

COMMUNICATION ON ENGAGEMENT (COE)

**The Equality and Human Rights
Commission of Great Britain****Period covered by this Communication on Engagement:**

From: 2016 To: 2018

Part I. Statement of Continued Support by the Chief Executive or Equivalent

To our stakeholders:

I am pleased to confirm that the Equality and Human Rights Commission of Great Britain (the Commission) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

The Equality and Human Rights Commission of Great Britain (the Commission) is a signatory of the UN Global Compact and remains committed to the initiative and its principles.

This document describes the Commission's activities over the past two years to support the UN Global Compact principles.

As a National Human Rights Institution, the Commission has an important role to promote and protect human rights, including in relation to the activities of businesses. In April, the Commission took over the Chair of the Commonwealth Forum of National Human Rights Institutions for the next two years. This provides us with a unique opportunity to learn from each other's experiences to create a more effective international network.

Sincerely yours,

Rebecca Hilsenrath

Chief Executive

Part II. Description of Actions**The Commission's activity on business and human rights 2016-18**

We live in a country with a long history of upholding people's rights, valuing diversity and challenging intolerance. The Equality and Human Rights Commission seeks to maintain and strengthen this heritage while identifying and tackling discrimination and areas where human rights are not being respected. We use a range of powers to do so, by providing advice and guidance to individuals, businesses and other organisations, reviewing the effectiveness of the law and taking legal enforcement action to clarify the law and address significant breaches of rights. We also promote, monitor and report on the seven UN human rights treaties signed by the UK.

Specific areas of work include gender pay gap reporting guidance and enforcement, pregnancy and maternity rights campaigning, sexual harassment rights and reporting guidance, and litigation covering employment and equality rights.

This section describes how the Commission supports the UN Global Compact principles.

Internalizing the UN Global Compact Principles

The Commission contracts goods and services from a wide range of suppliers. For the past four years, the Commission has used the SID4GOV online platform to annually monitor and assess the sustainability and Corporate Social Responsibility (CSR) actions of its suppliers. Key performance indicators include human rights, labour standards, environmental protections and ethical conduct.

The platform provides the suppliers with recommendations to improve their practice. The Commission uses this information to work with suppliers on improvements. This allows the Commission to demonstrate its commitment to sustainable business practices, and encourage suppliers to adopt sustainability practices.

Participation in the Global Compact

The Commission continued to work in partnership with Global Compact UK Network to promote awareness and implementation of the UNGC principles. The Commission:

- promoted the Commission's new guidance for business audiences, from company boards to operational managers, through the UK Network's membership and wider networks
- worked with the UK Network to create an opportunity to showcase the Commission's work on gender in the workplace at the sixty-first session of the Commission on the Status of Women in New York in March 2017.

The Commission's Deputy Chair, Caroline Waters highlighted the Commission's work on discrimination in pregnancy and maternity, pay gaps and women on boards in line with that year's theme of women's economic empowerment in a changing world.

Engaging with business

The Commission's work programme covers a wide range of issues relevant to business and human rights. Following the launch of 'Business and Human Rights: a five-step guide for company boards' in May 2016, and a short animation explaining business and human rights, we worked with international business audiences to promote the importance of leadership and good governance.

This guide was:

- promoted by a Non-Executive Director of UK Network member company at the 2016 UN Forum on Business and Human Rights plenary session on 'Leadership perspectives: Embedding human rights in the rules and relationships that drive the global economy';
- the basis of feature article by the Commission's Deputy Chair in ICSA's¹ membership magazine - mailed to 12,000 company secretaries in the UK and 7,000 additional subscribers globally;
- used in 'Tackling Modern Slavery in Global Supply Chains' workshops with many of the UK's largest retailers, brands, producers, growers and labour suppliers and distributed to Ethical Trade Initiative members.

In January 2017, we published Business and human rights: A seven-step guide for managers. This sets out ways to help identify, mitigate and report on the human rights effects of their activities and meet the UN Guiding Principles on Business and Human Rights.

We also published three short guides on handling and resolving human rights complaints in relation to customers' complaints, community complaints and workers' complaints, which all followed the UN Guiding Principles on Business and Human Rights approach. We developed our guidance in partnership with leading human rights consultancies and in consultation with companies which have developed good practice approaches to implementing human rights principles.

As the UK prepares to leave the European Union, the Commission has been working to ensure that our vital equality and human rights laws are maintained, and that the UK Government sets out a positive

¹ The Institute of Chartered Secretaries and Administrators

vision for the protections the UK will maintain in its own right, once we leave EU laws behind. The Commission is working with the UK Government to recommend that the UK future trade agreements replicate the current EU international trade and cooperation agreements, such that 'appropriate measures' can be taken if the other party violates human rights or democratic principles.

Wider interventions to support business and human rights implementation

In 2017, the Commission provided expert independent legal arguments in a Supreme Court challenge on the lawfulness of fees for workers to seek redress through Employment Tribunals. The Supreme Court found fees to be unlawful and discriminatory in denying workers their rights to justice. The UK Government took immediate steps to stop charging fees. The Commission also provided evidence to the UK Parliament's Joint Committee on Human Rights (JCHR) inquiry into business and human rights which reported in April 2017.

Looking ahead

The Commission's work programme covers a wide range of employment and human rights issues. These are set out in our Business plan for 2018/19 and the basis for our position as an 'A' status accredited national human rights institution.²

In April, the Commission took on the leadership of the Commonwealth Forum of NHRIs (CFNHRI). Business and human rights is one of the Forum's strategic priorities. It is our role as Chair to develop and agree a new strategic plan. We will share lessons learned and develop best practice to promote human rights across the Commonwealth and will shortly publish guidance for NHRIs on global approaches to promoting and enforcing human rights in the business community, drawing on NHRI practice in all regions.

The Commission will continue to engage with the UN Global Compact principles by:

- seeking opportunities to improve business understanding and practice on a range of equality and human rights related issues;
- continuing to share expertise and learning with the UN Global Compact and its members.

Part III. Measurement of Outcomes

Examples of measurement of outcomes include:

- The **Gender Pay Gap reporting requirement** has recently come into force in the UK, and requires all organisations with more than 250 employees to report on the difference in average pay and bonuses between men and women in the workforce, and the proportion of men and women in each pay quartile. The Commission is the body responsible for enforcing these regulations. Action commenced against **1456 companies** on the 9th of April has been extremely successful. The target for compliance was always 100% - compliance levels are currently very close and we are confident of achieving the target.
- **Working Forward** is the Commission's campaign to make workplaces the best they can be for pregnant women and new parents. This initiative is backed by some of the UK's leading businesses. When an organisation joins the campaign, it makes a pledge to commit to family friendly policies, from the leadership downwards, including implementation of flexible working policies and training for managers, and improving employee confidence in talking about pregnancy, maternity and paternity support. So far we have **375 organisations** that have signed the pledge, which amounts to **1.72 million employees**.
- The Commission **funded a case in the Supreme Court** (*Pimlico Plumbers v Smith*) regarding workers' rights³. Mr Smith needed to work reduced hours following a heart attack, but because Pimlico Plumbers considered him to be an 'independent contractor' they did not recognise his rights to be protected by

² The business plan can be found at the following URL: <https://www.equalityhumanrights.com/en/publication-download/business-plan-2018-2019>.

³ *Pimlico Plumbers Ltd and another v Smith* [2018] UKSC 29, reported on 13th June 2018.

equality law, in particular the right to reasonable adjustments on grounds of his disability and the right to disability pay. The Supreme Court found that Mr Smith was an employee as he wore the company uniform, drove a branded vehicle and worked solely for Pimlico plumbers. This judgment could extend the security of sickness benefits and employment rights to thousands of workers in the UK.

- The Commission launched a consultation with employers on **Sexual Harassment in the Workplace**, to establish what safeguards they have in place to prevent sexual harassment. We also asked individuals to fill in a survey on sexual harassment in the workplace, and gathered evidence from around **750 employees and 240 employers. Three quarters** of individuals **had experienced sexual harassment at work**, and nearly all of those were women. Around a quarter of those reporting harassment were harassed by customers or clients, mostly in the hospitality industry. And around **half of the respondents hadn't reported** their harassment. In **half of those cases which were reported, no action was taken** as a result. The UK Parliament's Women and Equality Committee is now undertaking an inquiry into this area, using our report on the consultation in their inquiry, and the Government is taking on board most of our recommendations.