

The UN Guiding Principles Reporting Framework: Lessons Learned from Early Adopter Companies

This resource was developed by Shift in support of the Human Rights Reporting and Assurance Frameworks Initiative, a joint initiative of Shift and Mazars. To learn more about the initiative and the UNGP Reporting Framework, visit UNGPreporting.org.

What have early adopter companies learned from using the UN Guiding Principles Reporting Framework?

Before and immediately following the launch of the UNGP Reporting Framework in February 2015, six companies from six industries agreed to share their learning from the process of its application. **These early adopter companies are Unilever – the first adopter – plus ABN AMRO, Ericsson, H&M, Nestlé and Newmont.**

This document captures feedback Shift has received to date from some of the early adopter companies. It does so in the form of direct quotes to minimize any interference with the voice of those who have applied the Reporting Framework in practice. We hope this will assist other companies that are using, or considering using, the UNGP Reporting Framework as they compile their 2016 reporting.

Motivations for early adopter companies

“There is increased demand for human rights reporting – the public is longing to understand the link between business and human rights, and the UN Guiding Principles Reporting Framework has allowed us to meet this demand.”

“The Reporting Framework is a critical tool for implementing the UN Guiding Principles. Its consensus-based development and concrete questions allow us to focus efforts on putting the corporate responsibility to respect human rights into practice.”

The UN Guiding Principles Reporting Framework (the UNGP Reporting Framework or the UNGPRF) is the first comprehensive guidance for companies to report on human rights issues in line with their responsibility to respect human rights as set out in the UN Guiding Principles on Business and Human Rights. To learn more about the UNGP Reporting Framework, visit UNGPreporting.org.

The UNGP Reporting Framework as a tool for human rights due diligence

For many early adopter companies, the benefits of using the Reporting Framework relate not just to its role as guidance for better human rights reporting, but also to its benefits as an internal management tool that enables better human rights due diligence.

"The Reporting Framework is a good tool for implementing the UNGPs – it gives more concrete questions for the actual task of implementation, let alone the reporting. Don't leave it just as a communication exercise."

"The Reporting Framework gives easy access to learning – takes you through the [UNGP]. You also learn about specific topics. So it helps you also understand your own business and how it interacts with the topics."

"The UN Guiding Principles Reporting Framework equips us to understand what we may face – it reduces the number of unknown unknowns."

"[The UNGP Reporting Framework] is helpful in giving guidance on how to do human rights due diligence."

"[In mapping what we do against the Reporting Framework], the Reporting Framework helps us bring together in one coherent place all [our] human rights actions and challenges. It makes it easier to assess the gaps within the system. In one document we see where we are weak and strong."

"[The UNGP Reporting Framework] helped us to assess performance – what we have in place, what systems, what governance etc. It helped in identifying the gaps and being public about it. The qualitative approach of the [Reporting Framework] really helped us to engage [with other functions] and give a strong foundation for our future work."

Early adopters also saw the Reporting Framework as a tool for building internal buy-in for human rights risk management.

"There has been cross-functional learning from the different business functions coming together to define what human rights means to their own role. This process has been very helpful indeed."

"Using the Reporting Framework was a catalyst for the internal conversation – to discuss, engage and push out all the workstreams needed throughout the organization. It created significant opportunities."

"[The Reporting Framework] provides a basis to get to talk to people [working for the company] on the ground and hear specific stories. They can raise questions and talk about things otherwise not discussed. It provides an opportunity for internal dialogue."

"It has been great to see how everyone is engaged and trying to see how the issues are relevant for them, or coming up with their own initiatives or connection-making. We see material coming in that is not something we asked for, but shows this dynamic."

"Employees contacted the unit to say how proud it made them feel to work for a company that is being open and striving for answers. Internal stakeholders now refer back to the report in discussions. It has become a compass for forward-going discussions."

Focusing reporting on what matters most

The UNGP Reporting Framework focuses on 'salient human rights issues': those human rights at risk of the most severe negative impact through the company's activities and business relationships. The reporting company's salient human rights issues should form the focus of the information reported.

[Learn more about salient human rights issues.](#)

Early adopter companies offered the following reflections on applying the concept of 'salience':

"As a company, there is so much information that can be presented to the reader when you want to present a credible report. The UN Guiding Principles Reporting Framework helps you focus on the critical issues that are relevant to rights holders."

"The concept [of salience] has been very helpful – really accessible... It has been good to have discussion around [various relevant] issues, and what's important, but when it really comes down to it, it's really about severity."

"The shift to a focus on impacts on people is very interesting, and provides an internal check on whether the company is really focusing investments on the right areas."

"It is very relevant for new companies – salience is where you need to start."

"We agree with distinct nature of salience, but it is often 'materiality' that gives strength to move the needle in the company. So it was a significant challenge to introduce the idea. But it was very helpful to get discussion among a cross-functional team on this idea. This created significant discussion with lots of pull and push with different perspectives. Ultimately, we had consensus of everyone on our salient issues."

"I point out to other companies that thinking about how to report on salient issues helps the internal reflection process of identifying the key issues."

Reporting relevant information

The **implementation guidance** to the UNGP Reporting Framework helps companies identify the kinds of information that contribute to a meaningful answer to each Framework question. Early adopter companies offered the following views on the identification of information that is relevant for inclusion in their reporting:

"The Framework was helpful since human rights is such a wide set of issues. It really helped to focus the mind on what to report out, where we had things right, and where we had gaps. Particularly the guidance document was helpful with the 'relevant information' as examples of how we could consider answering the questions. The link back to the Guiding Principles and their commentary also helped, as well as the cross-references showing how the questions align to other reporting initiatives from a purely practical perspective."

"We had the material, but the question was about what was included in the report. [The process of implementing the Reporting Framework] helped us move from general statements to specifics, move forward and ensure we continue to point to the challenges. That has been appreciated by our external stakeholders."

"[The Reporting Framework] helps with the educational pieces too. Case stories that can show what [respect for human rights] means on the ground including in challenging cultural settings are very valuable."

"[The Reporting Framework helps with the] identification of gaps – seeing if we are asking the right questions in worker surveys, and whether we have representation of vulnerable workers in the survey."

"[It's usually a] challenge to know what kind of information we want to put out there. The Reporting Framework helped us see what needed to be disclosed and what not."

Further reflections

Early adopter companies have identified various additional points of learning from the process of applying the Reporting Framework in practice that may be of help to others. These include the following:

"Looking at all the questions, we initially took them one by one. But the result did not reflect [our] story or its holistic approach. It gave all the critical information, but not the narrative that made sense for us. So in the end we told our own story but with the rigour of the Reporting Framework. It was an important moment to realize how we could bring the two goals together."

"Daring to make your report your own is really important. We realized a bit late that the Reporting Framework provides the guidance, but the implementation of how you do it is really up to you – to make it your own."

"We also think it could help collaboration cross-sectorally between companies and government. The Reporting Framework has stirred attention at that level."

"When it comes down to specifics and comfort about different levels of detail we have had to be ready to compromise from what we would have liked to include and what the business was comfortable with including. This involved one-to-one conversations at the top level, and then needed group discussions on some fundamental issues as well. There are fears of external critique since many readers may not know the complexities and challenges that are discussed."

"Managing expectations from the start has been important within the organization. Being clear that this is not about writing the perfect report, but daring to communicate the imperfect reality."

The RAFI project team will continue to capture feedback from companies applying the Reporting Framework, both early adopters and other companies using it in practice. Further updates will be posted in the [Resources section](#) of the Reporting Framework website.