

Human Rights Reporting in France (part I)

A Baseline for Assessing the Impact of the Duty of Vigilance Law

General information:

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Author(s): Michelle Langlois
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What you should know:

For 3 years, Shift's Reporting Program has mapped and analyzed the human rights disclosure of **over 130 companies** around the world.

In this special report, we are bringing the spotlight to France, where we have analyzed and dissected the reporting of the top 20 companies listed on the CAC 40 index (by market cap).

In the context of the new Duty of Vigilance Law, Shift's "**Human Rights Reporting in France**" explores the maturity of the reporting of France's top companies.

The purpose of this two-part report is to evaluate the extent to which the new French legislation brings companies closer to the reporting expectations that were set by the UN Guiding Principles on Business and Human Rights. The Duty of Vigilance law is closely aligned with the UN Guiding Principles, by requiring companies to produce a risk mapping, to regularly assess risks, to act to mitigate and prevent severe impacts, to track effectiveness and to establish an alert mechanism.

In **Part I** (October 2018), Shift analyzes the maturity of human rights reporting *pre plan de vigilance*, by examining information from 2017 and early 2018. This report establishes a baseline against which we will evaluate improvement.

Part II, to be released in Summer 2019, will use the previous iteration as a baseline to explore whether companies have improved their maturity levels after they've disclosed their 'vigilance plan', as required under the law.

Through this analysis, Shift aims to support companies -both in France and elsewhere- in identifying gaps and improving their reporting and underlying human rights performance. Governments and other stakeholders seeking to use legislation as a tool to drive improved disclosure and respect for human rights may also be interested in the findings of this research project.

Key findings:

Strengths

- **French companies are slightly better than average.** When compared to the 130+ companies that we've analyzed, the top 20 French companies have slightly more mature reporting.
- **Policy commitment is high...but does that matter?** All of the companies analyzed commit to respect human rights, but 60% do not clearly explain who is responsible for implementing the commitment and managing human rights issues.
- **There are definitely some leaders.** Two companies score significantly better than their peers, by specifically addressing the company's responsibility to respect human rights, identifying their most severe risks, giving tailored explanations about their approach, and offering concrete examples.
- **(Not surprisingly) unions matter.** The large majority of French companies are explicit about how they engage with unions, something that is not necessarily the case for companies elsewhere around the world.

Challenges

- **It's still an uphill climb:** despite the slight advantage that some of them have compared to other companies reviewed by Shift, the average French company is still far from meeting the UNGP expectations, and may not in turn meet the requirements of the Duty of Vigilance Law.
- **They talk the talk, but...** Companies have yet to provide clear and transparent information on how they are actually implementing their policies and commitments to respect human rights. Some use complex jargon, or wrap their disclosure in CSR/philanthropic language; others focus on high level policy statements with no information about how they implement them in practice.
- **Be frank and be open.** While most companies have been outspoken about their commitment to respect human rights, they are much more silent about the actual challenges that they're facing in managing human rights risks.

Shift's recommendations:

- **French companies should identify and disclose their salient human rights risks.** If French companies are serious about their commitment to respect human rights, they should be ready to disclose their most severe human rights risks and challenges. Balanced information and lessons learned provide much more authentic reporting and can help readers contextualize the efforts made by a company.
- **French companies should take a coherent, principled approach to reporting.** The UNGP Reporting Framework is entirely aligned to the expectations of the UN Guiding Principles on Business and Human Rights. By using it, companies can draft a comprehensive narrative and then use it time and again to fulfill their reporting requirements (including those under the Duty of Vigilance Law).
- **French companies should provide details and examples to show that they are working -not just reporting- on human rights issues,** especially beyond diversity and occupational health and safety.

Media toolkit

Digital copy (EN)	Yes	Public briefer	Yes
Web access	Yes		
Social media cards	Yes	Relevant hashtag:	
Takeaways	Yes	#LoiVigilance	

Suggested tweets:

As French companies work to comply with the #LoiVigilance, it is useful to know where they started. Here is a baseline by @shiftproject: www.shiftproject.org/vigilance

Last year, France passed a law to make companies disclose what they are doing to respect human rights. @ShiftProject dissected how the top #CAC40 are doing. Take a look: www.shiftproject.org/vigilance

[@ShiftProject](#) just published a report on the maturity of the human rights reporting of the top French companies. Download a digital copy at: www.shiftproject.org/vigilance