ensure respect for human rights it is not always so straightforward to ensure that they are implemented globally. Too much reporting in itself may not be helpful; either in terms of too much detail or the publishing of a current position hindering the company's progress to advance further on respect for human rights. Ultimately however, she noted that transparency does lead to greater trust, provided that companies remain focussed in what and how they report.

Key take-aways included:

1. GRI provides a critical framework for companies to report on the broad spectrum of sustainability issues, including human rights;
2. The UNGP Reporting Framework enables companies to demonstrate their commitment to respect human rights in depth, as well as being an important internal management tool;
3. From the perspective of a corporate early adopter, the UNGP Reporting Framework can provide a roadmap for companies to follow that helps guide internal conversations;
4. Companies need to be aware of the need to match greater transparency with improved performance in ensuring respect for human rights.