Climate Change & Human Rights Working Group Meeting

The Food Network for Ethical Trade –Thursday 18th January 2024

Competition Law Statement

"Today we are meeting to discuss the Food Network for Ethical Trade.

We take competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information.
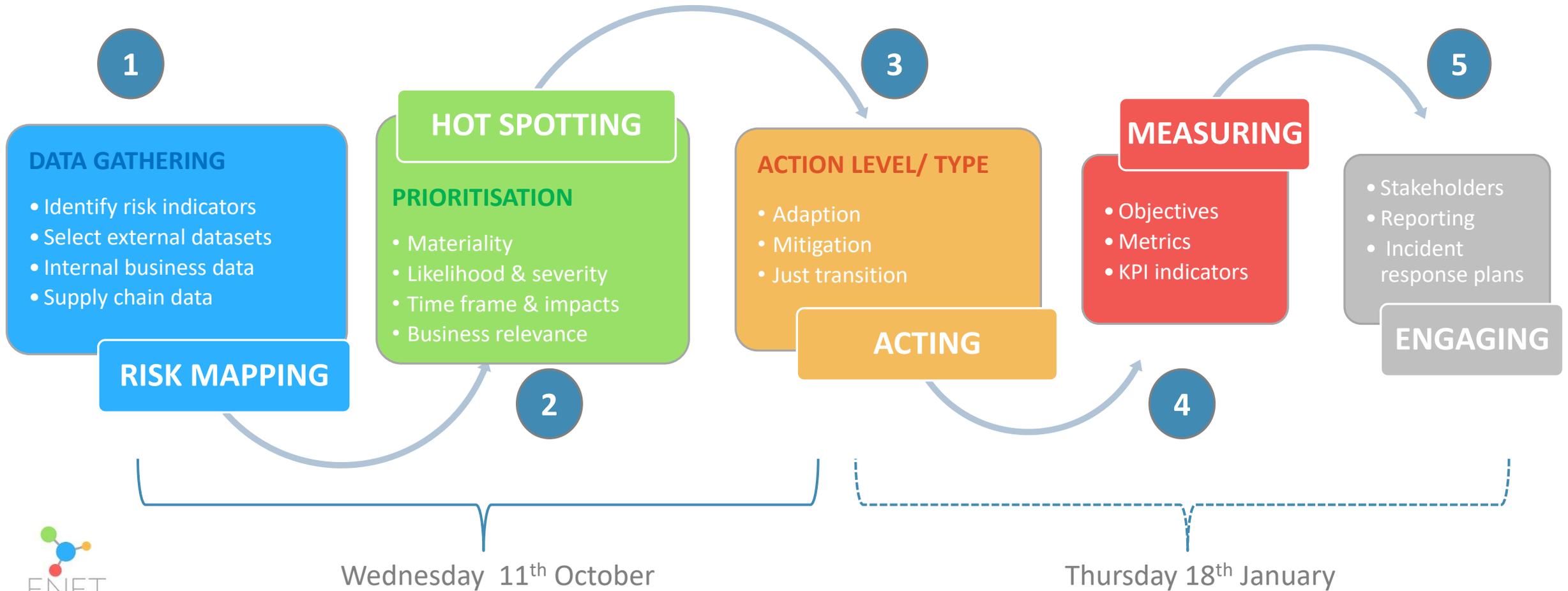
If at any time during this meeting, you think our discussions may be in breach of competition rules, please inform the Chair. The Chair may close the meeting at any time if she believes that discussions are in breach of competition law"

A recording of the meeting can be found at

Climate & Human Rights working group: Agenda 18th January 1-3pm

Approximate timing	Item
13.00 – 13.05	Introduction
13.05 – 13.20	**Break-out discussion:** Risk assessment data indicators feedback and key activity since October
13.20 – 13.40	**Plenary discussion**: Members share data point feedback and key actions since October OUTPUT – to propose 3 indicators for FNET Risk Assessment Tool
13.40 – 13.50	Impact mapping data collection: Feedback
13.50 – 14.00	**Collaborative Heat Stress project** – Rosie Iron, Social Sustainability Executive, Sainsbury's
14.00 – 14.10	**Workplan for 2024**
14.10 – 14.30	**HREDD in Practice: Acting, Stakeholder Engagement & Tracking Progress -** Anna Triponel, Human Level
14.30 – 14.45	**Break-out discussion:** Views and experiences on action, measurement, engagement
14.45 – 15.00	Plenary discussion and close

FNET Human Rights & Climate Risk Assessment Framework

1

HOT SPOTTING

3

MEASURING

5

DATA GATHERING

- Identify risk indicators
- Select external datasets
- Internal business data
- Supply chain data

RISK MAPPING

PRIORITISATION

- Materiality
- Likelihood & severity
- Time frame & impacts
- Business relevance

2

ACTION LEVEL/ TYPE

- Adaption
- Mitigation
- Just transition

ACTING

Objectives
- Objectives
- Metrics
- KPI indicators

- Stakeholders
- Reporting
- Incident response plans

ENGAGING

4

Wednesday 11th October

Thursday 18th January

FNET

Objectives for Today

1 **Recommending data points for** FNET risk assessment tool**.**

2 **Member sharing on implementing** climate risk assessment into HRDD. .

3 **Proposed workplan for 2024** including Sainsbury's Heat Stress project.

4 **Discussion and knowledge sharing on Action, Measuring and Engaging**.

FNET

FOOD NETWORK FOR ETHICAL ...idential

Reminder: Action points from October meeting 2023

Climate impact spreadsheet

Make recommendations for FNET risk assessment tool and climate score

Start to integrate climate into risk assessment and share work with FNET colleagues

FNET continue to develop guide on climate and human rights

Complete outstanding sections of "guide" in next working group session; action, measuring and engagement

Tools & Data

The Perfect Tool doesn't exist....

WWF

Sedex

CCPI Climate Change Performance Index

FAO FIAT PANIS

GENDER INEQUALITY INDEX (GII)

WALK FREE
GLOBAL SLAVERY INDEX

Water Risk Filter

dps

We have updated our own HR Risk Assessment to incl. updated & additional indicators ...

Human Rights Risk Assessment

HR: Country, Site, Gender, Forced Labour, Audits

+

Climate: Water Scarcity, Flooding, Extreme Heat

| | | | Inherent Risks | | | | | Site Risks | | | | | | | | Audit Performance | | | | | |
| | | | FNET | M&S | Radar | GSI | UNDP | WWF Risk Filter | | | Sedex Analytics | | | | | | | | | |
Supplier Relationship	COG 2022-23	Historic issues	FNET/Radar Country Risk Rating	High risk COO	Inherent Risk Score	Global Slavery Index	UNDP Gender Inequality	WWF Water filter Scarcity	WWF Water Filter Flooding	WWF Bio Filter Extreme Heat	SAQ Site Risk Score (labour, H&S, Environme)	Management Control Scores	SMETA Forced labour audit indicato	Risk Score Pre Audit	GRASP	SMETA	SIZA	RFA	Other	Risk Score Incl. Audit
Programmed	48,381	No issues	High	Yes	7.7	106,000	0.887	1.94	2.92	4.5	4.1	2.5	n/a no smeta audit	84	N/A	N/A	N/A	Not currently certified out of season	N/A	93
Programmed	4388,382	No issues	High	Yes	7.5	77,000	0.903	3.07	2.91	4.5	4.5	2.5	n/a no smeta audit	75	N/A	N/A	N/A	EXP 10/10/2023 NO nc'S	N/A	80
Programmed	48,111,434	No issues	medium	No	5.5	105,000	76.4	N/A	N/A	N/A	4.8	2.1	0	58	N/A	21/12/20200 CNC's	N/A	N/A	N/A	78
Programmed	43,438,384	No issues	medium	No	6.4	155,000	0.944				7.8	3.8	10	67	N/A	N/A	N/A	N/A	N/A	76
Programmed	40,852,342	No issues	Medium	No	5.9	33,000	0.992	4.64	3.28	4.4	4.4	2.3	8.45	65	Fully Compliant	SMETA 28/05/23 1CNC	N/A	N/A	N/A	74
Programmed	4418,388	No issues	High	No	7.1	396,000	1.002	2.3	3.9	4	3.9	1.7	n/a no smeta audit	67	N/A	N/A	N/A	N/A	13/01/2022	72
Programmed	4888,744	No issues	Medium	No	5.6	108,000	76.4	4.11	2.9	4	7	2.1	0	61	Fully Compliant 27/04/24	SMETA 01/07/23 0 CNC's	N/A	N/A	N/A	66
Programmed	40,852,342	No issues	Medium	No	5.1	33,000	0.992	4.64	3.28	4.4	4.3	2.4	0.91	56	Fully Compliant	SMETA 17/04/23 1CNC	N/A	N/A	N/A	65
Programmed	4418,211	No issues	High	No	6.7	234,000	0.95	3.5	3.73	3.33	3.4	1.6	4.33	56	N/A	20/12/2022 1 CNC's repeat H&S issue	N/A	N/A	N/A	65
Programmed	40,852,342	No issues	Medium	No	5.1	33,000	0.992	4.64	3.28	4.4	3.6	0.9	0	57	Fully Compliant	SMETA 29/01/23 0 CNC	N/A	N/A	N/A	62
Programmed	43,881,774	No issues	Medium	No	5.5	108,000	76.4	4.14	2.95	3.9	3.5	1.9	1.64	56	fully compliant 16/09/2023	16.05.2023 0 CNC's	N/A	N/A	N/A	61
Programmed	4888,228	No issues	Medium	No	5.5	108,000	76.4	4.3	2.95	3.5	5	2.6	0.45	51	N/A	12/04/2023 1 CNC	N/A	N/A	N/A	60
Programmed	4838,434	No issues	High	No	5.8	397,000	0.984	1.4	3.91	3	3	1.3	0	53	26/12/2022 fully compliant	N/A	N/A	01/01/2022	N/A	58
Programmed but programmed	43,497,836	No issues	High	No	6.1	66,000	0.969	2.44	2.91	3.5	3.6	1.6	0.18	48	not compliant but remedies steps taken	15/10/2021, 0 CNC's	N/A	N/A	N/A	57
Programmed	4380,214	No issues	Medium	No	5.8	33,000	0.992	3.4	2.95	3.5	7.6	2.3	0.73	47	N/A	20/12/2022 1 CNC and 1 repeat	N/A	N/A	N/A	56
Programmed	4418,188	No issues	Medium	No	4.5	197,000	65	3.04	2.95	3.5	4.8	2.5	0	48	N/A	22/09/2022 0 CNC's	N/A	N/A	N/A	53
Programmed	4882,828	No issues	Medium	No	5.6	108,000	76.4	4.04	2.95	3.5	3.6	2.3	2.3	47	N/A	17/05/2023 0 CNC's	N/A	N/A	N/A	52
Programmed	43,838,824	No issues	Low	No	5.1	8,000	0.975	2.03	2.96	3	5.8	3	n/a no smeta audit	43	N/A	N/A	N/A	N/A	N/A	48

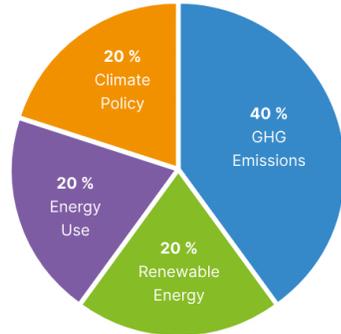# Other Indicators + data sources

Wildfire Hazard

Climate Change

+

Extreme Weather Events Database

Extreme Weather Events & Impacts 2023 - 2024

Year	Weather event	Country	Region	Start Date	End Date	Category	No. sites mapped WWF	No. sites in affected region	Description & Impacts
2023	Flooding	North America	California / Nevada / Arizona / Utah	26/12/2022	25/03/2023	Soft Fruit / Stone Fruit	3	3	Periods of heavy rainfall and atmospheric rivers resulted in long term flooding. Mudslides also occurred, damaging roads.
2023	Flooding	New Zealand	Upper North Island	27/01/2023	02/02/2023	Kiwi / Tropical	822	821	All in North Island (large area)
2023	Fires	Chile	Maule / Nuble / Biobio / Araucania	30/01/2023	20/02/2023	Stone Fruit / Soft Fruit / Kiwi / Exoti	113	61	406 individual fires. Chile has suffered from a megadrought since 2010.
2023	Flooding	Africa	Variety of countries	05/02/2023	Ongoing	Stone Fruit / Soft Fruit	1	1	Frequent rain and saturated ground caused flooding in many countries - Angola, Cameroon, Democratic Republic of the Congo, Ethiopia, Kenya, Madagascar, Malawi, Mozambique, Rwanda, Sierra Leone, Somalia, Tanzania, Uganda, **Zimbabwe**
2023	Earthquake	Turkey	Gaziantep / Antakya	06/02/2023	06/02/2023	Exotics / Stone Fruit / Salads	8	4	The Mw 7.8 earthquake was the largest in Turkey since 1939 and jointly the second-largest in the country. More than 30,000 aftershocks. Widespread damage and high death toll. Syria was also affected.
2023	Flooding	South Africa	Eastern & Northern Cape, Mpumalanga, KwaZulu-Natal & North West	08/02/2023	Mar-23	Stone Fruit / Exotics	164	13	Result of La Nina. Floods caused casualties, damage to homes, basic infrastructure, roads, bridges a
2023	Flooding	Brazil	Sao Paulo	18/02/2023	23/02/2023	Exotics	19	0	Significant rainfall in the region due to low pressure trapped by mountains. 21 inches of rain in 1 day.
2023	Drought	Canada	All (Specifically Praire)	01/03/2023	Jun-23	Stone Fruit (Cherry)	0	0	at happens every 50 years due to lack of precipitation. In some regions temperatures were 7 degre
2023	Flooding	Turkey	Şanlıurfa / Adıyaman	15/03/2023	-	Exotics / Stone Fruit / Salads	8	4	Flooding causes by torrential rains after the earthquake
2023	Flooding	India	Various regions	01/04/2023	Ongoing	Exotics	10	-	Heavier than average rainfall seen during the monsoon season. Most affected regions - Himachal Pradesh, Punjab, Chandigarh, Uttarakhand, Jammu and Kashmir, Haryana, Rajasthan and Delhi.
2023	Flooding	Italy	Emilia-Romagna	02/05/2023	17/05/2023	Chestnut / Kiwi / Stone Fruit / Soft Fruit / Tropical	189	122	7 months of rain in 2 weeks. Over 400 landslides occurred. Flooding came after months of drought. Soil was so saturated that it could not drain and this was made worse by overflowing rivers.
2023	Drought	France	South	10/05/2023		Stone Fruit / Exotics / Kiwi / Soft	30	27	ated by The Pyrénées-Orientales Department of Southern France due to dry winter limiting water ta

Break out discussion

Risk Assessment Indicators

Which data points/assessment tools have you used since October 2023 to collect info on climate impact on people?

What feedback can you share on why those data points and recommendations for use?

Which data points would you recommend to include in the FNET risk assessment tool?

Member activity update

What activity have you taken to understand climate impact on your supply chains since October 2023?

Feedback & Recommended data points for FNET Risk Assessment Tool?

Feedback on Impact mapping tool

Date	Country	Region	Climate Risk	Supply chain product	Impact on product	Impact on people
Nov-23	China	North-East	Low temperature/snow			
Jul-23	Italy		Drought	Various		
Sep-23	South Africa	Western Cape	Storms (including hail)	blueberries		Destroyed polytunnels and impacted workers houses
23-Mar	Peru	Olmos	Flooding	Avocado	Loss of farms	Lack of work for programmed workers
06-Jun	Peru	Piura	Drought	Mango	Reduced fruit availability	Reduced workers needed for the season
06-Jun	South Africa	Johannesburg	Low temperature/snow	Passion Fruit	Reduced fruit availability	
06-Jun	Morocco	Larache	Storms (including hail)	Avocado	Reduced volumes/ quality for export	
02-Feb	Turkey	Central Turkey	Storms (including hail)	Farmed bass/bream	Reduced volumes	Injury, loss of workforce, lack of emergency s

Positive feedback – quick, easy,

Prompt? Via weekly news.

Standardise location, climate risk, product – better for seeing trends

Impact on people to standardise – use ETI base code categories

FNET

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Collaborative programme to prevent and mitigate worker heat stress

FNET Climate Change and Human Rights Working Group

18th January 2024

Collaborative programme

> **Objective: prevent and mitigate worker heat stress on farms in Spain**

We will partner with **La Isla Network**, a leading expert in heat stress, to assess onsite risks and design protocols that aim to reduce the likelihood and severity of heat stress on workers.

Sainsbury's is inviting stakeholders to collaborate on the programme, with the aim to increase project reach and impact, share learnings, and support alignment on actions to address heat stress.

Location: Southern Spain

Project start: Spring 2024

Outcomes:

1. Chosen growers (up to 3) have a workplace assessment and improvement plan

2. Key stakeholder groups (FNET, Spanish ETF, Oxfam) have knowledge of programme outputs and learnings

3. Grower guidance

La Isla's programme will assess and address site-level risks. We then aim to use industry collaborations to share learnings and align actions.

Phase 1: Assess (6 – 8 weeks)

Phase 2: Address (12 months)

Desk review
Surveys on Knowledge Attitude, Policy and Practice (KAPP)
Onsite observation and data collection
Data analysis and report writing
Results presentation
Protocol design workshops (incl. focus groups with workers)

Train workers and supervisors
Implement workplans and new protocols

Phase 3: industry collaboration (ongoing)

Work with **Spanish Ethical Trade Forums** to translate programme outcomes into training and guidance that support fresh produce growers across Spain to protect their workers from heat stress.

Work with suppliers and retailers in **FNET** to share learnings and align on principles or supplier guidelines around mitigating heat stress.

Next steps

1. Confirm programme partners

2. Call between programme partners and La Isla

3. Agree timelines

4. Select growers

Climate Change & Human Rights Working Group

Potential member commitment: *Complete climate change risk assessment and sharing learning*

SUMMARY

1. Increase understanding of climate change related impacts through a human rights lens.
2. Increase FNET members ability to **map human rights** and **climate change related risks** and create targeted adaptation, mitigation and/or diversification action plans.
3. Support cross-departmental collaboration, accelerating progress towards de-risking.

OUTPUTS

➢ Guidance note on climate change and human rights
➢ Guidance document on climate and human rights risk assessment with case studies from members on how they have used the tools
➢ Joint supplier conference with partner organisation (tbc for 2024)

MEMBER INPUT: What would members find it useful for the climate WG to focus on in 2024?

- RA tools - Identify climate risk assessment data sources, High risk regions & Supply chains with specific climate risks x4
- Intelligence sharing around climate related risks
- The impact of climate change on growing patterns on fruit, Livelihoods & availability of workers to harvest.
- Joint risk assessments that can be shared between members
- Best practice DD case studies x2
- Heat stress x3
- Regularly update the useful newsletter developed
- Link to Scope 3 Carbon footprint
- Map of hot spots
- Indigenous peoples/ Land rights
- Collaborative Action
- Severe climate/weather events
- Finding internal alignment

Would an FNET Climate Risk Rating be useful for members

Rating Poll   51 votes   51 participants

Score: 4.5

0%	0%	16%	20%	65%
1	2	3	4	5

Working Group Leads

Natalie McWilliam
DPS

Ed Brent
M&S

Board representative

Paul Williams
Princes

PMM – Suzanne Natelson

Climate Change & Human Rights Working Group

...ntial member commitment: Complete climate impact monitoring spreadsheet, Use the "How to guide/framework" to take action on 1 supply chain.

Objectives

1. Increase understanding of climate change related impacts through a human rights lens.
2. Increase FNET members ability to **map human rights** and **climate change related risks** and create targeted adaptation, mitigation and/or diversification action plans.
3. Support cross-departmental collaboration, accelerating progress towards de-risking.

Summary workplan

- 2 WG sessions on de-risking and implementation; what are members doing and sharing case studies from non-members
- 3 WG sessions on high priority areas for members; extreme heat, water, biodiversity

Outputs

- Framework "How to guide" on Climate & Human Rights Due Diligence
- Practical guidance on specific weather-related action x 2
- Climate impact monitoring spreadsheet to build data for action.
- Climate newsletter x 2
- In-person event

What would members find it useful for the climate working group to focus on in 2024?

- RA tools - Identify climate risk assessment data sources, High risk regions & Supply chains with specific climate risks x4
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Working Group Leads

Natalie McWilliam, Shannon Hilton
DPS

Ed Brent
M&S

Board representative

Board sponsor TBC

PMM – Suzanne Natelson

Climate Change & Human Rights Working Group

Group Objectives: Increase FNET members ability to map human rights and climate change related risks and create targeted adaptation, mitigation and/or diversification action plans.

Planned Activity and Outputs

Q1

Activity
- WG session on de-risking & implementation with a focus on climate change and water (scarcity and pollution) and its impacts on people
- Review of climate impact data sharing trial
- Collaborative heat stress project ongoing

Output
- Climate change and water member case studies
- Compete "How to guide/framework"

Q2

Activity
- WG session on de-risking & implementation with a focus on climate change and extreme heat and its impacts on people
- Collaborative heat stress project sharing learnings

Output
- Summary of results from the collaborative heat stress pilot
- Member case studies in newsletter

Q3

Activity
In-person workshop focussing on peer-learning and input from external companies.

Output
- Newsletter with case studies and update "How-to guide framework" as needed

Q4

Activity
- WG session on de-risking & implementation with a focus on climate change and biodiversity and its impacts on people

Output
- Climate change and biodiversity member case studies included in newsletter

Expected member actions/impact measures:

Members use framework and start implementing – share in the WG – # supply chain actions on climate/hr?, #companies done risk assessment/prioritisation? Increased understanding and action of specific stresses e.g. heat stress #actions taken? Participation in pilot?

Budget support:

£5,000

HREDD in Practice

Acting, Stakeholder Engagement & Tracking Progress

January 18th, 2024

Human Level

About the facilitators

We are an expert advisory firm that empowers progressive companies to be human rights confident.

- Helped to shape the **international methodology** for business and human rights - the UN Guiding Principles on Business and Human Rights

- **Years of lived experience** both within companies and on the ground in supply chains

- **Granular insights** into ecosystems within which human rights impacts occur

- At the **cutting edge of interconnections** between environmental and human rights risks

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Basis for our conversation

Safe space
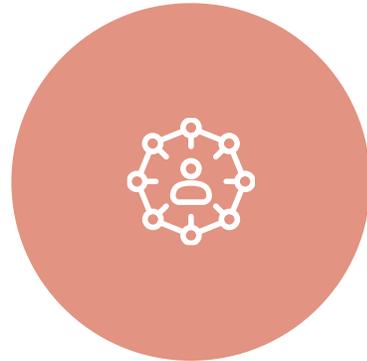
Spirit of continuous learning and improvement

Co-creation
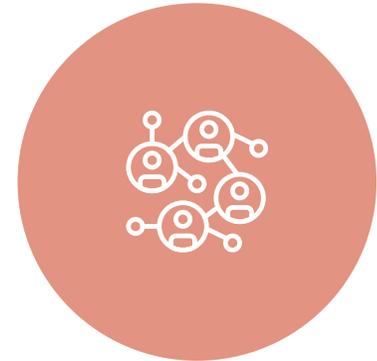
Different pieces of the puzzle

Today's Session

Objective: To strengthening members' capacity to **act** and **measure progress** in their Human Rights and Environmental Due Diligence (HREDD) efforts, with a foundation on meaningful stakeholder engagement

Part 1: Acting and Stakeholder Engagement

What actions are part of meaningful due diligence? How is stakeholder engagement at the core of acting?

Part 2: Tracking

How are companies expected to track their HREDD efforts? How is this being done in practice?

Part 3: Breakout discussion

Part 1: Acting & Stakeholder Engagement

What actions are part of meaningful due diligence? How is stakeholder engagement at the core of acting?

# 1. Actual impact vs. risk of impact

HAS THE IMPACT OCCURRED?

YES? < ———— > NO?

Stop it
...if you have caused or contributed to it

Build and use your influence to ensure others stop it
...if you have contributed to it, or are directly linked to it

Put it right
...if you have caussed or contributed to it, and Influence others to do so if you are directly linked to it

Prevent it
...if you could cause or contribute to it

Build and use your influence to ensure others prevent it
...if you could contributed to it, or be directly linked to it

2. **Mode of involvement** (cause, contribution, or direct linkage)

MODE OF INVOLVEMENT	Stop it Prevent it	Build and use your influence to ensure others stop/prevent	Put it right
A company causes an impact	✔		✔
A company contributes to an impact	✔	✔	✔
An impact is directly linked to a company's operations, products or services by its business relationships		✔	Influence others to do so

Human Level
BE HUMAN RIGHTS CONFIDENT

3. **Severity of the impact/risk** to those (potentially) impacted

Prioritising actions based on severity of the risks to people

Human Level
BE HUMAN RIGHTS CONFIDENT
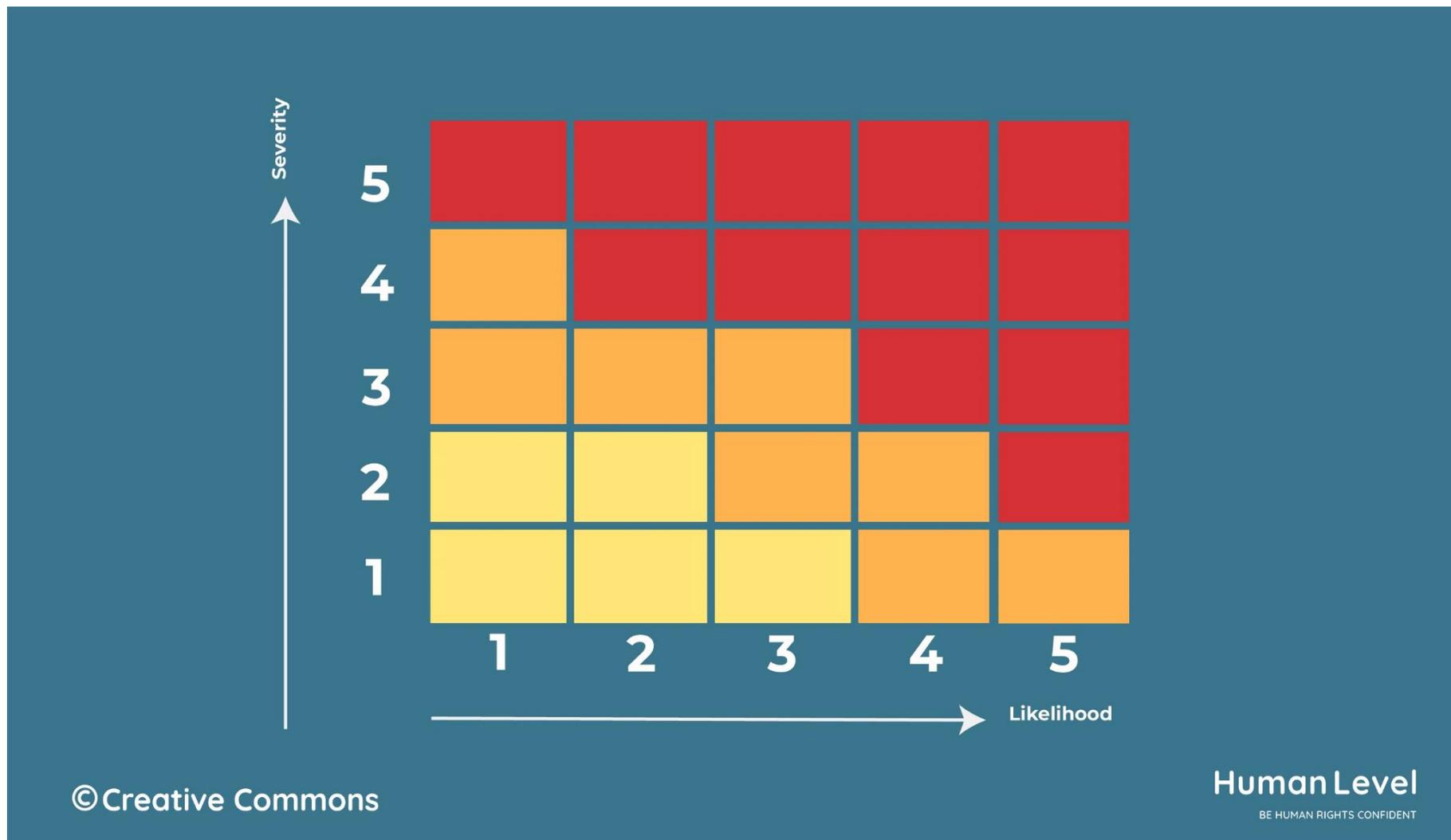
4. Existence and extent of leverage

"Leverage is the ability of a business enterprise to **effect change** in the **wrongful practices** of **another party** that is causing or contributing to an adverse human rights impact."

UNGPs Commentary to Guiding Principle 19

What is the purpose of leverage?

- **Influencing** other actors (suppliers, government, customers, etc.) to address their human rights impacts—especially where there are some impacts that you are connected to but cannot prevent and mitigate alone.

- **Creating the opportunity** to change how key people think and behave

- **Widening your network** of partners and collaborators

- '**Punching above your weight**' to tackle a systemic or widespread issue

Sources of leverage

One-on-one

With peers / business partners

With NGOs / worker associations

With government
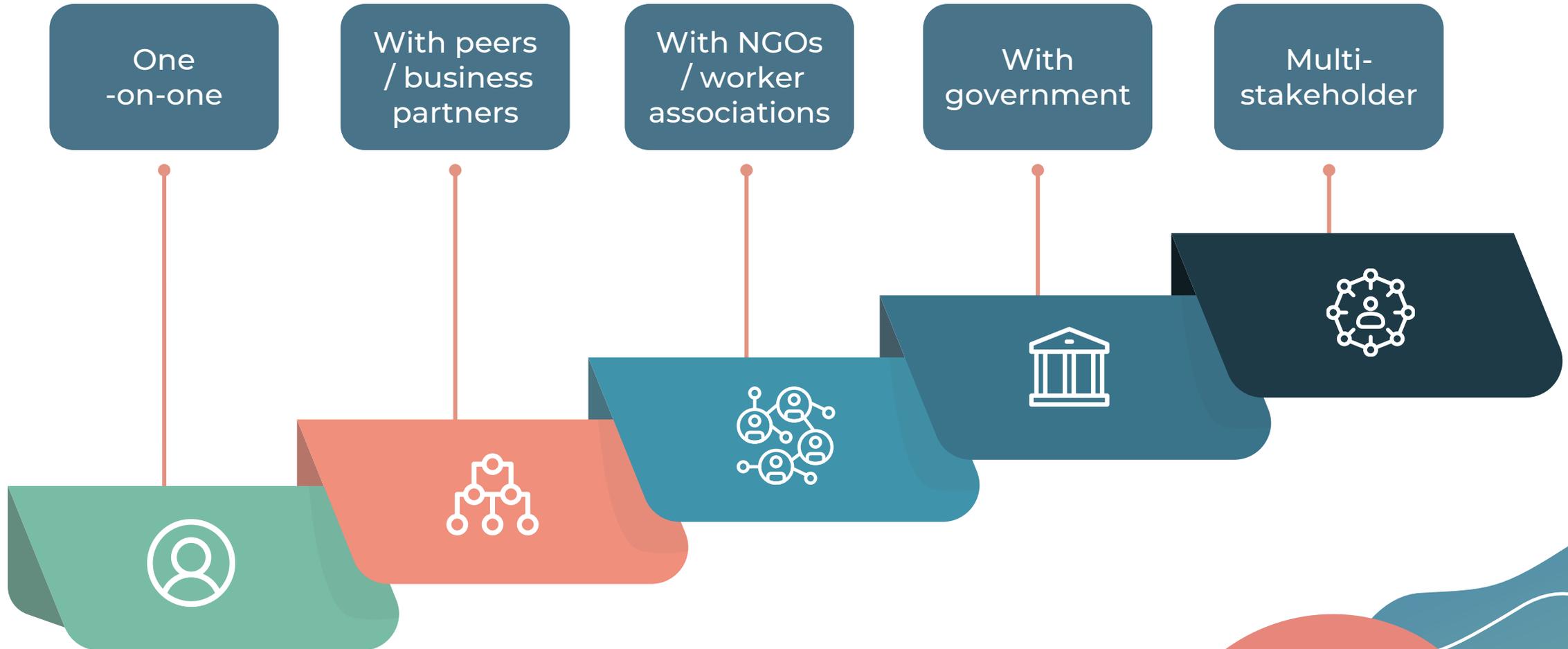
Multi-stakeholder

5. Stakeholder engagement

Layer 2.
Legitimate representatives of potentially affected stakeholders

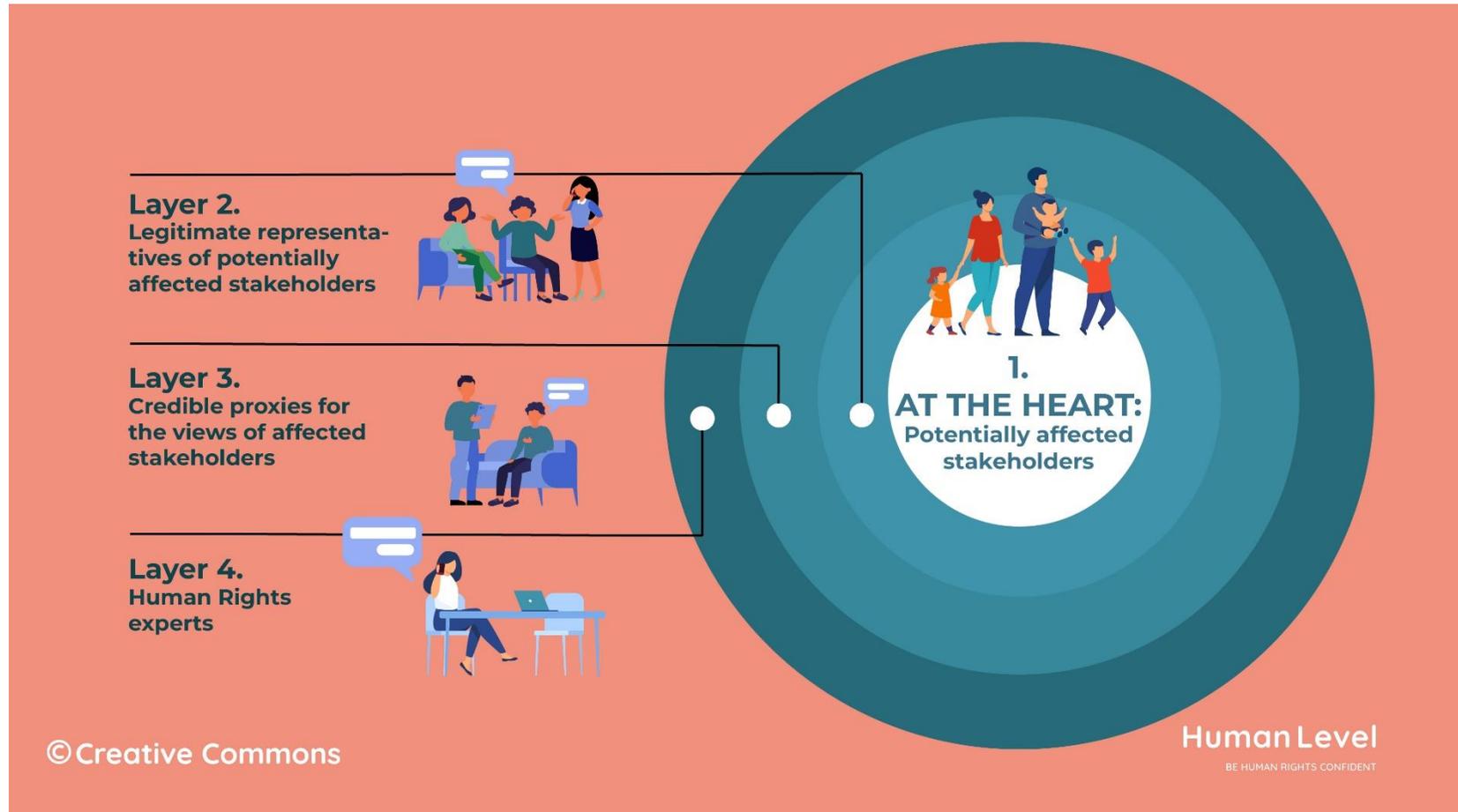**Layer 3.**
Credible proxies for the views of affected stakeholders
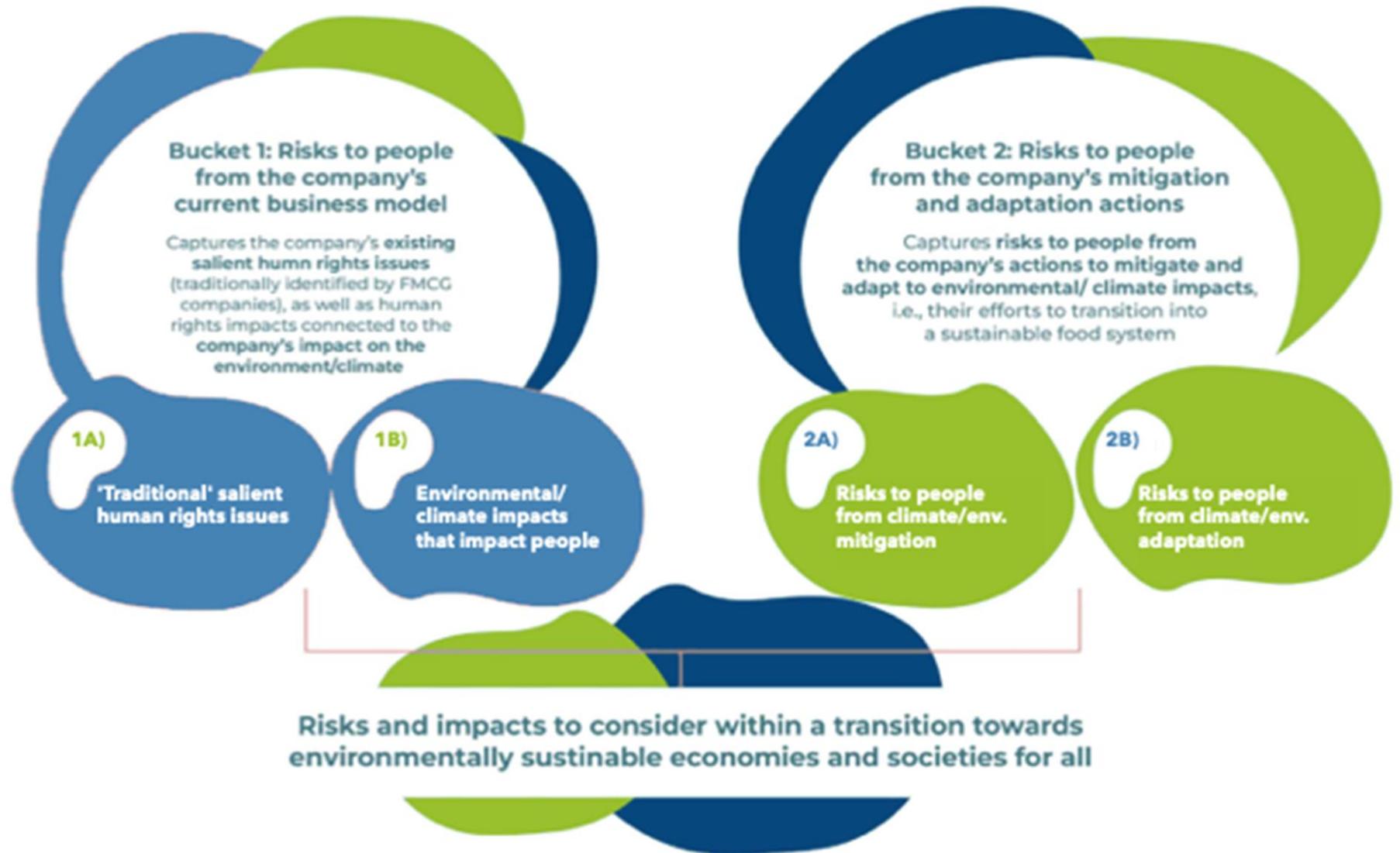
Layer 4.
Human Rights experts

1.
AT THE HEART:
Potentially affected stakeholders

Human Level
BE HUMAN RIGHTS CONFIDENT
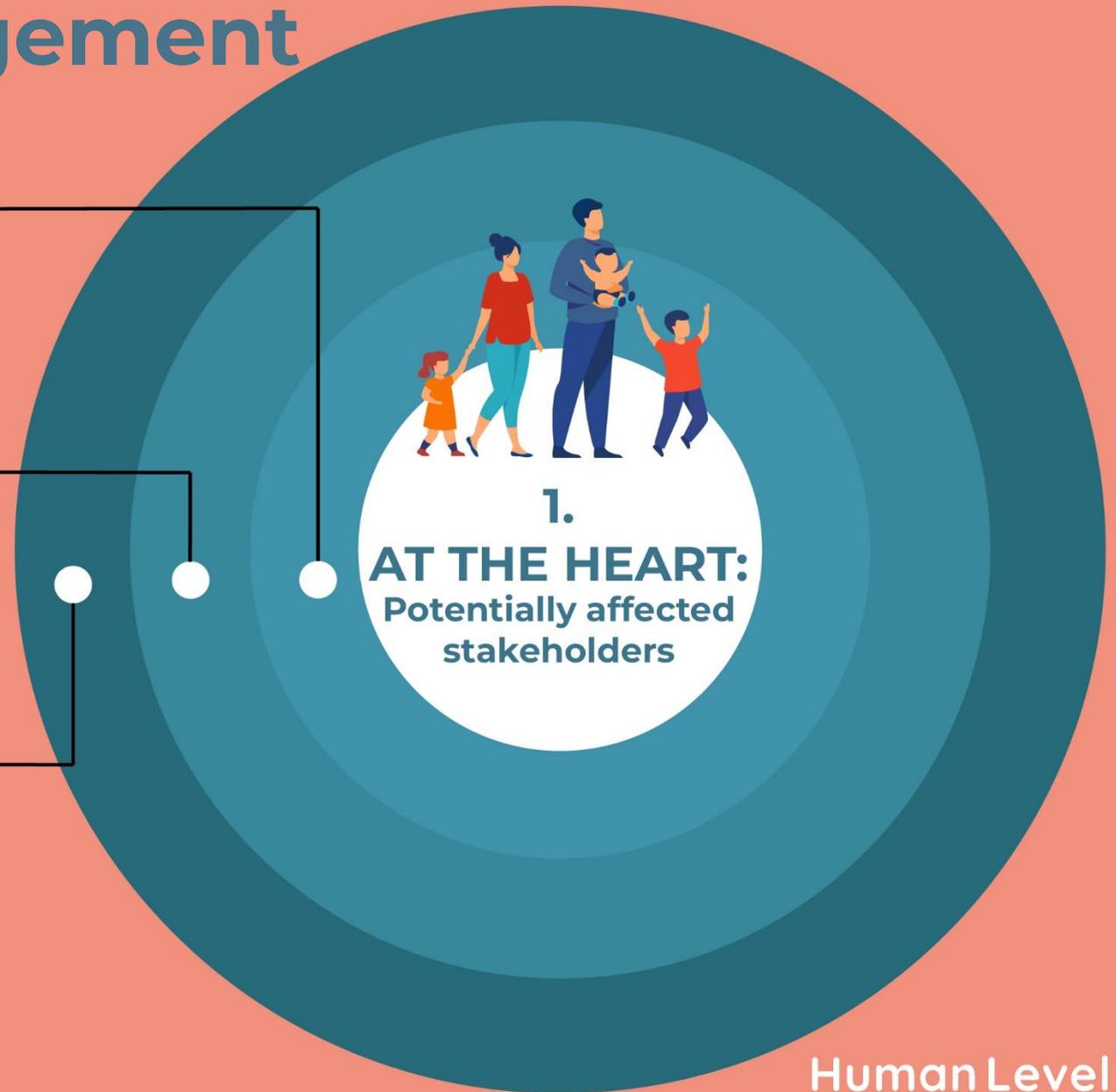
5. Stakeholder engagement (cont).

The **higher the severity** of the impact, the **greater the need for companies** to gather views from people impacted directly—whether communities or workers

What impacts and risks are we taking action to address?

Source: https://aim-progress.com/storage/resources/AIM_FMCG%20Report_v2_May23_FIN%20for%20public.pdf

Examples of actions to consider

Strengthening and listening to farmer and worker voices

UPM.COM

BLOG | 5 MARCH 2020 | 4 MIN READ TIME

Listening to workers' and farmers voice in Tapioca starch supply chain in Thailand

Collaborating with farmers & workers to improve livelihoods and address env. impacts

BARRY CALLEBAUT

Sustainable vanilla and cocoa from Madagascar: a successful partnership

June 24, 2022

Story

Sustainability | Forever Chocolate

DANONE

ALBAN BALADNA

EGYPT | SINCE 15/11/2010

The Alban Baladna project helps farmers in Egypt develop their businesses. The project has set up and renovated 9 milk collection centers and 23 milk collection points offering a various number of services to farmers: from logistical support and agricultural services, to trainings in order to develop the technical know-how crucial to earning a sustainable income.

Industry or multi-stakeholder collaboration to address systemic issues

OXFAM

CASE STUDY

Women Strawberry Workers in Morocco: Accessing rights to secure and decent work

Examples of actions to consider

Changing procurement practices

With one group of Colombian coffee farmers, S&D Coffee has been piloting a new model that has **enabled participating farmers to achieve living incomes at an additional cost of $0.50-0.60 per pound, depending on current market prices**. The model involves:

- **Longer-term contracts**, typically 2-3 years in length

- **Cost-plus pricing**, comprising a cost of production component and an additional margin calculated to close the living income gap

- **Price insurance** that reduces farmers' incentive to side-sell when market prices exceed contract prices and protects buyers when market prices fall below contract prices."

Figure 4. Comparison between current pricing model and cost-plus pricing model

Colombia green bean equivalent price supply chain costs, $USD/lb
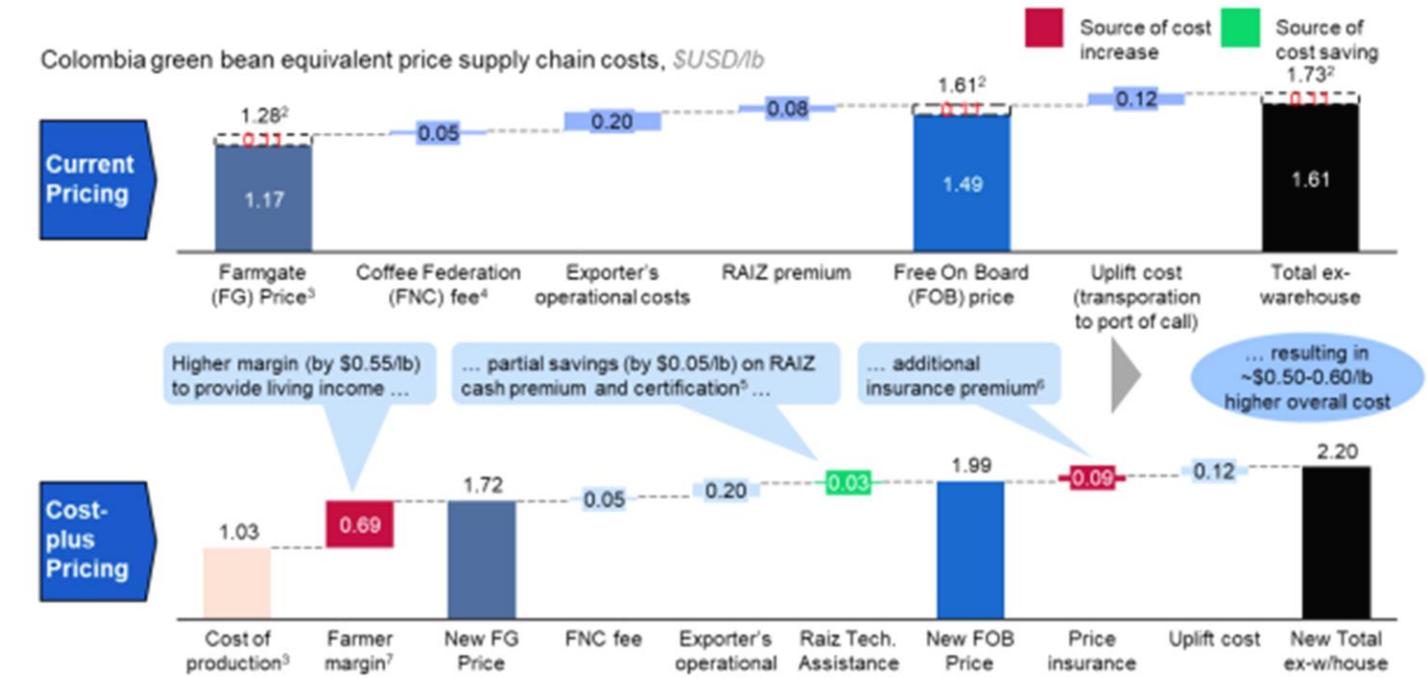
1. Supply chain costs collected as part of S&D's Abejorral Raiz cluster covering 355 farmers in Colombia
2. 10-year historical FG average was $1.28/lb showing that the actual incremental cost of the cost-plus model maybe lower if market prices rally. Incremental cost results shown as estimated range under current price (i.e., $2.20 minus $1.73-$1.61/lb minus = ~$0.50-0.60/lb)
3. Based on published FNC data (Jan 2020)
4. Flat fee tax to finance National Coffee Federation's operations
5. Five cents cash premium saving as farmers are given sufficient margin and S&D manage traceability and reporting. Technical assistance still required.
6. Estimated insurance premium cost to defend farmer supply when market price rallies and maintain farmer living income when market prices fall.
7. Farmer margin derived from the difference in the mid-range living income price for Archetype 2 ($1.63-$1.80/lb) and FNC cost of production value (Jan 2020). By contrast, at $1.17/lb FG price, farmers would receive only 20% of the required margin to obtain a living income.

Source: S&D Coffee; RGC Coffee; expert interviews; team analysis

Part 2: Tracking

How are companies expected to track their HREDD efforts? How is this being done in practice?

Why track progress?

- To **identify whether policies and commitments** on human rights and environmental issues are being complied with.

- To have **certainty** on whether and how the company is respecting human rights.

- To **improve internal practices** by creating accountability and identifying the most effective practices.

- To **identify trends and patterns**, which provides senior management and others with the "big picture" of what the environmental and social impacts are and how to address them.

- To comply with **external reporting requirements** or with **customer information requests**.

What to track?

Applying Theory of Change Thinking to Developing Meaningful Indicators
Adapted from Shift's "Valuing Respect" Tool for Indicator Design

Inputs
The financial, human and material resources that a company uses for an activity or set of activities

Activities
Actions undertaken or work through which inputs are mobilized to produce specific outputs or outcomes

Outputs
The tangible and intangible products that result from the activities

Practices & Behaviors
The effect of the activities or outputs on the behaviors of people that are relevant to the achievement of outcomes

Outcomes for People
The positive and negative effects on affected rights-holders that: a) flow from the practices and behaviors; and b) may be influenced by outcomes for business

Outcomes for Business
The positive or negative effects on the business that flow from: a) the outcomes for people and/or b) the practices/behaviors, outputs, or activities

Key considerations to note in Shift's theory of change framework:

- Consider tracking **"practices and behaviors"** as well as "outputs" and "outcomes

- Focus on tangible **outcomes for people**, not general impacts

- Make **distinctions** between "outcomes for people" and "outcomes for business"

This graphic was created by Shift Project, Ltd. All rights reserved © 2019

How to track progress?

- Use both **quantitative** indicators and **qualitative** indicators.

- Use **established and precise international/national standards to set targets,** when those exist (i.e., environmental impacts on water, GHG emissions, health and safety, etc.).

- Draw on feedback from both **internal** and **external sources,** including affected **stakeholders.**

- Take advantage of the **data can the company reasonably obtain** and the stakeholders the company can directly engage and get feedback from.

- Integrate it with other **relevant internal reporting processes** (i.e., performance contracts and reviews, surveys and audits, HR processes and surveys, operational-level grievance mechanisms)

- Use other **tracking systems** within the company as **models** (i.e., health and safety or environmental performance)

"**Tracking systems must be credible and robust** if they are to help an enterprise **know and show** that it is respecting human rights.

The **clearer the indicators** and the more **comprehensive the processes** for gathering information about the enterprise's effectiveness, the better placed it will be to respond to criticism, should it either need or choose to do so."

(UNGPs Interpretative Guidance, at p. 56)

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Ex: Social indicators in Regenerative agriculture

Tracking: Outcomes for people

Tracking: Inputs/Activities/Changed Practices

↑ Increase in farmer income
↑ Increased share of profits from food costs
↑ Increase in children of producers in extracurricular activities
↑ Improved educational outcomes for children of producers
↑ Increased interest in farming employment ("youth pipeline")
↓ Decrease in farmer debt

↑ Increase in population with secure tenure rights to land, with (a) legally recognized documentation; and (b) who perceive their rights to land as secure
↑ Increase in secure land tenure among historically underserved populations
↑ Increased support for heirs' property rights
↑ Increased use of open source seeds and sharing seeds with other farms

↑ Improved health outcomes among producers (eg. asthma, heart disease)
↓ Decrease in child hunger

↑ Increase in procurement budgets that prioritize fair prices to farmers and suppliers (AiA)
↑ Increase in share of profits going to suppliers and farmers
↑ Farmers can access multiple buyers
↑ Increase in buyer trust reported from producers
↑ Increase share of food sourced from historically underserved producers
↓ Decrease in lobbying against producer demands

Proof of buyer practices
- Engagement in fair and long-term contracts with transparent communication of pricing and terms.
- Supplier diversification policy and commitment to prioritize sourcing from historically underserved producers. (AiA)
- Engaged in public policy advocacy in alignment with producer communities (AiA)

Breakout Group Discussion

Questions to discuss

1. **Acting and engaging stakeholders.**

- When we discover impacts human rights and the environment, how do we make things right?

- Who do we talk to and what tools do we use?

- What are some of the barriers for action and engagement?

2. **Using your leverage.**

- How do we positively influence other parties who may have more influence over the issue?

3. **Tracking.**

- What are the most meaningful ways of tracking results on human rights or environmental due diligence?

- Could we use any existing KPIs to measure? Please suggest.

- How can we integrate new indicators into these tools?

Thank you

UN Global Compact Working Group

New working group being organised by UN Global Compact on climate and human rights.

The Working Group will meet quarterly and provide a safe space where representatives can exchange best practices and learn from their peers. Each meeting will provide insights on climate and human rights from leading experts in government, civil society, and the private sector.

The meetings will take place on the following dates:

➤Wednesday March 13, 1-3pm GMT

➤Wednesday June 19, 1-3pm BST

➤Tuesday September 17, 1-3pm BST

➤Tuesday November 26, 1-3pm GMT

Who can join?

Business members of the UN Global Compact Network UK are invited to join. Participation in the working group is limited to one representative per business for £450+VAT.

Summary: Next Steps

Month	Action	Working group input
January – February	Complete "How to framework" and circulate	Drafted by Human Level and Leads, to be shared for comment in working group
Ongoing	Add data to Climate Impact Map	All working group members to share examples of extreme weather events and impact on people
March-April	Prep for working group meeting.	Member sharing on updating risk assessment, stakeholder mapping, share risk assessment and action plans.
March-April	Next working group meeting - focus on water	Members to share case studies in this meeting

Climate Change & Human Rights Working Group Meeting

The Food Network for Ethical Trade –Wednesday 21st June 2023