Human Rights (HR)

Body of Knowledge (BoK) for the HR Impact Topic

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Intent

The objective of the Human Rights Impact Topic is to improve outcomes for people suffering or at risk of harm from human rights violations in connection with a company's operations, products, or services. Companies are responsible for respecting human rights. They do this by:

- practicing human rights due diligence
- remediating negative human rights impacts.

This starts with embedding a sense of 'responsibility to respect' within the company's culture and ways of working. The company should strengthen this responsibility over time as it implements and learns. Eventually, practicing human rights due diligence should become second nature — the same way food safety or financial due diligence are common practice.

To conduct effective due diligence, companies need to know where to focus their efforts. This means first understanding how their operations and value chain may involve negative human rights impacts. Then companies can take action to prevent and mitigate negative impacts, starting with the most severe. Where they cause or contribute to negative impacts, companies either directly remediate them or contribute to their remediation.

In the B Lab Standard, companies are expected to pursue positive impacts on people — going beyond only 'doing no harm'. These requirements are captured under other Impact Topics.

Outcome

Companies treat people with dignity and respect their human rights.

Requirements Summary

HR1 The company commits publicly to respecting human rights.

HR2 The company knows its salient human rights issues and has a strategy to address them.

HR3 The company prevents, mitigates, and remediates actual and potential negative human rights impacts.

HR4 The company works with suppliers to achieve its human rights objectives.

Scope

All individuals and communities affected by the company's own operations and value chain.

Terms and Definitions

Advertising & market research

Companies that provide advertising, marketing, or public relations services.

These services include:

- digital advertising
- marketing consulting
- market research
- reward program management.

(Adapted from GICS)

Affected stakeholder

Someone whose human rights have been or may be affected by a company's operations, products, or services. "Affected stakeholders" is a more specific category within "stakeholders".

Agriculture

A company that either:

- earns over 10% of its revenue from products grown on its farm or agro-processing facility, from managing land to grow and harvest crops, or from raising and managing livestock
- sources the majority of its raw materials directly from growers or livestock producers.

Companies in the agriculture sector include, for example:

- vegetable farms
- coffee plantations or roasters
- tree planting companies
- livestock farms or ranches.

Apprentice

Someone working for the company whose placement is temporary and whose primary purpose is to learn and gain experience. Apprentices and interns are distinct from employees.

Apprenticeships may be governed by national regulation (e.g. they receive a mandatory apprentice wage), while internships are governed by the company. An apprenticeship, unlike an internship, may lead to a formal qualification.

In the B Lab Standard, an apprentice is someone who works during, or as part of, either a formal education program or a program that meets national regulatory requirements. If not, they are an “employee”.

Book publishing

Companies that provide services related to producing or distributing books in print or electronic formats.

These services include:

- design
- editing
- marketing.

(Adapted from NAICS)

Civil Society Organization (CSO)

Non-State, not-for-profit, voluntary entities formed by people in the social sphere that are separate from the State and the market. CSOs represent a wide range of interests and ties. They can include community-based organizations as well as non-governmental organizations (NGOs).

(UNGP Reporting Framework)

Company without workers

A company owned and run by one person. A company without workers may also be known as a sole proprietor, sole trader, individual entrepreneur, or individual proprietor.

Company

A legal entity (or group of related legal entities) formed to engage in and operate a business (meaning a commercial or industrial enterprise). A company may be organized in various ways depending on the corporate law in its jurisdiction.

Double materiality

An approach to identifying material impacts that considers both:

- impact materiality (company's impacts on the environment)
- financial materiality (impacts on the company's finances).

A sustainability issue has double materiality if it is material from either perspective or both.

(Adapted from European Sustainability Reporting Standards, 2023)

Employee

Person who has a direct employment relationship with the company. This includes permanent, temporary, full-time, part-time, seasonal, and casual employees. This includes when, for administrative reasons, there is a different employer on record, but practically the person works as an employee and the company is responsible for their recruitment, performance evaluation, and disciplinary management.

Working owners may also count as employees, depending on certain conditions (see working owner).

Engineering

Companies that provide engineering services to help design, develop, or use:

- machines
- materials
- instruments
- structures
- processes.

These services include:

- providing advice
- running feasibility studies
- creating preliminary and final plans and designs
- providing technical services during construction or installation
- inspecting and evaluating engineering projects.

(Adapted from NAICS)

Environmental consulting

Companies that provide consulting services to businesses or other organizations to measure and manage their environmental impact.

Equity investors

Companies that buy, manage, and sell a portfolio of companies. Equity investment is also called "private equity."

Generally, equity investors are companies who:

- buy a majority stake in a company
- manage and operate the company
- increase the profitability of the company
- sell the company after 3–7 years.

External supplier

A supplier from outside the company's corporate group.

Film, TV & music production

Companies that produce or sell entertainment products and services.

This includes:

- producing, distributing, and screening movies and television shows
- producing and distributing music.

(Adapted from GICS)

Highest governing body

The person or group of people who have ultimate accountability for the whole company. Every organizational entity has one highest governing body, even if it is not explicitly established.

A highest governing body can be explicitly established in a number of formats, such as:

- a board of directors
- a supervisory board
- a sole director

- joint and several directors
- trustees.

  For larger companies, a board subcommittee may be considered the highest governing body — as long as the full board is regularly updated on progress and performance.

  (Adapted from Governance of organizations — Guidance, ISO Standard)

Human rights

Basic international standards aimed at securing dignity and equality for all, without discrimination.

Human rights include the rights contained in the International Bill of Human Rights:

- The Universal Declaration of Human Rights
- The International Covenant on Civil and Political Rights
- The International Covenant on Economic, Social and Cultural Rights

  They also include the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

  (Adapted from UNGP Reporting Framework)

Human rights due diligence

The ongoing management process that the company uses to:

- identify, prevent, and mitigate its negative human rights impacts
- account for how it addresses its negative human rights impacts.

  (Adapted from UNGP Reporting Framework)

Human rights impact assessment (HRIA)

An in-depth process to assess the human rights impacts of a business project or relationship.

Human rights risk

See potential negative human rights impact.

Potential human rights impact has the same meaning as "human rights risk". However, "risk" can be confused with other types of risk — such as financial risk — so is generally not used in the B Lab Standard.

Impact

An effect the company has, or could have, on:

- the economy
- the environment
- people, including on their human rights.

  Impacts can be actual or potential, negative or positive.

  (Adapted from GRI 3, 2021, Global Reporting Initiative)

Independent contractor

A person who is self-employed, or works freelance. They are a “worker” if they work more than 20 hours per week indefinitely or for more than six months. This may include the following examples.

- A self-employed construction worker who works full-time for the company on a construction project for one year.
- A freelance physiotherapist who works 25 hours per week at a clinic for two years.

Indicator

In the context of Human Rights, Climate Action, and Environmental Stewardship and Circularity: measurable aspects of the company's progress and results. Indicators identify what to measure to create a clear picture of the company's current status.

Indicators can be qualitative or quantitative. Quantitative indicators can be precise, and enable comparison between measures. Qualitative information is often needed to:

- put quantitative information in context
- enable it to be interpreted and understood
- determine which comparisons and conclusions are most valid.

Information, communication & technology

All companies in the Information Technology and Communications sectors.

The Information Technology sector includes

- companies that offer software and information technology services,
- companies that manufacture and distribute technology hardware and equipment.

Technology hardware and equipment includes, for example:

- communications equipment
- cellular phones
- computers and peripherals
- electronic equipment and related instruments
- semiconductors and related equipment and materials.

The Communication Services sector includes companies that enable communication and offer content and information through various mediums.

It also includes telecom and media & entertainment companies, which covers:

- producers of interactive gaming products
- companies that create or distribute content and information through proprietary platforms.

(Adapted from GICS)

Intern

Someone working for the company whose placement is temporary, and whose primary purpose is to learn and gain experience. Apprentices and interns are distinct from employees.

Apprenticeships may be governed by national regulation (e.g. they receive a mandatory apprentice wage), while internships are governed by the company. An apprenticeship, unlike an internship, may lead to a formal qualification.

In the B Lab Standard, an intern is someone who works during, or as part of, a formal education program. If not, they are an “employee”.

Investment

Any of four types of investment.

- Equity investments
- Debt investments
- Project finance
- Managed investments and client services

This definition applies for investors (i.e. companies who aim to profit from their investment) and companies that provide financial services.

(Adapted from GHG Protocol)

Investment advisors

Companies that buy and sell investments, including equity, debt, and real assets. Investment advisors are also called "asset management".

Investment advisors include:

- fund managers
- fund of funds
- hedge funds
- wealth management.

JEDI

Justice, Equity, Diversity and Inclusion

Landscape services

Companies that provide landscape or maintenance services.

These services include:

- installing trees, shrubs, plants, lawns, or gardens
- designing landscape plans
- installing walkways, retaining walls, decks, fences, ponds, or similar structures.

(Adapted from NAICS)

Legal activities

Companies that provide legal counsel or legal services.

(Adapted from NAICS)

LGBTQIA+

An umbrella term for a range of different gender and sexual identities.

LGBTQI+ stands for:

- Lesbian
- Gay
- Bisexual
- Transgender
- Queer
- Intersex
- Asexual.

The "+" recognizes all non-straight, non-cisgender identities.

(Adapted from GLAAD)

Management consultant

Companies that provide one or more management consulting services to businesses or other organizations.

These services include:

- financial planning and budgeting
- records management
- office planning
- strategic and organizational planning

- site selection
- business process improvement.

(Adapted from NAICS)

Manufacturing

A company that earns over 10% of its revenue from products it makes, either for direct sale or for sale by another company or brand.

Manufacturing involves transforming input materials into a new product. The manufactured product may not be the final product.

Companies in the manufacturing sector include, for example:

- food and beverage producers
- assembly lines
- apparel manufacturers.

Material topic

The organization's most significant impacts on the economy, environment, and people, including impacts on their human rights. (GRI 3: Material Topics 2021)

See also impact materiality. Impact materiality is one half of "double materiality", alongside "financial materiality".

Material

See material topic.

Negative human rights impact

The effect of an action or inaction that removes or reduces an individual's ability to enjoy their human rights.

(Adapted from UNGP Reporting Framework)

Outcome

A change resulting from the company's activities and outputs. An outcome has a direct link between the activities and outputs, and their impact on people and the environment.

Output

The direct result of an activity. Outputs may include, for example:

- training materials
- policies
- reports
- impact-related programs or projects.

Potential negative human rights impact

An impact that has not yet happened, but may happen if the cause is not addressed.

Potential human rights impact has the same meaning as "human rights risk". However, "risk" can be confused with other types of risk — such as financial risk — so is generally not used in the B Lab Standard.

Prevent

Action associated with prevention (see prevention)

Prevention

Action taken to stop a negative impact from happening.

Programming & broadcasting

Companies that own or operate television or radio broadcasting systems, including programming.

This includes:

- radio and television broadcasting
- radio networks
- radio stations.

(Adapted from GICS)

Publishing - newspapers & magazines

Companies that provide services related to producing or distributing newspapers or magazines in print or electronic formats.

These services include:

- design
- editing
- marketing.

(Adapted from NAICS)

Qualitative

Non-numerical information — such as text — as distinct from quantitative information. Qualitative information may be collected using, for example:

- interviews
- case studies

- open-ended surveys and questionnaires.

Quantitative

Numerical information — such as numbers — as distinct from qualitative information. Quantitative methods may be collected using, for example:

- numerical measurements
- scored surveys and questionnaires.

Raw material

A material or resource used to create a product.

Real estate, design & building

Companies that provide products or services related to designing, building, buying, or selling real estate.

Products or services include:

- architecture design and planning
- civil engineering
- contracting and building
- design and building
- property leasing
- real estate development.

Real estate includes:

- land
- residential buildings

- commercial buildings.

Remediation

Any effort to counteract or undo a negative impact.

Remediation refers to both:

- the process of providing the remedy
- the major outcomes that counteract or undo the negative impact.

Outcomes may take the form, for example, of:

- apologies
- restitution
- rehabilitation
- compensation (financial or non-financial)
- punishments (criminal or administrative, such as fines).

  Outcomes can also include preventing harm through, for example, injunctions or guarantees that a negative impact will not happen again.

  (Adapted from UNGP Reporting Framework)

Salient human rights issue

The human rights that are at risk of the most severe negative impacts caused by the company's activities or business relationships.

(Adapted from UNGP Reporting Framework)

Scientific R&D

Companies that provide research and development services related to, among others:

- physical sciences
- engineering sciences
- life sciences.

(Adapted from NAICS)

Services with significant footprint

A company that earns 90% or more of its revenue from services that involve significant machinery or equipment, or require a specific operational location (often key to delivering the service).

Services with significant footprint include, for example:

- hotels
- restaurants
- landscaping companies
- universities.

This was previously named "Services with Significant Environmental footprint". The definition and its application remain the same.

Services with minor footprint

A company that earns 90% or more of its revenue from services that do not involve selling physical products or require a physical location for their delivery.

Services with minor footprints include, for example:

- law firms
- marketing and communications agencies

- software companies.

This was previously named "Services with Minor Environmental footprint". The definition and its application remain the same.

Social compliance audit

An assessment of a company’s compliance with labor standards at a particular moment in time, carried out by a third-party and often for-profit audit company. A social compliance audit focuses on compliance rather than risk or impact, and is commonly used to measure supplier compliance with a labor standard.

Stakeholder

A person, group, or entity who may, positively or negatively:

- affect the company
- be affected by the company's activities
- have an interest that is affected by the company's activities.

Relevant stakeholders may include, for example:

- business partners
- civil society organizations
- consumers
- customers
- employees and other workers
- governments
- local communities
- non-governmental organizations
- shareholders and other investors

- suppliers
- trade unions
- vulnerable groups (including future generations)
- the environment (including species).

(Adapted from GRI 3: Material Topics, 2021.)

Strategy

A kind of plan that outlines the specific ways in which the company will position itself, and the actions it will take to achieve its short- and long-term goals. A strategy draws on other important business resources, such as the company's purpose, mission, vision, and values to set a direction and deliver on objectives.

Under the B Lab Standard, the company uses specific strategies to plan measurable actions over a period of time, related to specific social, environmental, or governance targets.

(Adapted from University of York)

Supplier code of conduct

A document that sets expectations for suppliers to meet the company's standards, such as on sustainability.

Supply chain

The range of activities by companies and organizations "upstream" from the company, which provide products, raw materials, and services that the company uses in its own products or services.

(GRI 3, 2021, Global Reporting Initiative)

Tier one supplier

External suppliers that the company (or its subsidiaries) directly purchase products or services from.

Tier one suppliers contrast to tier two suppliers, who supply products or services to the company's tier one suppliers.

Union

An organization of workers formed to collectively advance its members' interests in relation to:
- wages
- benefits
- working conditions.

A union may also be called a "trade union", "labor union", or "workers' union".

Unions are regulated by national legislation and therefore have legal authority — for example, to undertake collective bargaining and worker representation.

Value chain

The full range of activities by the company, and by upstream and downstream entities, to bring its products or services from conception to end use. The value chain includes the company's supply chain.

Entities upstream from the company (e.g. suppliers) provide products or services used to develop the company's own products or services.

Entities downstream from the company (e.g. distributors and customers) receive products or services from the company.

(Adapted from G1 Foundation, 2021, Global Reporting Initiative)

Veterinary activities

Companies that provide veterinary medicine, dentistry, surgery, or testing services for animals.

(Adapted from NAICS)

Wholesale/Retail

A company that earns over 10% of its revenue from selling physical products, but does not own or operate the manufacturing processes or facilities that produce them. This includes companies that design products but outsource their production.

Wholesale/retail companies include, for example:

- grocery stores
- consumer goods companies that do not manufacture their own products
- wholesalers of physical goods.

Worker

A person who works for the company as any of the following.

- An employee
- An independent contractor, if they work more than 20 hours per week indefinitely or for more than six months.
- An agency worker, if they work more than 20 hours per week indefinitely or for more than six months.

Interns and apprentices, as defined in the B Lab Standard, do not count as workers.

Working owner

Founders or partners who work at the company and have at least 10% ownership in the business. If a company's workers consist only of founders or partners with at least 10% ownership, they are considered a "company without workers".

If a working owner is payrolled and they have additional non-working owner employees, then the working owner is considered an "employee".

Notes

- This requirement inherently overlaps with the Purpose & Stakeholder Governance, Fair Work, and JEDI topics.
- JEDI and human rights have deep conceptual links with one another. Their intentions and eventual goals are the same - that all people are treated with respect and live with dignity. They remain distinct topics in these standards because at the moment they inhabit distinct spaces in sustainability and organizational change discourses. Frameworks, standards, tools and guidance often only concern one of the two. Human rights in the context of business ('Business & Human Rights') is usually framed in terms of human rights due diligence, focusing primarily on preventing harm to people. This stems from the UN Guiding Principles on Business & Human Rights. JEDI on the other hand, is not explicitly rooted in any such framework and (more explicitly) refers to both the prevention of harm and pursuit of positive impacts. Over time, they are likely to converge. Within these standards, they exist as distinct topics despite their deep conceptual links to recognize that currently they inhabit distinct spaces and in anticipation that distinct topics lead to accelerated progress within each topic.
- Grievance and remediation procedures are covered under PSG3.
- Reporting on human rights is covered under PSG6.1 and PSG6.2.
- HR4 should be implemented alongside ESC5, as procurement and supplier engagement have both social and environmental considerations

HR1 The company commits publicly to respecting human rights.

HR1.1 The company commits publicly to respecting human rights.

Track factors:

Size	Sector	Industry
XX Large	None	None
X Large	None	None
Large	None	None
Medium	Service with Minor Environmental Footprint	All
Small	All	All
Micro	All	All
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR1.1	From Year 0	None	The company commits publicly to respecting human rights.

Compliance Criteria:

1.1.1 The company commits publicly to respect human rights and to each of the following:

a) UN Guiding Principles on Business and Human Rights

b) The International Bill of Rights or the rights under the Universal Declaration of Human Rights

c) The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work

Intent:

For the company to publicly commit to respecting human rights, which is an important building block of the UN Guiding Principles on Business and Human Rights.

Clarifying the Compliance Criteria:

[1.1.1] The company may adapt the language if it operates in a country where using the term “human rights” threatens the safety of its workers.

[1.1.1] The commitment does not need to be a standalone document or webpage. It may be included with other topics. For example, the company could include both human rights and environmental commitments in one sustainability policy, as long as it met the Compliance Criteria.

[1.1.1] The ILO Declaration on Fundamental Principles and Rights at Work consists of five obligations, such as “the elimination of all forms of forced or compulsory labour”. The company may commit to the five obligations individually instead of committing to the ILO Declaration. The company may refer to “modern slavery” instead of “forced labor” as they are similar in a business context.

[1.1.1] The following types of documents do not meet this sub-requirement, unless they fulfill the Compliance Criteria.

- Ethics codes of conduct
- Supplier codes of conduct
- Modern Slavery statements
- Zero-tolerance lists

[1.1.1] The following commitments do not meet this sub-requirement.

- Commitments to the UN Sustainable Development Goals
- Commitments to diversity and inclusion
- Commitments to single issues or rights, such as ‘no child labor’

Applying the Criteria to Independently Certifying Subsidiaries:

- The commitment is embedded, at minimum, at the highest level within the company. If the company references a commitment belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the commitment.

Further Guidance:

- The company adapts the language if it operates in a country where using the term “human rights” threatens the safety of its workers. This may include, for example:

- Using alternative language, like respecting “people’s rights” or “worker welfare”, addressing “negative social impacts”, or practicing “social due diligence”
- Referring to “international frameworks” or “international standards”
- Describing more specific rights, such as labor rights

- Limits on human rights are sometimes needed to prevent harm. For example, people may use the rights to free speech or religious expression to justify treating someone differently — or even to spread hate. The consensus today is that limits apply to human rights where they harm other people. That is why free speech and religious expression, where they are used to discriminate against other people or spread hate, are limited. (See this interpretation guidance from the OHCHR for further detail [EN]. The guidance is specific to the rights of LGBTQIA+ persons, but applies more broadly.)

Recommendations:

- Consider committing to other standards that may be relevant. For example, if the company’s operations impact Indigenous communities, it might commit to the UN Declaration on the Rights of Indigenous Peoples.

Implementation Resources:

Resources to learn about business and human rights:

- Introduction to business and human rights (The Danish Institute for Business & Human Rights) [AR] [EN] [ES] [FR]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Business and Human Rights in Asia (United Nations Development Program) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 12, 15, 16 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Examples of resources to draft a commitment statement:

- Doing Business with Respect for Human Rights - 3.1 Policy Commitment (UN Global Compact, Shift and Oxfam) [EN] [ES] [IN]

- People and planet in business: A simple guide to how small and micro companies can start or strengthen their due diligence, see Step 1 (Fairtrade International and B Lab) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-23 Policy commitments
  - GRI 2: General Disclosures 2021 - Disclosure 2-25 Processes to remediate negative impacts (a)
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement S1-1 – Policies related to own workforce (22)
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement S2-1 – Policies related to value chain workers (17)
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement S3-1 – Policies related to affected communities (16)
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement S4-1 – Policies related to consumers and end-users (16)
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) A01, A02, A03, A08
  - Communication on Progress Questionnaire 2023 (UN Global Compact) G2, HR2, HR2.1
  - Workforce Disclosure Initiative 2024 (ShareAction) 1.6, 1.7, 1.8
  - Fairtrade Trader Standard v2.2 (Fairtrade International) 3.1.1, 3.1.3
- Equivalency Data Point
  - [None]

HR1.2 The company has a public human rights policy.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Service with Minor Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All

Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR1.2	From Year 0	None	The company has a public human rights policy.

Compliance Criteria:

1.2.1 The company has a public human rights policy.

1.2.2 The policy includes commitments to:

a) respect human rights.

b) assess the company's potential negative human rights impacts (or human rights risks)

c) remediate the negative impacts the company has caused or contributed to

d) each of the following

i) UN Guiding Principles on Business and Human Rights;

ii) International Bill of Rights or the rights under the Universal Declaration of Human Rights;

iii) International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

1.2.3 The policy is approved by the highest governing body.

1.2.4 The policy's scope covers all individuals and communities affected by the company's own operations and its value chain.

Intent:

For the company to publicly commit to respecting human rights, which is an important building block of the UN Guiding Principles on Business and Human Rights.

Clarifying the Compliance Criteria:

[1.2.1] The company may adapt the language if it operates in a country where using the term “human rights” threatens the safety of its workers.

[1.2.1] The policy does not need to be a standalone document or webpage. It may be included with other topics. For example, the company could include both human rights and environmental commitments in one sustainability policy, as long as it met the Compliance Criteria.

[1.2.1] The following types of documents do not meet this sub-requirement, unless they fulfill the Compliance Criteria.

- Ethics codes of conduct
- Supplier codes of conduct
- Modern Slavery statements
- Zero-tolerance lists

[1.2.2] The following commitments do not meet this sub-requirement.

- Commitments to the UN Sustainable Development Goals
- Commitments to diversity and inclusion
- Commitments to single issues or rights, such as ‘no child labor’

Applying the Criteria to Independently Certifying Subsidiaries:

- The policy is embedded, at minimum, at the highest governance level within the company. If the company references a policy belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the policy.
- References to the highest governing body or executive team mean those within the company’s scope of certification. This means that approval by an out-of-scope parent body does not meet the sub-requirement, unless the company has additional approval at the highest governing body or executive team within its scope of certification.

Further Guidance:

- The company adapts the language if it operates in a country where using the term “human rights” threatens the safety of its workers. This may include, for example:
  - Using alternative language, like respecting “people’s rights” or “worker welfare”, addressing “negative social impacts”, or practicing “social due diligence”
  - Referring to “international frameworks” or “international standards”
  - Describing more specific rights, such as labor rights
- Limits on human rights are sometimes needed to prevent harm. For example, people may use the rights to free speech or religious expression to justify treating someone differently — or even to spread hate. The consensus today is that limits apply to human rights where they harm other people. That is why free speech and religious expression, where they are used to discriminate against other people or spread hate, are limited. (See this interpretation guidance from the OHCHR for further detail [EN]. The guidance is specific to the rights of LGBTQIA+ persons, but applies more broadly.)

Recommendations:

- Consider committing to other standards that may be relevant. For example, if the company’s operations impact Indigenous communities, it might commit to the UN Declaration on the Rights of Indigenous Peoples.
- Include any salient human rights issues that the company has already identified in the human rights policy.
- Make the company’s human rights policy a standalone, dedicated document. This is considered best practice, particularly for larger and more complex companies. A dedicated human rights policy is easier for stakeholders to find, read, and understand. It may also be easier to revise over time.

Implementation Resources:

Resources to learn about business and human rights:

- Introduction to business and human rights (The Danish Institute for Business & Human Rights) [AR] [EN] [ES] [FR]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]

- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Business and Human Rights in Asia (United Nations Development Program) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 12, 15, 16 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Examples of resources to draft a human rights policy:

- Guide on How to Develop a Human Rights Policy (UN Global Compact) [EN] [ES]
- UNGP Reporting Framework - A1 Policy Commitment (Shift) [EN]
- Doing Business with Respect for Human Rights - 3.1 Policy Commitment (UN Global Compact, Shift and Oxfam) [EN] [ES]
- People and planet in business: A simple guide to how small and micro companies can start or strengthen their due diligence, see Step 1 (Fairtrade International and B Lab) [EN]
- SME Compass, see 1.4 and 1.5 (Agency for Business & Economic Development) [DE] [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-23 Policy commitments
  - GRI 2: General Disclosures 2021 - Disclosure 2-25 Processes to remediate negative impacts (a)
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement S1-1 – Policies related to own workforce (22)
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement S2-1 – Policies related to value chain workers (17)
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement S3-1 – Policies related to affected communities (16)
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement S4-1 – Policies related to consumers and end-users (16)
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) A01, A02, A03, A08, B01, B02
  - Communication on Progress Questionnaire 2023 (UN Global Compact) G2, HR2, HR2.1

- Workforce Disclosure Initiative 2024 (ShareAction) 1.6, 1.7, 1.8
- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.1.1, 3.1.3

- Equivalency Data Point
  - [None]

HR2 The company knows its salient human rights issues and has a strategy to address them.

HR2.1 The company identifies its salient human rights issues.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Service with Minor Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Large	Manufacturing	All

Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.1	From Year 0	None	The company identifies its salient human rights issues.

Compliance Criteria:

2.1.1 The company assesses human rights issues to identify which are salient to its operations and value chain. The assessment:

a) is based on desk research and stakeholder engagement

b) identifies risks to people (rather than risks to the company)

c) identifies both actual and potential negative impacts (not positive impacts)

d) identifies specific human rights issues

e) specifies where the issues are most salient

f) prioritizes issues based on their severity and likelihood.

2.1.2 The assessment scope covers all individuals and communities affected by the company's operations and value chain.

2.1.3 The assessment was completed or updated in the last 36 months.

2.1.4 The company considers any "potential impacts" from the Risk Tool (FR3.1) in its assessment.

Intent:

To help the company:

- know where to focus its resources
- manage potential negative human rights impacts proactively.

Clarifying the Compliance Criteria:

[2.1.1] The company may carry out its own assessment or use a third party, such as a consultancy.

[2.1.1] The company may adapt the language if it operates in a country where using the term “human rights” threatens the safety of its workers.

[2.1.1 e] To specify “where the issues are most salient”, the company outlines which parts of its operations or supply chain are most likely to be affected. Here are two examples.

- The company identifies low wages as a salient issue. It specifies whether the issue relates to its own workers or workers in its supply chain, and whether it affects specific geographic areas.
- The company identifies nutrition of consumer products as a salient issue. It specifies which types of products or ingredients pose a nutritional risk.

[2.1.1 f] The company prioritizes salient issues based on severity and likelihood. Severity should outweigh likelihood, so that highly severe impacts — even if they are unlikely — are still prioritized.

- Severity refers to one or more of the following.
  - Scale — how serious would the impact be? A bigger scale is more severe.
  - Scope — how many people would be impacted? A bigger scope is more severe.
  - Ease of remediation — how easy would it be to remediate the potential negative impact? A higher difficulty of remediation is more severe. For example, it is easier to remediate underpaid wages than someone contracting an incurable disease due to poor health and safety conditions at work. Note, this does not mean less severe human rights impacts should not be remedied.
- Likelihood considers how likely the impact is, and how frequently it might occur.

[2.1.4] FR3.1 only applies to the company if it is considered small or above. If a company is considered micro or a company without workers, then it is exempt from FR3.1 and this compliance criterion does not apply.

[2.1.4] "Considers" means to understand how the potential impact relates to the company and decide whether it is prioritized for further action.

Applying the Criteria to Independently Certifying Subsidiaries:

- The assessment covers the company. If the company references an out-of-scope corporate assessment, it records evidence of:
  - how the assessment considered its stakeholders and operational impacts
  - how the assessment outcome is relevant to its context.

Further Guidance:

- "Salient" is another word for "material", meaning "important" or "relevant". The term "material" is used less commonly in the human rights space, as it has historically referred to what was relevant to the company — not to people. Saliency is aligned with the more recently adopted concept of "impact materiality" (which is one aspect of "double materiality", next to "financial materiality") as it looks at the same criteria of severity and likelihood in relation to people.
- The rights in the Universal Declaration of Human Rights and International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work are a starting point. They can be used as a list of human rights issues to select from. Other standards may also be relevant, depending on the company's profile. For example, if the company's operations impact Indigenous communities, it might refer to the UN Declaration on the Rights of Indigenous Peoples.
- The outcome of this sub-requirement should be a list of the most salient human rights issues relative to the company's operations and value chain. The list should be at a high level and updated occasionally, serving as a framework for assessing specific potential negative impacts on an ongoing basis. Assessing potential negative impacts is captured in HR3. Here is an example of how high-level issues and specific impacts might relate to one another.
  - Salient issue (high-level) — low wages in Southeast Asian source countries
  - Potential negative impact (specific) — low wages among female fruit pickers from a specific country or supplier
- The scope for the assessment is intentionally broad to avoid the company accidentally excluding salient issues. For example, a company manufacturing sweets may already know that forced labor is a salient issue because of their sugar and cacao sourcing. The broad scope has the company consider if health impacts on the end consumer should also be a salient issue. This broad scope is a starting point and does not mean the company prioritizes all parts of the scope equally. The company's focus within the scope will vary (see below how the company prioritizes based on severity and likelihood). It is common for companies to reassess their salient issues as they receive stakeholder feedback and learn more about their value chain. The company is not expected to assess their salient issues based on full visibility of their value chain.
- The number of salient human rights issues for each company depends on the size and complexity of its operations and value chains, among other factors. Most companies identify five to ten salient human rights issues.
- Severity can be assessed using the following categories, as an example.

- High: The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to people or their rights.
- Medium: The impact and its resulting effects are expected to cause significant and lasting damage to people or their rights.
- Low: The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to people or their rights.

- Likelihood considers how likely the impact is, and how frequently it might occur. Likelihood can be assessed using the following categories, as an example.
  - High — the impact is expected to occur continuously.
  - Medium — the impact is expected to occur regularly (i.e. from several times per year to several times per month).
  - Low — the impact is expected to occur only occasionally (i.e. only during a specific phase of a project).
- Salient human rights issues may include, for example:
  - child labor
  - discrimination
  - poverty wages
  - land rights
  - occupational health and safety
  - excessive working hours
  - access to water
  - privacy
  - freedom of association
  - collective bargaining.
- The company adapts the language if it operates in a country where using the term “human rights” threatens the safety of its workers. This may include, for example:
  - Using alternative language, like respecting “people’s rights” or “worker welfare”, addressing “negative social impacts”, or practicing “social due diligence”

- Referring to “international frameworks” or “international standards”
- Describing more specific rights, such as labor rights

- This sub-requirement is still relevant if the company is a service company with a minor footprint and no significant supply chain. This type of company focuses on issues related to its services, clients, and workers.

Recommendations:

- If the company has migrant workers in its operations or supply chain, read the Dhaka Principles for Migration with Dignity [EN]. Each principle can be considered a potential issue in the assessment.

Implementation Resources:

Resources to identify salient human rights issues:

- Business Model Red Flags (Shift) [EN]
- Doing Business with Respect for Human Rights - 3.3 Assessing Impacts (UN Global Compact, Shift and Oxfam) [EN] [ES]
- People and planet in business: A simple guide to how small and micro companies can start or strengthen their due diligence (Fairtrade International and B Lab) [EN]
- SME Compass, see 2 Perform a risk analysis (Agency for Business & Economic Development) [DE] [EN]
- UNGP Reporting Framework - Part B Defining a Focus of Reporting (Shift) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 17, 18, 24 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Resources to see examples of other companies’ salient human rights issues:

- UNGP Reporting Framework - View Disclosures (Shift) [EN]

Human rights conventions and declarations:

- Universal Declaration of Human Rights (United Nations) [AR] [EN] [ES] [FR] [IT] [PT] [RU] [ZH]
- Declaration on Fundamental Principles and Rights at Work (International Labour Organization) [EN] [ES] [FR]
- Declaration on the Rights of Indigenous Peoples (United Nations) [AR] [EN] [ES] [FR] [IT] [PT] [RU] [ZH] [Other languages]
- A Business Reference Guide: United Nations Declaration on the Rights of Indigenous Peoples (UN Global Compact) [EN] [ES] [FR] [RU]
- Convention on the Rights of Persons with Disabilities (United Nations) [AR] [EN] [ES] [FR] [RU] [ZH]
- Convention on the Rights of the Child (United Nations) [AR] [EN] [ES] [FR] [RU] [ZH]

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Country Reports on Human Rights Practices (Bureau of Democracy, Human Rights, and Labor, US Department of State) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]

- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 3: Material Topics 2021 - Disclosure 3-1 Process to determine material topics
  - GRI 3: Material Topics 2021 - Disclosure 3-3 Management of material topics (a, b)
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (13)
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement related to Disclosure Requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model (10)
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (10)
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (10)
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) D01, D02
  - Communication on Progress Questionnaire 2023 (UN Global Compact) G6, HR1
  - Workforce Disclosure Initiative 2024 (ShareAction) 2.6, 2.7
  - Fairtrade Trader Standard v2.2 (Fairtrade International) 3.2.1
- Equivalency Data Point

- [None]

HR2.2 The company publicly shares its salient human rights issues.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Service with Minor Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All

Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.2	From Year 3	Medium / Large / X Large / XX Large	The company publicly shares its salient human rights issues.

Compliance Criteria:

2.2.1 The company publicly shares its salient human rights issues (HR2.1).

2.2.2 The company publicly shares the methodology it used in its assessment of salient human rights issues.

Intent:

To increase public accountability and enable companies to compare their salient human rights issues.

Applying the Criteria to Independently Certifying Subsidiaries:

- The reporting scope covers the company. If the company references a corporate group report that includes out-of-scope entities, either:
  - the performance of the company is clearly identifiable within the group report
  - the company publicly shares its own report on its webpage.

Further Guidance:

Recommendations:

Interoperability:

- Conceptual Alignment Data Point
  - GRI 3: Material Topics 2021 - Disclosure 3-1 Process to determine material topics
  - GRI 3: Material Topics 2021 - Disclosure 3-3 Management of material topics (a, b)
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (13)

- European Sustainability Reporting Standards S2 2023 - Disclosure Requirement related to Disclosure Requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model (10)
- European Sustainability Reporting Standards S3 2023 - Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (10)
- European Sustainability Reporting Standards S4 2023 - Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (10)
- Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) D01, D02
- Communication on Progress Questionnaire 2023 (UN Global Compact) G6, HR1
- Workforce Disclosure Initiative 2024 (ShareAction) 2.6, 2.7
- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.2.1

- Equivalency Data Point
  - [None]

HR2.3 The company has a strategy to address its salient human rights issues.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All

Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.3	From Year 3	None	The company has a strategy to address its salient human rights issues.

Compliance Criteria:

2.3.1 The company has a strategy to address its salient human rights issues.

2.3.2 The strategy was adopted or reviewed in the last twelve months.

2.3.3 The strategy is approved by the highest governing body.

2.3.4 The strategy accounts for the company's type of connection with each salient human rights issue.

2.3.5 The strategy, or a related implementation plan, includes:

a) targets for the next three years at minimum

b) indicators

c) clearly defined roles and responsibilities

d) engagement with stakeholders.

Intent:

For the company to create a strategy from its assessment of salient human rights issues.

Clarifying the Compliance Criteria:

[2.3.1] The strategy sets out how the company intends to address each of its salient human rights issues. More specifically, it describes how the company will:

- assess the potential negative human rights impacts of working with potential clients and projects, if applicable [link to HR3.3]
- assess the potential negative human rights impacts of investments, if applicable [link to HR3.4]
- collect, prioritize, and escalate information on actual and potential negative human rights impacts [links to HR3.1]
- use a Human Rights Impact Assessment, if applicable [links to HR3.5]
- use inputs from stakeholders [links to PSG2]
- prevent, mitigate, and remediate actual and potential negative human rights impacts [link to HR3.2]
- evaluate the effectiveness of the strategy [link to HR2.4]
- work with suppliers to achieve human rights objectives and trace raw materials in the supply chain to their origins [link to HR4].

[2.3.1] The company may adapt the language if it operates in a country where using the term “human rights” threatens the safety of its workers.

Applying the Criteria to Independently Certifying Subsidiaries:

- The strategy is embedded, at minimum, at the highest governance level within the company. If the company references a strategy belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the strategy.
- References to the highest governing body or executive team mean those within the company’s scope of certification. This means that approval by an out-of-scope parent body does not meet the sub-requirement, unless the company has additional approval at the highest governing body or executive team within its scope of certification.

Further Guidance:

- The company’s “type of connection” to a negative impact is also known as its “mode of involvement”. The three types, or modes, are: causing an impact, contributing to an impact, or having a linkage to an impact.

- Causing — the company has a direct and unique connection with the affected stakeholder. In response, the company takes steps to cease or prevent the impact and remediate it.
- Contributing — a third party sits between the company and the affected stakeholder, or the company is one of multiple companies with a direct connection to the affected stakeholder. In response, the company has a responsibility to work with others to remediate the impact.
- Linkage — an additional layer lies between the company and the affected stakeholder. The company has no responsibility to remediate past harm, but is responsible for preventing harm in the future.

- The company adapts the language if it operates in a country where using the term “human rights” threatens the safety of its workers. This may include, for example:
  - Using alternative language, like respecting “people’s rights” or “worker welfare”, addressing “negative social impacts”, or practicing “social due diligence”
  - Referring to “international frameworks” or “international standards”
  - Describing more specific rights, such as labor rights

Recommendations:

Implementation Resources:

Resources to understand the company’s “type of connection”:

- Doing Business with Respect for Human Rights - 3.4 Integrating and acting (UN Global Compact, Shift and Oxfam) [EN] [ES]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide, see Q.10 What is meant by 'adverse human rights impact'? (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Resources to draft a human rights strategy:

- Doing Business with Respect for Human Rights - 3.2 Embedding (UN Global Compact, Shift and Oxfam) [EN] [ES]

Resources to set targets and indicators:

- UNGP Reporting Framework - Part C5 Tracking Performance (Shift) [EN]

- Doing Business with Respect for Human Rights - 3.5 Tracking Performance (UN Global Compact, Shift and Oxfam) [EN] [ES]
- Indicator Design Tool (Shift) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 20, 21 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-22 Statement on sustainable development strategy
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (44)
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (39)
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (39)
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (38)
  - Fairtrade Trader Standard v2.2 (Fairtrade International) 3.1.2, 3.4.1
- Equivalency Data Point
  - [None]

HR2.4 The company makes progress on its human rights strategy and evaluates its effectiveness.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All

Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.4	From Year 5	Medium / Large / X Large / XX Large	The company makes progress on its human rights strategy and evaluates its effectiveness.

Compliance Criteria:

2.4.1 The company makes progress against its targets and indicators (measured at an interval of no more than three years), in line with its human rights strategy (HR2.3).

2.4.2 The company evaluates the effectiveness of its human rights strategy (HR2.3).

2.4.3 Where the strategy is ineffective, the company records:

a) what lessons it has learned

b) what it plans to do differently

c) how it has updated the strategy.

2.4.4 The evaluation results are shared with the highest governing body or executive team.

Intent:

For the company to put its human rights strategy into practice and ensure it works as intended. The intent of the strategy is for the company to evaluate, learn, and continuously improve. Completely eliminating all actual and potential negative impacts is impossible and therefore not the intent.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.
- References to the highest governing body or executive team mean those within the certifying company's scope of certification. This means that sharing the results with an out-of-scope parent body does not meet the sub-requirement, unless the certifying company has also shared the results with the highest governing body or executive team within its scope of certification.

Further Guidance:

Recommendations:

- Measure outcomes for people, and use a combination of quantitative and qualitative data. This involves measuring the personal experiences or perceptions of affected stakeholders, such as workers.
- Publicly share information about the strategy's effectiveness and lessons learned.

Implementation Resources:

Resources to measure progress:

- UNGP Reporting Framework - Part C5 Tracking Performance (Shift) [EN]
- Doing Business with Respect for Human Rights - 3.5 Tracking Performance (UN Global Compact, Shift and Oxfam) [EN] [ES]
- Indicator Design Tool (Shift) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 20, 21 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-22 Statement on sustainable development strategy
  - GRI 3: Material Topics 2021 - Disclosure 3-3 Management of material topics (e)
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C06, D04
  - Communication on Progress Questionnaire 2023 (UN Global Compact) HR6, L5
  - Workforce Disclosure Initiative 2024 (ShareAction) 2.9

- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.4.1

- Equivalency Data Point
  - [None]

HR2.5 The company publicly shares the effectiveness of its human rights strategy.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	None	None
Large	None	None
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.5	From Year 5	None	The company publicly shares the effectiveness of its human rights strategy.

Compliance Criteria:

2.5.1 The company makes a report on its human rights strategy publicly available on its webpage.

2.5.2 The company made or updated its report in the last 36 months.

2.5.3 The company's report presents information on:

a) progress on targets and indicators

b) how it evaluated the effectiveness of its strategy

2.5.4 Where the strategy is ineffective, the company 's report presents information on:

a) what lessons it has learned

b) what it plans to do differently

c) how it has updated its strategy.

Intent:

To increase public accountability and make it easier for companies to learn from one another.

Clarifying the Compliance Criteria:

[2.5.1] The company may publish the information in an annual report or a standalone sustainability and impact report [link to PSG6.1, PSG6.2. ESC4.7].

Applying the Criteria to Independently Certifying Subsidiaries:

- The reporting scope covers the company. If the company references a corporate group report that includes out-of-scope entities, either:
  - the performance of the company is clearly identifiable within the group report
  - the company publicly shares its own report on its webpage.

Further Guidance:

Recommendations:

Implementation Resources:

Resources to measure progress:

- UNGP Reporting Framework - Part C5 Tracking Performance (Shift) [EN]
- Doing Business with Respect for Human Rights - 3.5 Tracking Performance (UN Global Compact, Shift and Oxfam) [EN] [ES]
- Indicator Design Tool (Shift) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 20, 21 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point

- GRI 2: General Disclosures 2021 - Disclosure 2-22 Statement on sustainable development strategy
- GRI 3: Material Topics 2021 - Disclosure 3-3 Management of material topics (e)
- Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C06, D04
- Communication on Progress Questionnaire 2023 (UN Global Compact) HR6, L5
- Workforce Disclosure Initiative 2024 (ShareAction) 2.9
- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.4.1

- Equivalency Data Point
  - [None]

HR2.6 The company's policies and procedures address its salient human rights issues.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All

Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.6	From Year 3	Medium / Large / X Large / XX Large	The company’s policies and procedures address its salient human rights issues.

Compliance Criteria:

2.6.1 The company explicitly addresses each salient human rights issue with a policy or procedure.

2.6.2 The scope of each policy and procedure matches the nature of the company's salient issues.

Intent:

To ensure the company's policies and procedures address all salient human rights issues. For example, if forced labor is a salient human rights issue, the company has a policy on forced labor.

Clarifying the Compliance Criteria:

[2.6.2] Matching the “scope” of policies and procedures to salient issues means ensuring they apply where the issues are relevant (e.g. to the company’s own workers versus workers in the supply chain, or to operations in one territory versus the company’s global operations). For example, a policy to close the gender pay gap among the company’s own workers would not address discrimination among workers in the supply chain, because the scope is different.

Applying the Criteria to Independently Certifying Subsidiaries:

- The policies and procedures are embedded, at minimum, at the highest level within the company. If the company references a policy or procedure belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the policy or procedure.

Implementation Resources:

Resources to draft or align policies:

- Guide on How to Develop a Human Rights Policy, see section 6 Next Steps - path to implementation (UN Global Compact) [EN] [ES]
- Doing Business with Respect for Human Rights - 3.2 Embedding (UN Global Compact, Shift and Oxfam) [EN] [ES]
- UNGP Reporting Framework - Part C Management of Salient Human Rights Issues (Shift) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-24 Embedding policy commitments (a) ii
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement S1-1 – Policies related to own workforce (17)
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement S2-1 – Policies related to value chain workers (14)
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement S3-1 – Policies related to affected communities (12)
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement S4-1 – Policies related to consumers and end-users (13)

- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.1.2

- Equivalency Data Point
  - [None]

HR2.7 Workers in relevant roles receive the guidance they need to implement the policies and procedures related to human rights.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Agriculture/Growers	All
X Large	Manufacturing	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All

Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR2.7	From Year 3	Medium / Large / X Large / XX Large	Workers in relevant roles receive the guidance they need to implement the policies and procedures related to human rights.

Compliance Criteria:

2.7.1 Workers in relevant roles receive training, guidance documents, or tools to help implement the policies and procedures related to human rights.

2.7.2 The guidance is tailored for the relevant role.

Intent:

To ensure the right people are prepared to implement the policies and procedures related to human rights.

Clarifying the Compliance Criteria:

[2.7.1] “The policies and procedures related to human rights” are those related to each salient human rights issue (HR2.6)

[2.7.1] Relevant roles can be at any level within a company. They may range from members of the highest governing body to workers who interact directly with vulnerable people.

[2.7.2] Workers in relevant roles are given information tailored to their role. Generic training about the company’s salient human rights issues is not sufficient.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

Implementation Resources:

Resources to train workers on business and human rights in general:

- Introduction to business and human rights (The Danish Institute for Business & Human Rights) [AR] [EN] [ES] [FR]

Resources to train workers on policies and procedures related to human rights:

- Doing Business with Respect for Human Rights - 3.2 Embedding, see Guidance Points 5-7 (UN Global Compact, Shift and Oxfam) [EN] [ES]
- UNGP Reporting Framework - Part C Management of Salient Human Rights Issues (Shift) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-24 Embedding policy commitments (a) iv
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C05.B
  - Fairtrade Trader Standard v2.2 (Fairtrade International) 3.1.3
- Equivalency Data Point
  - [None]

HR3 The company prevents, mitigates, and remediates actual and potential negative human rights impacts.

HR3.1 The company has a process to collect, prioritize, and escalate information on actual and potential negative human rights impacts.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Service with Minor Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Large	Manufacturing	All

Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR3.1	From Year 0	Medium / Large / X Large / XX Large	The company has a process to collect, prioritize, and escalate information on actual and potential negative human rights impacts.

Compliance Criteria:

3.1.1 The company has a process to collect, prioritize, and escalate information on actual and potential negative human rights impacts.

3.1.2 The company has clear roles and responsibilities related to this process.

3.1.3 In the process, impacts are prioritized and escalated based on their severity and likelihood.

3.1.4 The process also sets out:

a) when and how to seek additional information about an actual or potential negative impact, and how to involve stakeholders, including affected stakeholders

b) what kinds of internal changes at the company will prompt it to proactively assess potential negative impacts.

Intent:

To ensure the company adequately processes information about human rights issues so it can respond to them appropriately. Processing information internally is separate from the company's response to that information.

Clarifying the Compliance Criteria:

[3.1.1] “Escalate” refers to sharing information with relevant decision-makers or those with a responsibility over an issue. This may include sharing information upwards within the company hierarchy, such as to the executive team or highest governing body.

[3.1.3] The company prioritizes and escalates specific issues based on severity and likelihood. Severity should outweigh likelihood, so that highly severe impacts — even if they are unlikely — are still prioritized.

- Severity refers to one or more of the following.
  - Scale — how serious would the impact be? A bigger scale is more severe.
  - Scope — how many people would be impacted? A bigger scope is more severe.
  - Ease of remediation — how easy would it be to remediate the potential negative impact? A higher difficulty of remediation is more severe. For example, it is easier to remediate underpaid wages than someone contracting an incurable disease due to poor health and safety conditions at work. Note, this does not mean less severe human rights impacts should not be remedied.
- Likelihood considers how likely the impact is, and how frequently it might occur.

Applying the Criteria to Independently Certifying Subsidiaries:

- The process is embedded, at minimum, at the highest level within the company. If the company references a process belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the procedure.

Further Guidance:

- This sub-requirement separates the company’s internal processing of information from its response to that information. Processing information (collecting, prioritizing and escalating) is covered under HR3.1. The response (preventing or mitigating actual and potential negative human rights impacts) is covered under HR3.2.
- In HR2, the company identifies and prioritizes salient human rights issues at a high level. HR3 is about assessing potential negative impacts at the specific level. A high-level assessment of salient issues is an occasional exercise, but assessing specific impacts happens regularly. Here is an example of how high-level issues and specific impacts might relate to one another.
  - Salient issue (high-level) — low wages in Southeast Asian source countries

- Potential negative impact (specific) — low wages among female fruit pickers from a specific country or supplier

- Severity can be assessed using the following categories, as an example.
  - High: The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to people or their rights.
  - Medium: The impact and its resulting effects are expected to cause significant and lasting damage to people or their rights.
  - Low: The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to people or their rights.
- Likelihood considers how likely the impact is, and how frequently it might occur. Likelihood can be assessed using the following categories, as an example.
  - High — the impact is expected to occur continuously.
  - Medium — the impact is expected to occur regularly (i.e. from several times per year to several times per month).
  - Low — the impact is expected to occur only occasionally (i.e. only during a specific phase of a project).
- Internal changes that prompt the company to proactively assess potential negative impacts may include, for example:
  - a new business relationship
  - a merger or acquisition
  - a business model change
  - a new product or service line
  - a new source country in the supply chain.
- The company's grievance procedure, which is a requirement under PSG3, is an important way to collect information on actual and potential negative human rights impacts.

Recommendations:

Implementation Resources:

Resources to assess and prioritize potential and actual human rights impacts:

- Doing Business with Respect for Human Rights - 3.3 Assessing Impacts (UN Global Compact, Shift und Oxfam) [EN] [ES]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 17, 18, 19, 24 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 2: General Disclosures 2021 - Disclosure 2-16 Communication of critical concerns
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement S2-4 – Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement S3-4 – Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) D01, D03, G02
  - Communication on Progress Questionnaire 2023 (UN Global Compact) G6
  - Workforce Disclosure Initiative 2024 (ShareAction) 2.2, 2.3

- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.3.1.

- Equivalency Data Point
  - [None]

HR3.2 The company prevents, mitigates, and remediates actual and potential negative human rights impacts.

Track factors:

Size	Sector	Industry
XX Large	Service with Minor Environmental Footprint	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Wholesale/Retail	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Service with Minor Environmental Footprint	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Service with Minor Environmental Footprint	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All

Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR3.2	From Year 3	Medium / Large / X Large / XX Large	The company prevents, mitigates, and remediates actual and potential negative human rights impacts.

Compliance Criteria:

3.2.1 The company takes action to prevent and mitigate actual and potential negative human rights impacts.

3.2.2 The company takes action to remediate any actual negative human rights impacts.

3.2.3 The company considers:

a) its type of connection to the impact

b) the views of affected stakeholders.

Intent:

To ensure the company's awareness of potential negative impacts leads to prevention and mitigation actions. Prevention and mitigation is proactive, meaning it addresses a potential impact before it becomes an actual impact.

Clarifying the Compliance Criteria:

[3.2.3 b] The company may engage with stakeholder representatives — rather than directly to stakeholders — where it is needed or more appropriate, and supported by stakeholders. For example, the company may speak to a union or civil society organization that represents the interests of affected stakeholders.

Applying the Criteria to Independently Certifying Subsidiaries:

- The actions take place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- This sub-requirement separates the company's response to information from how it internally processes that information first. Processing information (collecting, prioritizing, and escalating) is covered under HR3.1. The response (preventing or mitigating actual and potential negative human rights impacts) is covered under HR3.2.
- The company's "type of connection" to a negative impact is also known as its "mode of involvement". The three types, or modes, are: causing an impact, contributing to an impact, or having a linkage to an impact.
  - Causing — the company has a direct and unique connection with the affected stakeholder. In response, the company takes steps to cease or prevent the impact and remediate it.
  - Contributing — a third party sits between the company and the affected stakeholder, or the company is one of multiple companies with a direct connection to the affected stakeholder. In response, the company has a responsibility to work with others to remediate the impact.
  - Linkage — an additional layer lies between the company and the affected stakeholder. The company has no responsibility to remediate past harm, but is responsible for preventing harm in the future.
- Prevent, mitigate and remediate exist in a hierarchy. Preventing a negative impact is always preferred. If an impact cannot be prevented, then the company tries to mitigate it. If the impact actually occurs, then the company remediates it.

Implementation Resources:

Resources to act on potential and actual human rights impacts:

- Doing Business with Respect for Human Rights - 3.4 Integrating and acting, see Guidance Point 2: Understanding how your company is connected to human rights impacts (UN Global Compact, Shift und Oxfam) [EN] [ES]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 13, 19 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 3: Material Topics 2021 - Disclosure 3-3 Management of material topics (d, f)
  - European Sustainability Reporting Standards S1 2023 - Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
  - European Sustainability Reporting Standards S2 2023 - Disclosure Requirement S2-4 – Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
  - European Sustainability Reporting Standards S3 2023 - Disclosure Requirement S3-4 – Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
  - European Sustainability Reporting Standards S4 2023 - Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C07

- Communication on Progress Questionnaire 2023 (UN Global Compact) G7, HR4, L3
- Workforce Disclosure Initiative 2024 (ShareAction) 2.1, 2.1a, 2.8
- Fairtrade Trader Standard v2.2 (Fairtrade International) 3.3.1, 3.3.4

- Equivalency Data Point
  - [None]

HR3.3 The company assesses the potential negative human rights impacts related to potential organizational clients and projects, and takes necessary mitigation actions.

Track factors:

Size	Sector	Industry
XX Large	Service with Minor Environmental Footprint	Security & investigation
XX Large	Service with Minor Environmental Footprint	Data processing & hosting
XX Large	Service with Minor Environmental Footprint	Mobile applications
XX Large	Service with Minor Environmental Footprint	Other info service activities
XX Large	Service with Minor Environmental Footprint	Social networks & info sharing
XX Large	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
XX Large	Service with Minor Environmental Footprint	Telecommunications
XX Large	Service with Minor Environmental Footprint	Web portals
XX Large	Service with Minor Environmental Footprint	Computer programming services
XX Large	Service with Minor Environmental Footprint	Advertising & market research
XX Large	Service with Minor Environmental Footprint	Legal activities
XX Large	Service with Minor Environmental Footprint	Management consultant - for-profits
XX Large	Service with Minor Environmental Footprint	Book publishing
XX Large	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
XX Large	Service with Minor Environmental Footprint	Architecture design & planning

XX Large	Service with Minor Environmental Footprint	Civil engineering
XX Large	Service with Minor Environmental Footprint	Contracting & building
XX Large	Service with Minor Environmental Footprint	Real estate- fee/contract
XX Large	Service with Minor Environmental Footprint	Design & building
XX Large	Service with Minor Environmental Footprint	Other install & construction
XX Large	Service with Minor Environmental Footprint	Real estate development
XX Large	Service with Minor Environmental Footprint	Real estate - leased property
XX Large	Service with Minor Environmental Footprint	Film, TV & music production
XX Large	Service with Minor Environmental Footprint	Programming & broadcasting
XX Large	Service with Minor Environmental Footprint	Engineering
XX Large	Service with Minor Environmental Footprint	Environmental consulting
X Large	Service with Minor Environmental Footprint	Security & investigation
X Large	Service with Minor Environmental Footprint	Advertising & market research
X Large	Service with Minor Environmental Footprint	Management consultant - for-profits
X Large	Service with Minor Environmental Footprint	Book publishing
X Large	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
X Large	Service with Minor Environmental Footprint	Film, TV & music production
X Large	Service with Minor Environmental Footprint	Programming & broadcasting
X Large	Service with Minor Environmental Footprint	Engineering
X Large	Service with Minor Environmental Footprint	Environmental consulting

X Large	Service with Minor Environmental Footprint	Architecture design & planning
X Large	Service with Minor Environmental Footprint	Civil engineering
X Large	Service with Minor Environmental Footprint	Contracting & building
X Large	Service with Minor Environmental Footprint	Design & building
X Large	Service with Minor Environmental Footprint	Other install & construction
X Large	Service with Minor Environmental Footprint	Real estate development
X Large	Service with Minor Environmental Footprint	Real estate- fee/contract
X Large	Service with Minor Environmental Footprint	Real estate - leased property
X Large	Service with Minor Environmental Footprint	Computer programming services
X Large	Service with Minor Environmental Footprint	Data processing & hosting
X Large	Service with Minor Environmental Footprint	Mobile applications
X Large	Service with Minor Environmental Footprint	Other info service activities
X Large	Service with Minor Environmental Footprint	Social networks & info sharing
X Large	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
X Large	Service with Minor Environmental Footprint	Telecommunications
X Large	Service with Minor Environmental Footprint	Web portals
X Large	Service with Minor Environmental Footprint	Legal activities
Large	Service with Minor Environmental Footprint	Advertising & market research
Large	Service with Minor Environmental Footprint	Book publishing

Large	Service with Minor Environmental Footprint	Engineering
Large	Service with Minor Environmental Footprint	Environmental consulting
Large	Service with Minor Environmental Footprint	Film, TV & music production
Large	Service with Minor Environmental Footprint	Legal activities
Large	Service with Minor Environmental Footprint	Management consultant - for-profits
Large	Service with Minor Environmental Footprint	Programming & broadcasting
Large	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
Large	Service with Minor Environmental Footprint	Architecture design & planning
Large	Service with Minor Environmental Footprint	Civil engineering
Large	Service with Minor Environmental Footprint	Computer programming services
Large	Service with Minor Environmental Footprint	Contracting & building
Large	Service with Minor Environmental Footprint	Data processing & hosting
Large	Service with Minor Environmental Footprint	Design & building
Large	Service with Minor Environmental Footprint	Mobile applications
Large	Service with Minor Environmental Footprint	Other info service activities
Large	Service with Minor Environmental Footprint	Other install & construction
Large	Service with Minor Environmental Footprint	Real estate development
Large	Service with Minor Environmental Footprint	Real estate- fee/contract
Large	Service with Minor Environmental Footprint	Real estate - leased property
Large	Service with Minor Environmental Footprint	Security & investigation

Large	Service with Minor Environmental Footprint	Social networks & info sharing
Large	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
Large	Service with Minor Environmental Footprint	Telecommunications
Large	Service with Minor Environmental Footprint	Web portals
Medium	Service with Minor Environmental Footprint	Advertising & market research
Medium	Service with Minor Environmental Footprint	Architecture design & planning
Medium	Service with Minor Environmental Footprint	Book publishing
Medium	Service with Minor Environmental Footprint	Civil engineering
Medium	Service with Minor Environmental Footprint	Computer programming services
Medium	Service with Minor Environmental Footprint	Contracting & building
Medium	Service with Minor Environmental Footprint	Data processing & hosting
Medium	Service with Minor Environmental Footprint	Design & building
Medium	Service with Minor Environmental Footprint	Engineering
Medium	Service with Minor Environmental Footprint	Environmental consulting
Medium	Service with Minor Environmental Footprint	Film, TV & music production
Medium	Service with Minor Environmental Footprint	Legal activities
Medium	Service with Minor Environmental Footprint	Management consultant - for-profits
Medium	Service with Minor Environmental Footprint	Mobile applications
Medium	Service with Minor Environmental Footprint	Other info service activities

Medium	Service with Minor Environmental Footprint	Other install & construction
Medium	Service with Minor Environmental Footprint	Programming & broadcasting
Medium	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
Medium	Service with Minor Environmental Footprint	Real estate - leased property
Medium	Service with Minor Environmental Footprint	Real estate development
Medium	Service with Minor Environmental Footprint	Real estate- fee/contract
Medium	Service with Minor Environmental Footprint	Security & investigation
Medium	Service with Minor Environmental Footprint	Social networks & info sharing
Medium	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
Medium	Service with Minor Environmental Footprint	Telecommunications
Medium	Service with Minor Environmental Footprint	Web portals
Small	Service with Minor Environmental Footprint	Advertising & market research
Small	Service with Minor Environmental Footprint	Book publishing
Small	Service with Minor Environmental Footprint	Civil engineering
Small	Service with Minor Environmental Footprint	Computer programming services
Small	Service with Minor Environmental Footprint	Contracting & building
Small	Service with Minor Environmental Footprint	Data processing & hosting
Small	Service with Minor Environmental Footprint	Design & building
Small	Service with Minor Environmental Footprint	Engineering

Small	Service with Minor Environmental Footprint	Environmental consulting
Small	Service with Minor Environmental Footprint	Film, TV & music production
Small	Service with Minor Environmental Footprint	Legal activities
Small	Service with Minor Environmental Footprint	Management consultant - for-profits
Small	Service with Minor Environmental Footprint	Mobile applications
Small	Service with Minor Environmental Footprint	Other info service activities
Small	Service with Minor Environmental Footprint	Other install & construction
Small	Service with Minor Environmental Footprint	Programming & broadcasting
Small	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
Small	Service with Minor Environmental Footprint	Real estate - leased property
Small	Service with Minor Environmental Footprint	Real estate development
Small	Service with Minor Environmental Footprint	Real estate- fee/contract
Small	Service with Minor Environmental Footprint	Security & investigation
Small	Service with Minor Environmental Footprint	Social networks & info sharing
Small	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
Small	Service with Minor Environmental Footprint	Telecommunications
Small	Service with Minor Environmental Footprint	Web portals
Small	Service with Minor Environmental Footprint	Architecture design & planning
Micro	Service with Minor Environmental Footprint	Advertising & market research

Micro	Service with Minor Environmental Footprint	Architecture design & planning
Micro	Service with Minor Environmental Footprint	Book publishing
Micro	Service with Minor Environmental Footprint	Civil engineering
Micro	Service with Minor Environmental Footprint	Computer programming services
Micro	Service with Minor Environmental Footprint	Contracting & building
Micro	Service with Minor Environmental Footprint	Data processing & hosting
Micro	Service with Minor Environmental Footprint	Design & building
Micro	Service with Minor Environmental Footprint	Engineering
Micro	Service with Minor Environmental Footprint	Environmental consulting
Micro	Service with Minor Environmental Footprint	Film, TV & music production
Micro	Service with Minor Environmental Footprint	Legal activities
Micro	Service with Minor Environmental Footprint	Management consultant - for-profits
Micro	Service with Minor Environmental Footprint	Mobile applications
Micro	Service with Minor Environmental Footprint	Other info service activities
Micro	Service with Minor Environmental Footprint	Other install & construction
Micro	Service with Minor Environmental Footprint	Programming & broadcasting
Micro	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
Micro	Service with Minor Environmental Footprint	Real estate - leased property
Micro	Service with Minor Environmental Footprint	Real estate development
Micro	Service with Minor Environmental Footprint	Real estate- fee/contract

Micro	Service with Minor Environmental Footprint	Security & investigation
Micro	Service with Minor Environmental Footprint	Social networks & info sharing
Micro	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
Micro	Service with Minor Environmental Footprint	Telecommunications
Micro	Service with Minor Environmental Footprint	Web portals
Company without workers	Service with Minor Environmental Footprint	Advertising & market research
Company without workers	Service with Minor Environmental Footprint	Architecture design & planning
Company without workers	Service with Minor Environmental Footprint	Book publishing
Company without workers	Service with Minor Environmental Footprint	Civil engineering
Company without workers	Service with Minor Environmental Footprint	Computer programming services
Company without workers	Service with Minor Environmental Footprint	Contracting & building
Company without workers	Service with Minor Environmental Footprint	Data processing & hosting
Company without workers	Service with Minor Environmental Footprint	Design & building
Company without workers	Service with Minor Environmental Footprint	Engineering
Company without workers	Service with Minor Environmental Footprint	Environmental consulting
Company without workers	Service with Minor Environmental Footprint	Film, TV & music production
Company without workers	Service with Minor Environmental Footprint	Legal activities
Company without workers	Service with Minor Environmental Footprint	Management consultant - for-profits
Company without workers	Service with Minor Environmental Footprint	Mobile applications

Company without workers	Service with Minor Environmental Footprint	Other info service activities
Company without workers	Service with Minor Environmental Footprint	Other install & construction
Company without workers	Service with Minor Environmental Footprint	Programming & broadcasting
Company without workers	Service with Minor Environmental Footprint	Publishing - newspapers & magazines
Company without workers	Service with Minor Environmental Footprint	Real estate - leased property
Company without workers	Service with Minor Environmental Footprint	Real estate development
Company without workers	Service with Minor Environmental Footprint	Real estate- fee/contract
Company without workers	Service with Minor Environmental Footprint	Security & investigation
Company without workers	Service with Minor Environmental Footprint	Social networks & info sharing
Company without workers	Service with Minor Environmental Footprint	Software publishing and SaaS platforms
Company without workers	Service with Minor Environmental Footprint	Telecommunications
Company without workers	Service with Minor Environmental Footprint	Web portals

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR3.3	From Year 0	Company without workers / Micro	The company assesses the potential negative human rights impacts related to potential organizational clients and projects, and takes necessary mitigation actions.

Compliance Criteria:

3.3.1 The company has a process in place to assess the potential negative human rights impacts of working with potential organizational clients and projects.

3.3.2 The process sets out mitigation actions.

3.3.3 The company records how it assessed the potential negative human rights impacts of its three most material potential clients or projects each year, and the outcomes of the process.

a) in the last fiscal year before Year 0

b) annually in each subsequent year.

3.3.4 For Years 3 and 5, the company:

a) records its mitigation action, if its assessments identified any potential or actual negative impacts

b) records the effectiveness of its mitigation actions.

Intent:

To ensure the company selects clients and projects with human rights impacts in mind. This also reduces the likelihood of contributing to greenwashing or other negative consequences. The intent is not to prohibit specific clients or projects.

Clarifying the Compliance Criteria:

[3.3.1] “Organizational client” means clients that are organizations, including businesses, public sector organizations and civil society organizations. It excludes individuals.

[3.3.1] If the company has multiple projects with one client, it does not need to reassess that client. The company may also assess related clients in groups — such as subsidiaries of the same corporate family, or bodies within the same government. However, it still needs to assess each project individually.

[3.3.3] The company determines its “most material” clients or projects using any of the following categories.

- Revenue from the project or client
- Number of hours involved
- Relation to one or more salient human rights issues
- Severity and likelihood of a potential negative human rights impact

[3.3.3] Severity should outweigh likelihood, so that highly severe impacts — even if they are unlikely — are still prioritized.

- Severity refers to one or more of the following.
  - Scale — how serious would the impact be? A bigger scale is more severe.
  - Scope — how many people would be impacted? A bigger scope is more severe.
  - Ease of remediation — how easy would it be to remediate the potential negative impact? A higher difficulty of remediation is more severe. For example, it is easier to remediate underpaid wages than someone contracting an incurable disease due to poor health and safety conditions at work. Note, this does not mean less severe human rights impacts should not be remedied.
- Likelihood considers how likely the impact is, and how frequently it might occur.

Applying the Criteria to Independently Certifying Subsidiaries:

- The process is embedded, at minimum, at the highest level within the company. If the company references a procedure belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the procedure.

Further Guidance:

- Severity can be assessed using the following categories, as an example.
  - High: The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to people or their rights.
  - Medium: The impact and its resulting effects are expected to cause significant and lasting damage to people or their rights.
  - Low: The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to people or their rights.
- Likelihood considers how likely the impact is, and how frequently it might occur. Likelihood can be assessed using the following categories, as an example.
  - High — the impact is expected to occur continuously.
  - Medium — the impact is expected to occur regularly (i.e. from several times per year to several times per month).
  - Low — the impact is expected to occur only occasionally (i.e. only during a specific phase of a project).
- The company's process for assessing potential negative human rights impacts may include, for example:
  - conducting online research of potential clients, such as their:
    - participation in initiatives
    - scores in public benchmarks and rankings
    - certifications
    - approach to assessing and mitigating their own human rights impacts
    - having an internal committee that reviews clients and projects
  - gathering worker or peer feedback on a potential client or project
  - setting exclusion criteria — for example, not working with specific high-risk industries, countries, or clients
  - creating a risk matrix to evaluate industries or clients based on the severity of potential impacts and the client's mitigation measures.

- The company's mitigation actions may include, among others:
  - talking to the client and jointly adjusting the project to consider, prevent or mitigate potential negative human rights impacts
  - declining clients and projects with potential negative impacts, unless the company's project addresses the potential negative impacts.

Recommendations:

- Use multiple categories to determine the "most material" clients or projects, including the severity and likelihood of potential negative impacts.
- Consider the company's type of connection to the impact, also known as its "mode of involvement". The three types, or modes, are: causing an impact, contributing to an impact, or having a linkage to an impact.
  - Causing — the company has a direct and unique connection with the affected stakeholder. In response, the company takes steps to cease or prevent the impact and remediate it.
  - Contributing — a third party sits between the company and the affected stakeholder, or the company is one of multiple companies with a direct connection to the affected stakeholder. In response, the company has a responsibility to work with others to remediate the impact.
  - Linkage — an additional layer lies between the company and the affected stakeholder. The company has no responsibility to remediate past harm, but is responsible for preventing harm in the future.

Implementation Resources:

Resources to act on potential and actual human rights impacts:

- Doing Business with Respect for Human Rights - 3.4 Integrating and acting, see Guidance Point 2: Understanding how your company is connected to human rights impacts (UN Global Compact, Shift and Oxfam) [EN] [ES]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 24 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Examples of resources on human rights risks for specific companies:

- Corporate Human Rights Benchmark (World Benchmarking Alliance) [EN]
- Know the Chain Benchmark [EN]
- Business & Human Rights Resource Centre [AR] [DE] [EN] [ES] [FR] [JP] [KR] [PT] [RU] [Simplified ZH] [Traditional ZH]

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

HR3.4 The company assesses the potential negative human rights impacts of investments, and takes necessary mitigation actions.

Track factors:

Size	Sector	Industry
XX Large	Service with Minor Environmental Footprint	Equity investing - Emerging Markets
XX Large	Service with Minor Environmental Footprint	Equity investing - Developed Markets
XX Large	Service with Minor Environmental Footprint	Investment advising
X Large	Service with Minor Environmental Footprint	Equity investing - Emerging Markets
X Large	Service with Minor Environmental Footprint	Equity investing - Developed Markets
X Large	Service with Minor Environmental Footprint	Investment advising
Large	Service with Minor Environmental Footprint	Equity investing - Emerging Markets
Large	Service with Minor Environmental Footprint	Equity investing - Developed Markets
Large	Service with Minor Environmental Footprint	Investment advising
Medium	Service with Minor Environmental Footprint	Equity investing - Emerging Markets
Medium	Service with Minor Environmental Footprint	Equity investing - Developed Markets
Medium	Service with Minor Environmental Footprint	Investment advising
Small	Service with Minor Environmental Footprint	Equity investing - Emerging Markets
Small	Service with Minor Environmental Footprint	Equity investing - Developed Markets
Small	Service with Minor Environmental Footprint	Investment advising
Micro	Service with Minor Environmental Footprint	Equity investing - Emerging Markets

Micro	Service with Minor Environmental Footprint	Equity investing - Developed Markets
Micro	Service with Minor Environmental Footprint	Investment advising
Company without workers	Service with Minor Environmental Footprint	Equity investing - Emerging Markets
Company without workers	Service with Minor Environmental Footprint	Equity investing - Developed Markets
Company without workers	Service with Minor Environmental Footprint	Investment advising

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR3.4	From Year 0	Company without workers / Micro	The company assesses the potential negative human rights impacts of investments, and takes necessary mitigation actions.

Compliance Criteria:

3.4.1 The company has a process in place to assess the potential negative human rights impacts of potential investments.

3.4.2 The process sets out mitigation actions.

3.4.3 The company records how it assessed the potential negative human rights impacts of its three most material potential investments each year, and the outcomes of the process

a) in the last fiscal year before Year 0

b) annually in each subsequent year.

3.4.4 For Years 3 and 5, the company:

a) records its mitigation action, if its assessments identified any potential or actual negative impacts

b) records the effectiveness of its mitigation actions.

Intent:

To ensure the company selects investment with human rights impacts in mind.

Clarifying the Compliance Criteria:

[3.4.1] If the company invests multiple times in one investment, it does not need to reassess that investment. The company may also assess related investments in groups — such as subsidiaries of the same corporate family, or bodies within the same government.

[3.4.3] The company determines its "most material" investment using any of the following categories.

- Value of the investment
- Severity and likelihood of a potential negative human rights impact

[3.4.3] Severity should outweigh likelihood, so that highly severe impacts — even if they are unlikely — are still prioritized.

- Severity refers to one or more of the following.
  - Scale — how serious would the impact be? A bigger scale is more severe.
  - Scope — how many people would be impacted? A bigger scope is more severe.
  - Ease of remediation — how easy would it be to remediate the potential negative impact? A higher difficulty of remediation is more severe. For example, it is easier to remediate underpaid wages than someone contracting an incurable disease due to poor health and safety conditions at work. Note, this does not mean less severe human rights impacts should not be remedied.
- Likelihood considers how likely the impact is, and how frequently it might occur.

Applying the Criteria to Independently Certifying Subsidiaries:

- The process is embedded, at minimum, at the highest level within the company. If the company references a procedure belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the procedure.

Further Guidance:

- Severity can be assessed using the following categories, as an example.
  - High: The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to people or their rights.

- Medium: The impact and its resulting effects are expected to cause significant and lasting damage to people or their rights.
- Low: The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to people or their rights.

- Likelihood considers how likely the impact is, and how frequently it might occur. Likelihood can be assessed using the following categories, as an example.
  - High — the impact is expected to occur continuously.
  - Medium — the impact is expected to occur regularly (i.e. from several times per year to several times per month).
  - Low — the impact is expected to occur only occasionally (i.e. only during a specific phase of a project).
- The company's process for assessing potential negative human rights impacts may include, for example:
  - conducting online research of potential investments, including on the investment company or investment manager's:
    - participation in initiatives
    - scores in public benchmarks and rankings
    - certifications
    - approach to assessing and mitigating their own human rights impacts
  - having an internal committee reviews and advises on investment selection
  - gathering worker or peer feedback on a potential investment
  - setting exclusion criteria — for example, not investing in specific high-risk industries or countries
  - creating a risk matrix to evaluate investments based on the severity of potential impacts and the investment company or investment manager's mitigation measures.
- The company's mitigation actions may include, among others:
  - talking to the investment company or manager to ensure the investment considers their potential negative human rights impacts

Recommendations:

- Use multiple categories to determine the "most material" investments, including the severity and likelihood of potential negative impacts.

- Consider the company's type of connection to the impact, also known as its "mode of involvement". The three types, or modes, are: causing an impact, contributing to an impact, or having a linkage to an impact.
  - Causing — the company has a direct and unique connection with the affected stakeholder. In response, the company takes steps to cease or prevent the impact and remediate it.
  - Contributing — a third party sits between the company and the affected stakeholder, or the company is one of multiple companies with a direct connection to the affected stakeholder. In response, the company has a responsibility to work with others to remediate the impact.
  - Linkage — an additional layer lies between the company and the affected stakeholder. The company has no responsibility to remediate past harm, but is responsible for preventing harm in the future.

Implementation Resources:

Resources specifically for financial institutions on human rights:

- Human Rights Toolkit for Financial Institutions (United Nations Environment Programme) [EN]
- Dissecting Human Rights Disclosure: A tool for investors (Shift) [EN]
- Business Model Red Flags (Shift) [EN]

Resources to act on potential and actual human rights impacts:

- Taking action: investment and lending operations (United Nations Environment Programme) [EN]
- Doing Business with Respect for Human Rights - 3.4 Integrating and acting, see Guidance Point 2: Understanding how your company is connected to human rights impacts (UN Global Compact, Shift and Oxfam) [EN] [ES]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 24 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Frequently Asked Questions About the Guiding Principles on Business and Human Rights (Office of the High Commissioner for Human Rights) [EN] [ES] [FR] [PT] [RU]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Examples of resources on human rights risks for specific companies:

- Corporate Human Rights Benchmark (World Benchmarking Alliance) [EN]
- Know the Chain Benchmark [EN]
- Business & Human Rights Resource Centre [AR] [DE] [EN] [ES] [FR] [JP] [KR] [PT] [RU] [Simplified ZH] [Traditional ZH]

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

HR3.5 The company carries out a Human Rights Impact Assessment.

Track factors:

Size	Sector	Industry
XX Large	All	All
X Large	All	All
Large	None	None
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR3.5	From Year 5	X Large / XX Large	The company carries out a Human Rights Impact Assessment.

Compliance Criteria:

3.5.1 The company has carried out a Human Rights Impact Assessment in the last five years.

3.5.2 The assessment:

a) focuses on a high-risk context

b) is based on meaningful engagement with stakeholders, including affected stakeholders

c) assesses actual and potential negative impacts

d) reflects the company's type of connection

e) is carried out by people or an organization with relevant expertise.

3.5.3 The company publicly shares a summary of the assessment results at minimum.

Intent:

To ensure the company assesses human rights impacts in the most high-risk contexts. The Human Rights Impact Assessment is intended to more closely examine a high-risk context than the assessment of salient human rights issues.

Clarifying the Compliance Criteria:

[3.5.1] A social compliance audit does not count as a Human Rights Impact Assessment.

[3.5.2 a] The assessment focuses on either:

- an existing salient issue
- a new issue that is likely to become salient.

[3.5.2 a] Focusing on a “high-risk context” means targeting the assessment at a specific issue, place, or practice — for example:

- poverty wages in Vietnam
- abuse and harassment by senior leadership
- multiple human rights impacts from a construction project displacing a community.

[3.5.2 b] “Meaningful engagement with stakeholders” involves open discussion.

[3.5.2 e] “Relevant expertise” means the people or organization have:

- experience carrying out Human Rights Impact Assessments
- expertise in the impact areas to be assessed (e.g. forced labor)
- expertise in the relevant geographical or cultural context.

Applying the Criteria to Independently Certifying Subsidiaries:

- The assessment covers the company. If the company references an out-of-scope corporate assessment, it records evidence of:
  - how the assessment considered its stakeholders and operational impacts
  - how the assessment outcome is relevant to its context.

Further Guidance:

- Meaningful engagement with stakeholders" may include, for example:
  - meetings
  - interviews
  - workshops
  - surveys (however, a survey does not meet the criteria if it is the only form of engagement across all stakeholders).
- The company's "type of connection" to a negative impact is also known as its "mode of involvement". The three types, or modes, are: causing an impact, contributing to an impact, or having a linkage to an impact.
  - Causing — the company has a direct and unique connection with the affected stakeholder. In response, the company takes steps to cease or prevent the impact and remediate it.
  - Contributing — a third party sits between the company and the affected stakeholder, or the company is one of multiple companies with a direct connection to the affected stakeholder. In response, the company has a responsibility to work with others to remediate the impact.
  - Linkage — an additional layer lies between the company and the affected stakeholder. The company has no responsibility to remediate past harm, but is responsible for preventing harm in the future.

Recommendations:

Implementation Resources:

Resources to design or commission a Human Rights Impact Assessment:

- Guide to Human Rights Impact Assessment and Management (UN Global Compact) [EN] [ES]
- Human Rights Impact Assessment Framework (Oxfam) [EN]
- Human rights impact assessment guidance and toolbox (The Danish Institute for Human Rights) [EN]
- Human Rights Impact Assessment (The Danish Institute for Human Rights) [EN]

Resources to understand the company's "type of connection":

- Doing Business with Respect for Human Rights - 3.4 Integrating and acting (UN Global Compact, Shift and Oxfam) [EN] [ES]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide, see Q.10 What is meant by 'adverse human rights impact'? (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) D03
- Equivalency Data Point
  - [None]

HR3.6 The company implements additional due diligence for any operations in conflict-affected situations.

Track factors:

Size	Sector	Industry
XX Large	All	All
X Large	All	All
Large	All	All
Medium	All	All
Small	All	All
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR3.6	From Year 3	None	The company implements additional due diligence for any operations in conflict-affected situations.

Compliance Criteria:

3.6.1 The company identifies if it has any operations in conflict-affected situations.

3.6.2 If it does, the company:

a) assesses its connection to the conflict-affected situation

b) explains publicly its connection to the conflict-affected situation.

3.6.3 If the company's assessment finds that it may be negatively impacting the conflict-affected situation, it also:

a) engages expert organizations or representatives of affected stakeholders to learn more about their connection to the conflict

b) assesses whether stakeholders in the conflict-affected situation can raise grievances with the company

c) identifies triggers for actions it will take if the conflict escalates

d) assigns a contact person within the company

e) identifies existing human rights due diligence gaps

f) identifies how to prevent or mitigate potential negative impacts.

Intent:

For the company to apply additional due diligence focused on conflict-affected situations. In doing so, the company acknowledges that:

- it may have an impact on the conflict, and therefore a negative impact on people affected by the conflict.
- higher-risk situations require more intensive due diligence actions

Clarifying the Compliance Criteria:

[3.6.1] This sub-requirement does not apply if all entities within the scope of certification are based in a conflict-affect situation. For example, it would not apply to a corporate family whose company entities and subsidiaries were all located in a conflict-affected situation or situations. The intent is to require international companies that have a choice of where they operate to minimize harm by applying additional due diligence.

[3.6.1] The company checks if it has operations in any of the countries and territories listed under “conflict” in the most recently available World Bank Group’s List of Fragile and Conflict-affected Situations (the FCS List) [EN].

[3.6.1] “Operations” in this sub-requirement, refers to the company:

- having a physical presence in the conflict-affected situation (including shops, manufacturing sites, and offices)
- carrying out services with stakeholders in the conflict-affected situation (such as interviewing conflict victims)
- having investments in the conflict-affected situation, if the company is in the Equity Investors or Investment Advising industries.

[3.6.1] “Operations” in this sub-requirement does not include sourcing or procuring, or selling through third parties (e.g. retailers).

[3.6.1] A “conflict-affected situation” (also known as a “conflict-affected context”, or “conflict-affected and high-risk areas”) is a geographic area, region, or country experiencing armed conflict or widespread violence, including (from United Nations Development Program) [EN] [ES] [FR] [JP] [UK] [RU]:

- inter-state or civil war
- armed insurrections
- violent extremism
- other forms of organized violence.

[3.6.2 b] Explaining the company’s connection to any conflict-affected situations requires the company to share:

- the nature of its operations in the specific country or territory
- how those operations may or may not impact the conflict.

[3.6.2 b] The company is exempt from making its explanation public if doing so would put people at risk of harm.

[3.6.3 c] The company "identifies triggers for actions it will take if the conflict escalates" by agreeing in advance what it will do if the conflict worsens in certain ways. This involves identifying both escalation points in the conflict and the company's corresponding actions, as in the following examples.

- If the conflict spreads to a specific region, the company will stop operating in that region.
- If a business partner becomes involved in the conflict, the company will end its relationship with that partner.

Applying the Criteria to Independently Certifying Subsidiaries:

- The actions take place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- The company negatively impacting a conflict-affected situation may include, for example:
  - paying protection money to an armed militia group
  - selling products that are used as weapons in conflict
  - creating a platform used to spread misinformation or hate (e.g. if the company runs a social media website).
- "Human rights due diligence gaps" may include, for example:
  - policy gaps — existing policies or procedures do not cover conflict-related risks (e.g. they fail to protect workers if the conflict escalates)
  - capability or capacity gaps — the person responsible for monitoring a conflict does not have the right skills to do so
  - monitoring and information gaps — awareness of what is happening in a conflict-affect situation is lacking, or information-gathering methods have not kept up with changes in the conflict.
- There is no universally-accepted list of conflict-affected situations. Conflict and violence are complex and dynamic, and the risks associated with them are often specific to individual companies. The FCS List is a starting point. The company may consider additional sources and perspectives for a more complete view, such as the following recommendations.

- Identify how the company may be interacting with “aggressors” — those responsible for conflict. These are not listed in the FCS List. Where armed conflict between two states (known as conventional armed conflict) is illegal, the company analyzes its relationship with the conflict-affected situation through its relationship with the aggressor state. Determining the legality of a conflict is often complex and not binary (meaning neither “legal” or “not legal”).
- Consider violence that does not result in death. The FCS List measures conflict using the conflict-related death rate. This means it is less effective at capturing widespread violence that does not result in death, but which the company should still consider, such as mass imprisonment, forced sterilization, removal of children from families, and psychological torture.
- Apply additional due diligence to “socially and institutionally fragile” countries and territories. The FCS List also identifies these countries and territories, which may be used in a similar way to its “conflict” list. Take note of situation-specific risk factors, such as limited rule of law and governance, and increased corruption.
- Consider sanction lists, such as:
  - European Union's Sanction Map [EN]
  - United Nations Security Council Sanctions [EN] [ES] [FR].
- Consider other country and territory classification lists, such as:
  - European Union’s Indicative, non-exhaustive list of Conflict-Affected and High-Risk Areas [EN].
- Consider reports and feedback from civil society organizations, such as:
  - ACLED - Armed Conflict Location and Event Data [EN]
  - Amnesty International’s A-Z of Countries and Regions [EN]
  - Crisis Group’s CrisisWatch - The Tracking Conflict Worldwide [EN]
  - Geneva Academy’s Rule of Law in Armed Conflicts [EN]
  - Human Rights Watch [EN].

Recommendations:

- Implement responsible security management practices when using private security. “Responsible security management practices” include effective training, screening, and monitoring of security personnel, to ensure they follow international humanitarian law and responsible security practices. This may include the following recommendations.
  - Include conflict sensitivity and knowledge of international humanitarian law in security-personnel training (see Implementation Resources).
  - Include other specific concerns in training that might be relevant in conflict-affected situations, such as sexual violence, rules of engagement for the use of force, and de-escalation.
  - Ensure security personnel have been screened and hold the appropriate qualifications defined by the company or sector’s context to minimize the risk of human rights violations.
  - Ensure training requirements also apply to third-party organizations providing security personnel, including public security forces and private contractors.

Implementation Resources:

Resources to identify relevant locations:

- World Bank Group’s List of Fragile and Conflict-affected Situations [EN]
- European Union’s Indicative, non-exhaustive list of Conflict-Affected and High-Risk Areas [EN]

Resources to working in a conflict-affected situation:

- Addressing Security and Human Rights Challenges in Complex Environments: A Practical Toolkit (Geneva Centre for Security Sector Governance and others) [EN] [ES] [FR] [JP] [PT] [Simplified ZH]
- UN Framework of Analysis for Atrocity Crimes: A Tool for Prevention (United Nations) [EN] [FR]
- Doing Responsible Business in Armed, Conflict: Rights, Risks and Responsibilities (Australian Red Cross and RMIT University) [EN]
- A Guide for Local Working Groups on Business, Security and Human Rights (Geneva Centre for Security Sector Governance) [EN]

Other resources:

- Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts: A Guide (United Nations Development Program) [EN] [ES] [FR] [JP] [UK] [RU]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 7 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

HR4 The company works with suppliers to achieve its human rights objectives.

HR4.1 The company addresses limits on its ability to engage and monitor suppliers.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Manufacturing	All
X Large	Wholesale/Retail	All
X Large	Manufacturing	All
Large	Wholesale/Retail	All
Large	Manufacturing	All
Medium	Wholesale/Retail	All
Medium	Manufacturing	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.1	From Year 3	Medium / Large / X Large / XX Large	The company addresses limits on its ability to engage and monitor suppliers.

Compliance Criteria:

4.1.1 The company records information about potential negative human rights impacts related to:

a) source countries

b) specific raw materials.

4.1.2 The company:

a) identifies limits on its ability to monitor suppliers in source countries

b) has mitigation actions in place.

4.1.3 If the company uses social compliance audits or certifications to monitor suppliers, it:

a) identifies any limits on its approach

b) addresses any limits.

4.1.4 When selecting source countries and raw materials, the company:

a) considers potential negative human rights impacts

b) assesses and addresses limits on supplier monitoring.

Intent:

- For the company to consider the negative human rights impacts related to its source countries and raw materials. This helps prevent a situation where the company works with any source country or raw material by default, and treats human rights as an afterthought.
- To avoid companies basing their supplier engagement and monitoring solely on social compliance audits. Used in isolation, social compliance audits and certification can give a false sense of clarity and assurance. Through this and other sub-requirements in the B Lab Standard, companies will take an approach that goes beyond compliance. See Recommendations for more information about the shortcomings of social compliance audits.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:

- roll out, enforcement, and accountability mechanisms
- how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- "Limits" on the company's ability to monitor its suppliers may include, for example:
  - countries with autocratic governments, and with restrictions on civil society organizations (CSOs) or free press
  - countries where conflicts are happening
  - countries where fraud and bribery are common
  - countries where there are known challenges with social compliance audits (see Recommendations).
- Mitigation actions the company may take if its monitoring is limited include, for example:
  - collaborating with peer companies, CSOs, or unions to establish other ways of monitoring suppliers
  - using worker voice technology, a phone- or app-based technology used to survey workers, as an alternative way to monitor suppliers
  - choosing a different source country or raw material
  - discontinuing a service or product.
- The company may address the limits of social compliance audits in the following ways, for example.
  - Use unannounced or "surprise" audits when suspecting serious issues, such as child labor.
  - Commission audits that go beyond the limited methodology of the social compliance audit scheme. For example:
    - increase the number of worker interviews
    - increase the number of interviews with supervisors and middle management
    - include interviews with workers outside the working facility
    - increase the total audit time
    - increase the size of the audit team

- integrate external sources of information, such as feedback from local CSOs and residents, or local news reports
- add worker interviews in additional languages, such as languages spoken by migrant workers
- add salient human rights issues that are not part of the social compliance audit standard — such as living wage
- choose audit partners based on quality and integrity criteria, and not on cost alone
- give workers a way to contact the auditor after the audit is complete.

  - Include middle management and workers when drafting and reviewing corrective action plans.
  - Provide enough time and create incentives for realistic corrective action plans.

- Questions to assess the standards and methodologies behind social compliance audits and certifications may include, for example:
  - Is there public criticism of the standard or methodology?
  - Does the methodology verify information in person or remotely?
  - Does the methodology involve speaking to affected stakeholders?
  - Does the audit give enough time for assessing and verifying?
  - What are the incentives for parties to cooperate? What are the disincentives? Are there any conflicts of interest?
  - Does the scope of the standard align with the company's salient human rights issues?
  - Is the audit company aware of its own gaps and weaknesses? Is the body responsible for the standards and methodology aware of its own gaps and weaknesses? To what extent do they acknowledge and discuss them?

Recommendations:

- Work with the company undertaking a social compliance audit to tailor its approach. In most cases, the audit company — usually a professional services company — can go beyond the limited methodology of the social compliance audit scheme. For example, ask the audit company to include additional worker interviews in its audit.

Implementation Resources:

Resources to learn about the shortcomings of social compliance and certifications:

- Fig Leaf for Fashion. How social auditing protects brands and fails workers (Clean Clothes Campaign) [EN]
- From Audit to Innovation: Advancing Human Rights in Global Supply Chains (Shift) [EN]
- Benefits and limitations of social audits, certifications and MSIs (The Danish Institute for Human Rights) [EN]
- “Obsessed with Audit Tools, Missing the Goal” (Human Rights Watch) [EN]
- Human rights fitness of the auditing and certification industry? (ECCHR, Brot für die Welt and MISEREOR) [EN]
- What Standards can achieve (SME Compass) [DE] [EN]

Resources to learn about alternative models of supplier monitoring and engagement:

- Technology-based approaches (The Danish Institute for Human Rights) [EN]
- Worker-driven social responsibility models (The Danish Institute for Human Rights) [EN]
- Worker Engagement Supported by Technology (WEST) Principles [EN]

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State’s Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 414: Supplier Social Assessment 2016 - Topic management disclosures - Disclosure requirement 1.1
  - Workforce Disclosure Initiative 2024 (ShareAction) 12.4, 12.7
- Equivalency Data Point
  - [None]

HR4.2 The company considers actual and potential human rights impacts in its procurement decisions.

Track factors:

Size	Sector	Industry
XX Large	None	None
X Large	None	None
Large	None	None
Medium	Service with Significant Environmental Footprint	All
Medium	Service with Minor Environmental Footprint	All
Small	All	All
Micro	All	All
Company without workers	All	All

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.2	From Year 0	None	The company considers actual and potential human rights impacts in its procurement decisions.

Compliance Criteria:

4.2.1 The company has considered the actual and potential human rights impacts of the three most material procurement decisions

a) in the last fiscal year or twelve months before Year 0

b) in each subsequent year.

Intent:

To ensure the company makes better procurement decisions in relation to human rights impacts.

Clarifying the Compliance Criteria:

[4.2.1] Actions the company takes to meet sub-requirements ESC5.1 and ESC5.2 — to consider actual and potential environmental impacts in procurement decisions — may count towards this sub-requirement. This means the company can use one combined process to consider both human rights and environmental impacts. However, to meet this sub-requirement, one of the five most material procurement decisions, at minimum shows how the company has considered human rights impacts.

[4.2.1] This sub-requirement applies to suppliers at all tiers.

[4.2.1] This sub-requirement covers all types of procurement, including of:

- raw materials
- finished and semi-finished goods
- services.

[4.2.1] The company determines its “most material” procurement decisions using any of the following categories.

- Spend
- Volume
- Relevance to one or more salient issues [link to HR2.1, which is not applicable to all companies]
- Severity and likelihood of a potential negative human rights impact

[4.2.1] Severity should outweigh likelihood, so that highly severe impacts — even if they are unlikely — are still prioritized.

- Severity refers to one or more of the following.
  - Scale — how serious would the impact be? A bigger scale is more severe.
  - Scope — how many people would be impacted? A bigger scope is more severe.
  - Ease of remediation — how easy would it be to remediate the potential negative impact? A higher difficulty of remediation is more severe. For example, it is easier to remediate underpaid wages than someone contracting an incurable disease due to poor health and safety conditions at work. Note, this does not mean less severe human rights impacts should not be remedied.
- Likelihood considers how likely the impact is, and how frequently it might occur.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- Severity can be assessed using the following categories, as an example.
  - High: The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to people or their rights.
  - Medium: The impact and its resulting effects are expected to cause significant and lasting damage to people or their rights.
  - Low: The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to people or their rights.
- Likelihood considers how likely the impact is, and how frequently it might occur. Likelihood can be assessed using the following categories, as an example.
  - High — the impact is expected to occur continuously.
  - Medium — the impact is expected to occur regularly (i.e. from several times per year to several times per month).
  - Low — the impact is expected to occur only occasionally (i.e. only during a specific phase of a project).
- Procurement decisions applying to many companies in the service sector include, for example:
  - coffee, tea, and other beverages
  - pens, paper, and other stationary
  - computers and other equipment
  - chairs, desks, and other furniture
  - corporate gifts
  - cleaning services

- security services
- catering services.

- To consider the potential negative human rights impacts of procurement decisions, the company may, for example:
  - procure locally
  - procure second-hand
  - research risks linked to certain companies, products, source countries, and raw materials (see Implementation Resources for examples)
  - procure from companies with impactful alternative business models (e.g. social enterprises, worker cooperatives, and producer cooperatives)
  - procure from companies with sustainability certifications (e.g. Fairtrade [EN] and B Corp)
  - for any formal supplier relationships:
    - talk to suppliers to understand how they consider human rights
    - establish a responsible procurement policy with an emphasis on social impact
    - incentivize existing suppliers to improve their sustainability performance
    - prioritize social credentials in supplier selection (e.g. prefer suppliers that are aligned with the company's human rights strategy).

Recommendations:

- Create a sustainable procurement guideline with human rights criteria. Use the B Lab Standard as a starting point for deciding what to include (e.g. Fair Work and principles of Justice, Equity, Diversity, and Inclusion).
- Use multiple categories to determine the "most material" procurement decisions, including the severity and likelihood of potential negative impacts.

Implementation Resources:

Resources to learn about social procurement:

- Social Procurement Guide (International Labour Organization) [EN] [TR]

- The Social Procurement Manual (yunus social business) [EN]
- 3 Actionable Steps to Help Companies Get Started with Social Procurement (B The Change) [EN]
- Resource Library (SEWF) [EN] [For AR, FR, and Traditional ZH see options in the top-right of the webpage after clicking the link provided here]

Examples of resources on human rights risks for specific companies:

- Corporate Human Rights Benchmark (World Benchmarking Alliance) [EN]
- Know the Chain Benchmark [EN]
- Business & Human Rights Resource Centre [AR] [DE] [EN] [ES] [FR] [JP] [KR] [PT] [RU] [Simplified ZH] [Traditional ZH]

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]

- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Other resources:

- Implementing Human Rights and Environmental Due Diligence: A Guide for Small- and Medium-sized “First-buyers (Fairtrade International) [EN]
- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 24 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 204: Procurement Practices 2016 - 1. Topic management disclosures 1.1
  - GRI 401: Employment 2016 - Management approach disclosures - Reporting recommendation 1.2.2-1.2.7
  - GRI 408: Child Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 409: Forced or Compulsory Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 411: Rights of Indigenous Peoples 2016 - 1. Topic management disclosures 1.1
  - GRI 413: Local Communities 2016 - 1. Topic management disclosures 1.1
  - GRI 414: Supplier Social Assessment 2016 - 1. Topic management disclosures 1.1
  - Communication on Progress Questionnaire 2023 (UN Global Compact) G7.1
  - Workforce Disclosure Initiative 2024 (ShareAction) 12.2, 12.2a
- Equivalency Data Point
  - [None]

HR4.3 The company considers actual and potential human rights impacts in its procurement decisions.

Track factors:

Size	Sector	Industry
XX Large	Service with Minor Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Medium	Wholesale/Retail	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.3	From Year 0	Medium / Large / X Large / XX Large	The company considers actual and potential human rights impacts in its procurement decisions.

Compliance Criteria:

4.3.1 The company has considered the actual and potential human rights impacts of the five most material procurement decisions

a) in the last fiscal year before Year 0

b) in each subsequent year.

Intent:

To ensure the company makes better procurement decisions in relation to human rights impacts.

Clarifying the Compliance Criteria:

[4.3.1] Actions the company takes to meet sub-requirements ESC5.1 and ESC5.2 — to consider actual and potential environmental impacts in procurement decisions — may count towards this sub-requirement. This means the company can use one combined process to consider both human rights and environmental impacts. However, to meet this sub-requirement, one of the five most material procurement decisions, at minimum shows how the company has considered human rights impacts.

[4.3.1] This sub-requirement applies to suppliers at all tiers.

[4.3.1] This sub-requirement covers all types of procurement, including of:

- raw materials
- finished and semi-finished goods
- services.

[4.3.1] The company determines its “most material” procurement decisions using any of the following categories.

- Spend
- Volume
- Relevance to one or more salient issues [link to HR2.1, which is not applicable to all companies]
- Severity and likelihood of a potential negative human rights impact

[4.3.1] Severity should outweigh likelihood, so that highly severe impacts — even if they are unlikely — are still prioritized.

- Severity refers to one or more of the following.
  - Scale — how serious would the impact be? A bigger scale is more severe.
  - Scope — how many people would be impacted? A bigger scope is more severe.
  - Ease of remediation — how easy would it be to remediate the potential negative impact? A higher difficulty of remediation is more severe. For example, it is easier to remediate underpaid wages than someone contracting an incurable disease due to poor health and safety conditions at work. Note, this does not mean less severe human rights impacts should not be remedied.
- Likelihood considers how likely the impact is, and how frequently it might occur.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- Severity can be assessed using the following categories, as an example.
  - High: The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to people or their rights.
  - Medium: The impact and its resulting effects are expected to cause significant and lasting damage to people or their rights.
  - Low: The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to people or their rights.
- Likelihood considers how likely the impact is, and how frequently it might occur. Likelihood can be assessed using the following categories, as an example.
  - High — the impact is expected to occur continuously.
  - Medium — the impact is expected to occur regularly (i.e. from several times per year to several times per month).
  - Low — the impact is expected to occur only occasionally (i.e. only during a specific phase of a project).
- Procurement decisions applying to many companies in the service sector include, for example:
  - coffee, tea, and other beverages
  - pens, paper, and other stationary
  - computers and other equipment
  - chairs, desks, and other furniture
  - corporate gifts
  - cleaning services

- security services
- catering services.

- To consider the potential negative human rights impacts of procurement decisions, the company may, for example:
  - procure locally
  - procure second-hand
  - research risks linked to certain companies, products, source countries, and raw materials (see Implementation Resources for examples)
  - procure from companies with impactful alternative business models (e.g. social enterprises, worker cooperatives, and producer cooperatives)
  - procure from companies with sustainability certifications (e.g. Fairtrade [EN] and B Corp)
  - for any formal supplier relationships:
    - talk to suppliers to understand how they consider human rights
    - establish a responsible procurement policy with an emphasis on social impact
    - incentivize existing suppliers to improve their sustainability performance
    - prioritize social credentials in supplier selection (e.g. prefer suppliers that are aligned with the company's human rights strategy).

Recommendations:

- Create a sustainable procurement guideline with human rights criteria. Use the B Lab Standard as a starting point for deciding what to include (e.g. Fair Work and principles of Justice, Equity, Diversity, and Inclusion).
- Use multiple categories to determine the "most material" procurement decisions, including the severity and likelihood of potential negative impacts.

Implementation Resources:

Resources to learn about social procurement:

- Social Procurement Guide (International Labour Organization) [EN] [TR]
- The Social Procurement Manual (yunus social business) [EN]
- 3 Actionable Steps to Help Companies Get Started with Social Procurement (B The Change) [EN]

Resources to learn about responsible procurement:

- Recommendations on Responsible Purchasing Practices (RPPs) (GIZ, inclsve, Fair & Sustainable Consulting) [EN]
- The Common Framework for Responsible Purchasing Practices (Fair Wear) [EN]
- Implementing Human Rights and Environmental Due Diligence: A Guide for Small- and Medium-sized “First-buyers (Fairtrade International) [EN]

Examples of resources on human rights risks for specific companies:

- Corporate Human Rights Benchmark (World Benchmarking Alliance) [EN]
- Know the Chain Benchmark [EN]
- Business & Human Rights Resource Centre [AR] [DE] [EN] [ES] [FR] [JP] [KR] [PT] [RU] [Simplified ZH] [Traditional ZH]

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State’s Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 204: Procurement Practices 2016 - 1. Topic management disclosures 1.1
  - GRI 401: Employment 2016 - Management approach disclosures - Reporting recommendation 1.2.2-1.2.7
  - GRI 408: Child Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 409: Forced or Compulsory Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 411: Rights of Indigenous Peoples 2016 - 1. Topic management disclosures 1.1
  - GRI 413: Local Communities 2016 - 1. Topic management disclosures 1.1
  - GRI 414: Supplier Social Assessment 2016 - 1. Topic management disclosures 1.1
  - Communication on Progress Questionnaire 2023 (UN Global Compact) G7.1
  - Workforce Disclosure Initiative 2024 (ShareAction) 12.2, 12.2a
- Equivalency Data Point
  - [None]

HR4.4 The company works with suppliers to prevent or mitigate the most salient human rights issues.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.4	From Year 0	Large / X Large / XX Large	The company works with suppliers to prevent or mitigate the most salient human rights issues.

Compliance Criteria:

4.4.1 The company:

a) identifies prioritized suppliers related to its salient human rights issues (HR2.1)

b) records the criteria it used to prioritize suppliers.

4.4.2 The company works with its prioritized suppliers to prevent or mitigate their most material human rights impacts by

a) agreeing on targets with each prioritized supplier

b) monitoring progress at least annually

4.4.3 For Years 3 and 5, the company records specific prevention and mitigation actions and their outcomes.

Intent:

To ensure the company's awareness of potential negative impacts in the supply chain leads to prevention and mitigation actions. Prevention and mitigation is proactive, meaning it addresses a potential impact before it becomes an actual impact.

Clarifying the Compliance Criteria:

[4.4.1] This sub-requirement applies to suppliers at all tiers.

[4.4.2] If the supplier is unwilling or unable to take meaningful prevention or mitigation action, the company considers:

- engaging in advocacy or other collective action to address systemic issues and enable the prevention or mitigation action [link to GACA2]
- choosing to responsibly exit its relationship with the supplier as a last resort.

[4.4.2] The following actions on their own do not meet this sub-requirement.

- Social compliance audits
- Sharing a human rights or labor code of conduct

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- In HR3.2, the company takes action to prevent or mitigate actual and potential negative human rights impacts in all contexts. This sub-requirement focuses on the company working with suppliers to address actual and potential impacts in the supply chain.
- Actions by the supplier to mitigate its actual and potential negative impacts may include, for example:
  - conducting a social assessment
  - obtaining a social certification
  - demonstrating that its human rights approach aligns with the company's human rights strategy
  - setting joint priorities and actions with the company with targets to mitigate negative human rights impacts, and measuring progress.

- To mitigate the supplier's negative human rights impacts, the company may, for example:
  - mentor or upskill suppliers
  - change its orders using supplier feedback to help meet human rights expectations (e.g. avoid last minute changes to orders, which can cause excessive working hours)
  - balance contractual terms to cover both buyer and supplier commitments [see HR4.5 and HR4.6]. Actions taken under HR4.5 and HR4.6 do not count towards this sub-requirement.
  - support suppliers through joint projects (e.g. training the supplier's workers or management, connecting suppliers to industry guides and tools, or providing expert implementation support)
  - fund or co-fund costs typically assigned to suppliers, such as getting social assessments and implementing workplace improvements.
- Criteria for prioritizing suppliers may include, for example:
  - supplier risk level
  - impact severity and likelihood
  - geographic location.

Recommendations:

- Consider the company's "type of connection" to the impact, also known as its "mode of involvement". The three types, or modes, are: causing an impact, contributing to an impact, or having a linkage to an impact.
  - Causing — the company has a direct and unique connection with the affected stakeholder. In response, the company takes steps to cease or prevent the impact and remediate it.
  - Contributing — a third party sits between the company and the affected stakeholder, or the company is one of multiple companies with a direct connection to the affected stakeholder. In response, the company has a responsibility to work with others to remediate the impact.
  - Linkage — an additional layer lies between the company and the affected stakeholder. The company has no responsibility to remediate past harm, but is responsible for preventing harm in the future.

Implementation Resources:

Resources to learn about responsible procurement:

- Recommendations on Responsible Purchasing Practices (RPPs) (GIZ, inclsve, Fair & Sustainable Consulting) [EN]
- The Common Framework for Responsible Purchasing Practices (Fair Wear) [EN]
- Better Buying Institute [EN]
- Sustainable Procurement Pledge [EN]

Resources to understand the company's "type of connection":

- Doing Business with Respect for Human Rights - 3.4 Integrating and acting (UN Global Compact, Shift and Oxfam) [EN] [ES]
- The Corporate Responsibility to Respect Human Rights: An interpretive guide, see Q.10 What is meant by 'adverse human rights impact'? (Office of the High Commissioner for Human Rights) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- SME Compass, see 3.3 Determine the connection to risks (Agency for Business & Economic Development) [DE] [EN]

Resources to manage human rights issues in the supply chain:

- Supply Chain Sustainability: A Practical Guide for Continuous Improvement, Second Edition (UN Global Compact) [DE] [EN] [ES] [JP] [TR] [PT] [ZH Mandarin]

Other resources:

- Guiding Principles on Business & Human Rights (Office of the High Commissioner for Human Rights) 13 [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 401: Employment 2016 - Management approach disclosures - Reporting recommendation 1.2.2-1.2.7
  - GRI 408: Child Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 409: Forced or Compulsory Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 411: Rights of Indigenous Peoples 2016 - 1. Topic management disclosures 1.1

- GRI 413: Local Communities 2016 - 1. Topic management disclosures 1.1
- GRI 414: Supplier Social Assessment 2016 - 1. Topic management disclosures 1.1
- Workforce Disclosure Initiative 2024 (ShareAction) 13.1

- Equivalency Data Point
  - [None]

HR4.5 The company increases its commitments across its sourcing documents.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.5	From Year 5	Large / X Large / XX Large	The company increases its commitments across its sourcing documents.

Compliance Criteria:

4.5.1 The company gets feedback from suppliers on the commitments and responsibilities in its sourcing documents.

4.5.2 The company adds buyer commitments and responsibilities to sourcing documents to achieve, at minimum, balance between buyer and supplier expectations.

4.5.3 The commitments and responsibilities relate to human rights.

4.5.4 The company updates its sourcing documents to include, at minimum:

a) a joint commitment to human rights due diligence

b) a joint commitment to prioritize remediation for victims of human rights violations

c) a commitment from the buyer to the principle of responsible exit.

4.5.5 The company records changes to the sourcing documents.

Intent:

To rebalance expectations in buyer-supplier relations. Sourcing documents, such as supplier codes of conduct, often aim to manage the buyer's risks. This ignores the complexity of managing human rights risks in supply chains, and creates an imbalance of risk and responsibility between buyers and suppliers. This imbalance leads, for example, to:

- suppliers making unrealistic promises to fully comply with human rights standards, where even small deviations will constitute a breach
- a focus on supplier responsibilities that overlooks buyer responsibilities — especially buyers' purchasing practices
- contracts that prioritize the buyer and supplier if something goes wrong over negatively affected stakeholders, such as workers.

Clarifying the Compliance Criteria:

[4.5.1; 4.5.2, 4.5.3; 4.5.5] “Sourcing documents” are any documents shared publicly or with suppliers that describe the company’s expectations of suppliers.

[4.5.1; 4.5.2] This sub-requirement focuses on the company’s relationship with its external suppliers. The company is the “buyer”.

[4.5.1; 4.5.2, 4.5.3; 4.5.5] “Sourcing documents” are any documents shared publicly or with suppliers that describe the company’s expectations of suppliers.

[4.5.1; 4.5.2] This sub-requirement focuses on the company’s relationship with its external suppliers. The company is the “buyer”.

[4.5.2] Comparing buyer and supplier commitments may be done within each sourcing document or across them. For example, the company may have a Supplier Code of Conduct with supplier commitments and a Buyer Code of Conduct with buyer commitments.

[4.5.1; 4.5.2, 4.5.3; 4.5.5] “Sourcing documents” are any documents shared publicly or with suppliers that describe the company’s expectations of suppliers.

[4.5.4 a; 4.5.4 b] A “joint commitment” means the buyer and supplier both agree to the commitment.

[4.5.4 a; 4.5.4 b] A “joint commitment” means the buyer and supplier both agree to the commitment.

[4.5.1; 4.5.2, 4.5.3; 4.5.5] “Sourcing documents” are any documents shared publicly or with suppliers that describe the company’s expectations of suppliers.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it demonstrates:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- Relevant “sourcing documents” may include, for example:
  - a sourcing or procurement policy
  - a supplier code of conduct
  - supplier contracts
  - purchase orders.
- Relevant “commitments and responsibilities” to look at may include, for example, those related to:
  - payment and delivery terms
  - pricing
  - order cancellation and amendment terms
  - production forecasting and timelines
  - training and audit costs
  - prioritization for remediating negative human rights impacts
  - transparency with one another and the public.
- “Adding buyer commitments and responsibilities to sourcing documents” may include, for example:
  - ensuring the number of buyer commitments and responsibilities is similar to or exceeds the number of supplier commitments and responsibilities
  - making joint commitments instead of supplier-only commitments where appropriate
  - setting deadlines that apply equally, or that favor the supplier (e.g. for canceling or changing orders)
  - setting the same financial penalties for contract breaches, or penalties that are higher for the buyer
  - sharing risks evenly, or placing less risk on the supplier (e.g. risks of impacts from extreme weather or public health events)
  - sharing costs of actions that benefit both sides evenly, or the buyer paying a greater share (e.g. actions to assess working conditions).

Recommendations:

Implementation Resources:

Resources to assess and update sourcing documents:

- The Buyer Code (Responsible Contracting Project) [EN]
- Responsible Contracting in Sustainable Procurement (UN Global Compact) [EN]
- Buyer-Supplier Mutual Code of Conduct (Social Accountability International) [EN]
- Brand Guidance for Responsible Sourcing Dialogue (Fair Wear) [EN]
- Buyer Guidance for Responsible Contracting (Fair Wear) [EN]
- Tools for Responsible Sourcing Dialogue (Fair Wear) [EN]
- The Common Framework for Responsible Purchasing Practices [EN]

Resources to draft new legal text:

- Model Contract Clauses 2.0 (Responsible Contracting Project) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C07, C08
- Equivalency Data Point
  - [None]

HR4.6 The company has a time-bound plan to trace the origin and potential human rights impacts of its high-risk raw materials.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	None	None
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.6	From Year 3	X Large / XX Large	The company has a time-bound plan to trace the origin and potential human rights impacts of its high-risk raw materials.

Compliance Criteria:

4.6.1 The company identifies its high-risk raw materials.

4.6.2 The company either:

a) knows the origin country and potential human rights impacts of its high-risk raw materials

b) has a time-bound plan to trace and fully map its supply chain across all supplier tiers and for all high-risk raw materials.

4.6.3 The company documents the proportion of high-risk raw materials that it can trace to their origin.

Intent:

For the company to map its supply chain and mitigate the actual and potential negative impacts of its high-risk raw materials.

Clarifying the Compliance Criteria:

[4.6.1] A “high-risk raw material” is any raw material that is known or suspected to involve severe negative human rights impacts.

[4.6.1] The company identifies which of its raw materials are “high-risk”.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- There is no universal list of “high-risk” raw materials. Raw materials to consider in combination with the company’s sourcing volume include, among others:
  - textiles, including cotton, rayon, leather and silk
  - agri- and aquacultural raw materials, including:
    - coffee, cocoa, and tea
    - fruit, honey, and nuts
    - oils, spices, and sugar
    - cereals, vegetables, and rice
    - fish, seafood, and cattle
    - flowers, plants and bamboo
  - metals and minerals, including beryllium, brass, calcium carbide, charcoal, coal, cobalt, colstan, copper, crushed stone, gold, diamonds, granite, gravel, jewels, lithium, polysilicon, tin, tungsten, salt, silver, steel, and zinc

- semi-finished products, including bricks and rubber.

Recommendations:

- Focus on origin countries to start with. Then, over time, move toward tracing raw materials with higher levels of detail (i.e. by region, supply shed, mill, cooperative, or farm).

Implementation Resources:

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]

- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Example of resources on supply chain traceability:

- The Traceability Playbook for Fashion Supply Chains (trustrace) [EN]
- A Step-by-Step Guide for Successful Implementation of Traceability Systems in Agricultural Supply Chains: Entry-Level Introduction to Traceability Systems (GIZ) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 408: Child Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 409: Forced or Compulsory Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 411: Rights of Indigenous Peoples 2016 - 1. Topic management disclosures 1.1
  - GRI 204: Procurement Practices 2016 - 1. Topic management disclosures 1.1
  - European Sustainability Reporting Standards G1 2023 - Disclosure Requirement G1-2 – Management of relationships with suppliers 15.
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C10
  - Workforce Disclosure Initiative 2024 (ShareAction) 11.2, 11.3b, 11.9
- Equivalency Data Point
  - [None]

HR4.7 The company traces more high-risk raw materials to their origin.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	None	None
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.7	From Year 5	X Large / XX Large	The company traces more high-risk raw materials to their origin.

Compliance Criteria:

4.7.1 The company increases the proportion of high-risk raw materials that it ckritische Rohstoffan trace to their origin according to their plan (HR4.6).

Intent:

To ensure the company makes progress toward mapping the high-risk raw materials in its supply chain.

Clarifying the Compliance Criteria:

[4.7.1] A “high-risk raw material” is any raw material that is known or suspected to involve severe negative human rights impacts.

[4.7.1] The company identifies which of its raw materials are “high-risk”.

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

Recommendations:

Implementation Resources:

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State’s Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]

- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
- Minerals Due Diligence (Responsible Minerals Initiative) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Example of resources on supply chain traceability:

- The Traceability Playbook for Fashion Supply Chains (trustrace) [EN]
- A Step-by-Step Guide for Successful Implementation of Traceability Systems in Agricultural Supply Chains: Entry-Level Introduction to Traceability Systems (GIZ) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 408: Child Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 409: Forced or Compulsory Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 411: Rights of Indigenous Peoples 2016 - 1. Topic management disclosures 1.1
  - GRI 204: Procurement Practices 2016 - 1. Topic management disclosures 1.1

- European Sustainability Reporting Standards G1 2023 - Disclosure Requirement G1-2 – Management of relationships with suppliers 15.
- Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C10
- Workforce Disclosure Initiative 2024 (ShareAction) 11.2, 11.3b, 11.9

- Equivalency Data Point
  - [None]

HR4.8 The company works with suppliers to address human rights impacts related to high-risk raw materials.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Manufacturing	All
XX Large	Agriculture/Growers	All
X Large	Wholesale/Retail	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	None	None
Medium	None	None
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.8	From Year 5	X Large / XX Large	The company works with suppliers to address human rights impacts related to high-risk raw materials.

Compliance Criteria:

4.8.1 The company works with its prioritized suppliers to prevent and mitigate human rights impacts related to high-risk raw materials, in line with its plan (HR4.6) and its actions (HR4.7).

4.8.2 The company works with its prioritized suppliers to remediate any human rights impacts related to high-risk raw materials.

4.8.3 The engagement process includes:

a) an action plan and targets

b) monitoring progress at least annually

c) recording specific prevention and mitigation actions and their outcomes.

Intent:

To ensure the company addresses the actual and potential negative impacts of its high-risk raw materials.

Clarifying the Compliance Criteria:

[4.8.1] A “high-risk raw material” is any raw material that is known or suspected to involve severe negative human rights impacts.

[4.8.2] If the supplier is unwilling or unable to take meaningful prevention or mitigation action, the company considers:

- engaging in advocacy or other collective action to address systemic issues and enable the prevention or mitigation action [link to GACA2]
- choosing to responsibly exit its relationship with the supplier as a last resort.

[4.8.2] The following actions on their own do not meet this sub-requirement.

- Social compliance audits
- Sharing a human rights or labor code of conduct

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- Prevent, mitigate and remediate exist in a hierarchy. Preventing a negative impact is always preferred. If an impact cannot be prevented, then the company tries to mitigate it. If the impact actually occurs, then the company remediates it.
- Actions by the supplier to mitigate its actual and potential negative impacts may include, for example:
  - conducting a social assessment
  - obtaining a social certification
  - demonstrating that its human rights approach aligns with the company’s human rights strategy
  - setting joint priorities and actions with the company with targets to mitigate negative human rights impacts, and measuring progress.

- To mitigate the supplier's negative human rights impacts, the company may, for example:
  - mentor or upskill suppliers
  - change its orders using supplier feedback to help meet human rights expectations (e.g. avoid last minute changes to orders, which can cause excessive working hours)
  - balance contractual terms to cover both buyer and supplier commitments [see HR4.5 and HR4.6]. Actions taken under HR4.5 and HR4.6 do not count towards this sub-requirement.
  - support suppliers through joint projects (e.g. training the supplier's workers or management, connecting suppliers to industry guides and tools, or providing expert implementation support)
  - fund or co-fund costs typically assigned to suppliers, such as getting social assessments and implementing workplace improvements.

Recommendations:

Implementation Resources:

Examples of resources on human rights risks in specific countries:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Labor Rights Index (WageIndicator Foundation & Centre for Labour Research) [EN]
- Global Rights Index (International Trade Union Confederation) [DE] [EN] [ES] [FR]
- Global Slavery Index (Walk Free Foundation) [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]

Examples of resources on human rights risks for specific raw materials:

- Responsible Sourcing Tool (Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons) [EN]
- CSR Risk Check (MVO Netherlands) [DE] [EN]
- Risk Map (Fairtrade International) [EN]
- Social Risk Map (Rainforest International) [DE] [EN] [ES] [PT]
- List of Goods Produced by Child Labor or Forced Labor (US Department of Labor) [EN]
- Withhold Release Orders and Finding List (US Customs and Border Protection) [EN]
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Example of resources on supply chain traceability:

- The Traceability Playbook for Fashion Supply Chains (trustrace) [EN]
- A Step-by-Step Guide for Successful Implementation of Traceability Systems in Agricultural Supply Chains: Entry-Level Introduction to Traceability Systems (GIZ) [EN]

Interoperability:

- Conceptual Alignment Data Point
  - GRI 408: Child Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 409: Forced or Compulsory Labor 2016 - 1. Topic management disclosures 1.1
  - GRI 411: Rights of Indigenous Peoples 2016 - 1. Topic management disclosures 1.1
  - GRI 204: Procurement Practices 2016 - 1. Topic management disclosures 1.1
  - European Sustainability Reporting Standards G1 2023 - Disclosure Requirement G1-2 – Management of relationships with suppliers 15.
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) C10
  - Workforce Disclosure Initiative 2024 (ShareAction) 11.2, 11.3b, 11.9

- Equivalency Data Point
  - [None]

HR4.9 The company looks for living wage gaps in its service contracts.

Track factors:

Size	Sector	Industry
XX Large	Service with Minor Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Medium	Service with Minor Environmental Footprint	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.9	From Year 0	Medium / Large / X Large / XX Large	The company looks for living wage gaps in its service contracts.

Compliance Criteria:

4.9.1 The company assesses its service contracts to see if service suppliers pay a living wage or collectively-bargained wage.

4.9.2 The company records any living wage gaps.

4.9.3 The company assesses contracts for services where no formal qualification is required.

Intent:

To ensure the company is aware of living wage gaps in its service contracts

Clarifying the Compliance Criteria:

[4.9.1] A “service contract” is any contract for a service provided to the company. Outsourced production is not a service.

[4.9.1] The company does not assess living wage gaps where there is:

- no free living wage estimate data
- a collective bargaining agreement.

[4.9.1] The company uses one or more of the three approaches below to assess if service suppliers pay a living wage or collectively-bargained wage. The best feasible approach will depend on the availability of living wage estimates and willingness of service providers to share information.

- Research whether the service workers might fall under a collective bargaining agreement.
- Compare the minimum wage to the living wage in the location where these jobs are contracted. A potential living wage gap exists where the minimum wage is below the living wage, and the service provider is likely to pay the minimum wage.
- Compare the rate the company pays to the service provider with the living wage in the provider’s country or region. If the rate for the service is below the living wage, the company can assume the service provider cannot pay a living wage. Use hourly rates to keep things simple and comparable.
- Ask the service provider what rate it pays workers, and compare it to the living wage in its location.

[4.9.1] Living wages are localized, meaning they differ by location. As a result, the company may need to evaluate one service in multiple locations.

[4.9.1] This sub-requirement does not restrict which living wage estimates can be used (unlike FW2.8).

[4.9.2] A “living wage gap” means that a worker is paid below a living wage. The gap is often expressed as a percentage, such as 10% below the living wage.

[4.9.3] Common services that often require a formal qualification are excluded.

Applying the Criteria to Independently Certifying Subsidiaries:

- The assessment covers the company. If the company references an out-of-scope corporate assessment, it records evidence of:
  - how the assessment considered its stakeholders and operational impacts

- how the assessment outcome is relevant to its context.

Further Guidance:

- Services where often no formal qualification is required and are therefore likely included:
  - cleaning
  - security
  - building maintenance
  - gardening
- Services where often a formal qualification is required and are therefore likely excluded:
  - legal services
  - specialist repair services
  - professional or management consultancy
  - human resources services
  - services related to computers or technology

Recommendations:

- Assess all service contracts.
- Use living wage estimates approved by B Lab (see List below)

Living wage estimates approved by B Lab

- Locations not listed below
  - Primary: Global Living Wage Coalition
  - Secondary

- WageIndicator - Use “typical family” and “lower bound”.
- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Aotearoa New Zealand
  - Primary: Living Wage Movement Aotearoa New Zealand
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Africa — various locations
  - Primary
    - Global Living Wage Coalition
    - NewForesight - Use the “gross living wage” figure based on a “typical family” and assuming multiple wage earners.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Alberta
  - Primary: Alberta Living Wage Network
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Canada — British Columbia
  - Primary: Living Wage for Families BC
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Ontario
  - Primary: Ontario Living Wage Network
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Manitoba
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Newfoundland and Labrador
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.

- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Canada — Nova Scotia
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — New Brunswick
  - Primary: Human Development Council
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Quebec
  - Primary: Institut de recherche et d'informations socio-économiques (IRIS) - Use “ménage composé de deux adultes et de deux enfants”
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Hong Kong
  - Primary: Oxfam Hong Kong
  - Secondary

- WageIndicator - Use “typical family” and “lower bound”.
- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Ireland
  - Primary: Living Wage Ireland - Use two, three or four children, and two adults.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Latin America — various locations
  - Primary
    - Global Living Wage Coalition
    - NewForesight - Use the “gross living wage” figure based on a “typical family” and assuming multiple wage earners.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Spain — Barcelona Metropolitan Area
  - Primary: Àrea Metropolitana de Barcelona (AMB) - Use “Parella amb 2 o més fills/es”
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Singapore
  - Primary: MIS Singapore
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- South Korea — Gyeonggi
  - Primary: Gyeonggi Provincial Government
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- South Korea — Seoul
  - Primary: Seoul Metropolitan Council
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
  - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- United Kingdom
  - Primary: Living Wage Foundation
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.

- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- United States
  - Primary
    - Living Wage for US - Use “Monthly Living Wage (lowest cost County in commuting zone for tier II certification)”
    - MIT Living Wage Calculator - Use two or three children, and use “two adults (both working)” or “two adults (one working)”
  - Secondary: Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Locations not listed above
  - Primary: Global Living Wage Coalition
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

Implementation Resources:

Resources to define a living wage:

- Global Living Wage Coalition [EN]
- Anker Methodology (see chapter 2, section 1) [EN]
- WageIndicator’s visual explanation [EN]
- Universal Declaration of Human Rights (Article 25.1) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- International Covenant on Economic, Social and Cultural Rights (Article 7.a.ii) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]

- Report of the Meeting of Experts on wage policies, including living wages (International Labour Organization) Conclusion 5 [DE] [EN] [ES] [FR] [RU] [Simplified ZH]

Resources to calculate total wages:

- Anker methodology (see chapter 15) [EN]
- Salary Matrix (IDH) [EN]

Resources to implement living wage in the supply chain:

- Living Wage Analysis Tool (UN Global Compact) [EN]
- Align: Guidance tool on living wages and living income (Fairfood) [EN]
- Living Wage Playbook for the Fast-Moving Consumer Goods Sector (AIM-PROGRESS) [EN]
- Living Wage Action Guide (IDH) [EN] [ES]
- Living wage case study examples (IDH) [EN]
- Living Wage Benchmark Reference Sheet Achieving the Living Wage Ambition: Reference Sheet and Implementation Guidance (UN Global Compact) [EN] [ES]
- GIZ Living Wage Costing Tool [DE] [EN]
- Handbook on due diligence for enabling living incomes and living wages in agriculture, garment and footwear supply chains (OECD) [EN]

Global membership initiatives working on living wage:

- ACT [EN]
- AIM-Progress [EN]
- Fair Labor Association [EN]
- IDH [EN]
- Global Living Wage Coalition [EN]
- UN Global Compact [EN]

- Wage Map [EN]

Other resources:

- Living Wage Playbook (AIM-Progress) [EN]
- WageIndicator's FAQ [EN]
- The International Labour Organization and the Living Wage: A Historical Perspective (ILO) [EN]
- The Case for Living Wages (Business Fights Poverty) [EN]
- Living Wage Forward Faster Target 2 (UN Global Compact) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - Sustainable Development Performance Indicators 2022 (United Nations Research Institute for Social Development) II.B.4 Living wage gap
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) F02
- Equivalency Data Point
  - Recognised Service Provider (UK Living Wage Foundation)

HR4.10 The company refers to living wage in its service procurement processes.

Track factors:

Size	Sector	Industry
XX Large	Service with Minor Environmental Footprint	All
X Large	Service with Minor Environmental Footprint	All
Large	Service with Minor Environmental Footprint	All
Medium	Service with Minor Environmental Footprint	All
Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.10	From Year 3	Medium / Large / X Large / XX Large	The company refers to living wage in its service procurement processes.

Compliance Criteria:

4.10.1 The company refers to living wages in its service procurement documents, process, or conversations for any service with a potential living wage gap.

Intent:

To ensure the company considers living wages or collective bargaining when procuring services.

Clarifying the Compliance Criteria:

[4.10.1] The “potential living wage gaps” are those identified in the assessment (HR4.9).

[4.10.1] The company does not need to refer to living wage where there is:

- no potential living wage gap
- no free living wage estimate data
- a collective bargaining agreement.

[4.10.1] This sub-requirement does not restrict which living wage estimates can be used (unlike FW2.8).

Applying the Criteria to Independently Certifying Subsidiaries:

- The action takes place within the company. If the company references an out-of-scope corporate group action, it records evidence of:
  - roll out, enforcement, and accountability mechanisms
  - how the outcomes impact its operations. For any outcomes that are not impactful, the company creates its own actions.

Further Guidance:

- To “refer to living wage” in its service procurement documents, process, and conversations, the company may, for example:
  - make paying a living wage a requirement when choosing potential service providers
  - add the company’s commitment to a living wage to tender or procurement documents
  - advise service providers of the living wage rate that their contracts should cover
  - speak to the service provider about paying living wage rates
  - set a joint commitment to work towards paying a living wage.

Recommendations:

- Use living wage estimates approved by B Lab (see List below)

Living wage estimates approved by B Lab

- Locations not listed below
  - Primary: Global Living Wage Coalition
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Aotearoa New Zealand
  - Primary: Living Wage Movement Aotearoa New Zealand
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Africa — various locations
  - Primary
    - Global Living Wage Coalition
    - NewForesight - Use the “gross living wage” figure based on a “typical family” and assuming multiple wage earners.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Alberta

- Primary: Alberta Living Wage Network
- Secondary
  - WageIndicator - Use “typical family” and “lower bound”.
  - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Canada — British Columbia
  - Primary: Living Wage for Families BC
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Ontario
  - Primary: Ontario Living Wage Network
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Manitoba
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Canada — Newfoundland and Labrador
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Nova Scotia
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — New Brunswick
  - Primary: Human Development Council
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Quebec
  - Primary: Institut de recherche et d'informations socio-économiques (IRIS) - Use “ménage composé de deux adultes et de deux enfants”
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.

- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Hong Kong
  - Primary: Oxfam Hong Kong
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Ireland
  - Primary: Living Wage Ireland - Use two, three or four children, and two adults.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Latin America — various locations
  - Primary
    - Global Living Wage Coalition
    - NewForesight - Use the “gross living wage” figure based on a “typical family” and assuming multiple wage earners.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
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  - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

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  - Primary: MIS Singapore
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
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  - Primary: Gyeonggi Provincial Government
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  - Primary: Living Wage Foundation
  - Secondary
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  - Primary
    - Living Wage for US - Use “Monthly Living Wage (lowest cost County in commuting zone for tier II certification)”
    - MIT Living Wage Calculator - Use two or three children, and use “two adults (both working)” or “two adults (one working)”
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  - Primary: Global Living Wage Coalition
  - Secondary
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Implementation Resources:

Resources to define a living wage:

- Global Living Wage Coalition [EN]
- Anker Methodology (see chapter 2, section 1) [EN]

- WageIndicator's visual explanation [EN]
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- International Covenant on Economic, Social and Cultural Rights (Article 7.a.ii) [AR] [EN] [ES] [FR] [RU] [Simplified ZH]
- Report of the Meeting of Experts on wage policies, including living wages (International Labour Organization) Conclusion 5 [DE] [EN] [ES] [FR] [RU] [Simplified ZH]

Resources to calculate total wages:

- Anker methodology (see chapter 15) [EN]
- Salary Matrix (IDH) [EN]

Resources to implement living wage in the supply chain:

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- Align: Guidance tool on living wages and living income (Fairfood) [EN]
- Living Wage Playbook for the Fast-Moving Consumer Goods supply chains (AIM-PROGRESS) [EN]
- Living Wage Action Guide (IDH) [EN] [ES]
- Living wage case study examples (IDH) [EN]
- Living Wage Benchmark Reference Sheet Achieving the Living Wage Ambition: Reference Sheet and Implementation Guidance (UN Global Compact) [EN] [ES]
- GIZ Living Wage Costing Tool [DE] [EN]
- Handbook on due diligence for enabling living incomes and living wages in agriculture, garment and footwear supply chains (OECD) [EN]

Global membership initiatives working on living wage:

- ACT [EN]
- AIM-Progress [EN]
- Fair Labor Association [EN]

- IDH [EN]
- Global Living Wage Coalition [EN]
- UN Global Compact [EN]
- Wage Map [EN]

Other resources:

- Living Wage Playbook (AIM-Progress) [EN]
- WageIndicator's FAQ [EN]
- The International Labour Organization and the Living Wage: A Historical Perspective (ILO) [EN]
- The Case for Living Wages (Business Fights Poverty) [EN]
- Living Wage Forward Faster Target 2 (UN Global Compact) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - Sustainable Development Performance Indicators 2022 (United Nations Research Institute for Social Development) II.B.4 Living wage gap
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) F02
- Equivalency Data Point
  - Recognised Service Provider (UK Living Wage Foundation)

HR4.11 The company has a plan to address living wage, living income or collective bargaining in its supply chain.

Track factors:

Size	Sector	Industry
XX Large	Wholesale/Retail	All
XX Large	Service with Significant Environmental Footprint	All
XX Large	Agriculture/Growers	All
XX Large	Manufacturing	All
X Large	Wholesale/Retail	All
X Large	Service with Significant Environmental Footprint	All
X Large	Manufacturing	All
X Large	Agriculture/Growers	All
Large	Wholesale/Retail	All
Large	Service with Significant Environmental Footprint	All
Large	Manufacturing	All
Large	Agriculture/Growers	All
Medium	Wholesale/Retail	All
Medium	Service with Significant Environmental Footprint	All
Medium	Manufacturing	All
Medium	Agriculture/Growers	All

Small	None	None
Micro	None	None
Company without workers	None	None

ID:	Year	Eligible for equity mechanisms?	Sub-requirement text:
HR4.11	From Year 3	Medium / Large / X Large / XX Large	The company has a plan to address living wage, living income or collective bargaining in its supply chain.

Compliance Criteria:

4.11.1 The company's plan relates to one or more of the following:

a) living wage

b) living income

c) collective bargaining

4.11.2 The company's plan includes, at minimum:

a) an overview of known and unknown living wage or living income gaps

b) an overview of priority area

c) targets for the next three years

d) engagement with stakeholders, including suppliers.

4.11.3 The plan was reviewed or updated in the last twelve months.

4.11.4 The plan is approved by the company's executive team or highest governing body.

4.11.5 The company has publicly shared an update.

4.11.6 The public update includes, at minimum:

a) actions the company has taken in priority areas

b) achievements and challenges.

Intent:

To increase visibility of potential living wage and living income gaps in the company's supply chain.

Clarifying the Compliance Criteria:

[4.11.1] The company's plan may refer to "freedom of association" or "social dialogue" instead of "collective bargaining".

[4.11.2 b] The company can identify its "priority areas" by country, supplier, material, or product group.

Applying the Criteria to Independently Certifying Subsidiaries:

- The plan is embedded, at minimum, at the highest level within the company. If the company references a plan belonging to an out-of-scope parent, it records evidence of roll-out, enforcement, and accountability mechanisms to support the plan.
- References to the highest governing body or executive team mean those within the company's scope of certification. This means that approval by an out-of-scope parent body does not meet the sub-requirement, unless the company has additional approval at the highest governing body or executive team within its scope of certification.

Further Guidance:

- The company may gather information about wages and income in the following ways, among others.
  - Stakeholder approach — the company speaks to expert stakeholders, such as civil society organizations or unions, about wage and income issues.
  - Supplier approach — the company speaks to its suppliers about their wage and income levels.
  - Union approach — the company consults a union representing workers for feedback on wages.
  - Country poverty approach — the company researches the levels of poverty and in-work poverty in the countries it sources from.
  - Minimum wage approach — the company maps the countries it sources from, and identifies where workers have low-skill jobs (which likely pay the minimum wage). It also identifies the relevant minimum wages and living wage estimates. Using this information, the company maps which countries have the largest gaps between the minimum wage and living wage estimate. Note, this approach is not suitable for analyzing living income gaps.
  - Peer approach — the company consults other companies with similar supply chains that have carried out this analysis.
  - Measurement approach — the company, supplier, or a third party measures the actual living wage or living income gap.

- Affected stakeholder approach — the company, supplier, or a third party asks workers or smallholders for feedback about their wages or income.

- While a living wage is for a worker, a living income is for someone who is self-employed, such as a smallholder farmer or artisanal miner. Living wage estimates can apply to nearly any job, but a living income estimate is tied to a specific raw material in a specific location (e.g. vanilla in Madagascar). This is because living income calculations involve elements specific to the production of a raw material — such as land size and target yield. A “living income reference price” means a price for raw materials that accounts for the supplier’s living income.

Recommendations:

- Use living wage estimates approved by B Lab (see List below)

Living wage estimates approved by B Lab

- Locations not listed below
  - Primary: Global Living Wage Coalition
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Aotearoa New Zealand
  - Primary: Living Wage Movement Aotearoa New Zealand
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Africa — various locations
  - Primary

    - Global Living Wage Coalition
    - NewForesight - Use the “gross living wage” figure based on a “typical family” and assuming multiple wage earners.
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Alberta
  - Primary: Alberta Living Wage Network
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — British Columbia
  - Primary: Living Wage for Families BC
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Ontario
  - Primary: Ontario Living Wage Network
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.

- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Canada — Manitoba
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Newfoundland and Labrador
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — Nova Scotia
  - Primary: Canadian Centre for Policy Alternatives
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Canada — New Brunswick
  - Primary: Human Development Council
  - Secondary

- WageIndicator - Use “typical family” and “lower bound”.
- Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).

- Canada — Quebec
  - Primary: Institut de recherche et d'informations socio-économiques (IRIS) - Use “ménage composé de deux adultes et de deux enfants”
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Hong Kong
  - Primary: Oxfam Hong Kong
  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Ireland
  - Primary: Living Wage Ireland - Use two, three or four children, and two adults.
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    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Latin America — various locations
  - Primary

- Global Living Wage Coalition
- NewForesight - Use the “gross living wage” figure based on a “typical family” and assuming multiple wage earners.

  - Secondary
    - WageIndicator - Use “typical family” and “lower bound”.
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- Spain — Barcelona Metropolitan Area
  - Primary: Àrea Metropolitana de Barcelona (AMB) - Use “Parella amb 2 o més fills/es”
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    - Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
- Singapore
  - Primary: MIS Singapore
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- South Korea — Gyeonggi
  - Primary: Gyeonggi Provincial Government
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  - Secondary
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- United Kingdom
  - Primary: Living Wage Foundation
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  - Primary
    - Living Wage for US - Use “Monthly Living Wage (lowest cost County in commuting zone for tier II certification)”
    - MIT Living Wage Calculator - Use two or three children, and use “two adults (both working)” or “two adults (one working)”
  - Secondary: Fair Wage Network (locations searchable via IDH Living Wage Identifier Tool) - Use the estimate adjusted for “FR” (fertility rate) and “IE” (income earners).
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Implementation Resources:

Resources to define a living wage:

- Global Living Wage Coalition [EN]
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Resources to calculate total wages:

- Anker methodology (see chapter 15) [EN]
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- Living Wage Analysis Tool (UN Global Compact) [EN]
- Align: Guidance tool on living wages and living income (Fairfood) [EN]
- Living Wage Playbook for the Fast-Moving Consumer Goods Sector supply chains (AIM-PROGRESS) [EN]
- Living Wage Action Guide (IDH) [EN] [ES]
- Living wage case study examples (IDH) [EN]

- Living Wage Benchmark Reference Sheet Achieving the Living Wage Ambition: Reference Sheet and Implementation Guidance (UN Global Compact) [EN] [ES]
- GIZ Living Wage Costing Tool [DE] [EN]
- Handbook on due diligence for enabling living incomes and living wages in agriculture, garment and footwear supply chains (OECD) [EN]

Resources to implement living income in the supply chain:

- Align: Guidance tool on living wages and living income (Fairfood) [EN]
- Living Wage Action Guide (IDH) [EN] [ES]
- Living wage case study examples (IDH) [EN]
- Fairtrade Living Income Reference Prices [EN]
- Guiding steps towards living income in the supply chain: How to mainstream living income in your company's activities (The Living Income Community of Practice) [EN]
- GIZ Living Income Reference Price Estimator [DE] [EN]
- GIZ Living Income Gap Estimator [DE] [EN]
- Handbook on due diligence for enabling living incomes and living wages in agriculture, garment and footwear supply chains (OECD) [EN]

Resources to convert living wage or living income gaps into prices changes:

- Living Wage Guide (Fairphone) [EN]
- Investment Calculator (Fairphone) [EN]
- Legal Template (Fairphone) [EN]
- Labour Minute Costing methodology (Fair Wear) [EN]
- Fair Price app (Fair Wear) [EN]
- Principles for True Pricing (True Price) [EN]

Global membership initiatives working on living wage:

- ACT [EN]
- AIM-Progress [EN]
- Fair Labor Association [EN]
- IDH [EN]
- Global Living Wage Coalition [EN]
- UN Global Compact [EN]
- Wage Map [EN]

Other resources:

- Living Wage Playbook (AIM-Progress) [EN]
- WageIndicator's FAQ [EN]
- The International Labour Organization and the Living Wage: A Historical Perspective (ILO) [EN]
- The Case for Living Wages (Business Fights Poverty) [EN]
- Living Wage Forward Faster Target 2 (UN Global Compact) [Various languages, including AR, EN, ES, IT, FR, PT, RU, Simplified ZH]

Interoperability:

- Conceptual Alignment Data Point
  - Sustainable Development Performance Indicators 2022 (United Nations Research Institute for Social Development) II.B.4 Living wage gap
  - Corporate Human Rights Benchmark 2025-2026 (World Benchmarking Alliance) F02, F08
- Equivalency Data Point
  - [None]