

What do other companies do?

International best practice on human rights policies



**Business & Human Rights
Resource Centre**

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22 October 2014, Yangon, Myanmar

About us

- Founded in 2002 by a group of former business people, human rights and environmental advocates, and academics – now our trustees
- The only free, global knowledge hub revealing the human rights performance and policy of over 5,600 companies in over 180 countries
- Links to reports about positive initiatives by companies as well as reports about concerns that have been raised by civil society
- Relied on by advocates, activists, businesspeople, governments, investors and the UN

We work with everyone to advance human rights in business. We track over 5600 companies, and help the vulnerable eradicate abuse.

www.business-humanrights.org

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UK admitted as EITI candidate country; joins over 40 other countries committed to improve transparency in oil, gas & mining

As Arab Bank prepares to appeal decision

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Business and Human Rights



HOW COULD FOUR OF THE

All of the brands named had robust human rights policies, supplier codes of conduct, and auditing systems. But as this case illustrates, in a globalised system with complex supply chains, human rights failures can trip up brands, with catastrophic consequences. And tragedies such as the 2012 collapse of the Rana Plaza garment factory

<http://business-humanrights.org/en/business-and-human-rights-bulletin-for-companies-with-8-essential-steps-to-implement-a-strategy>

Why are human rights important for business?

- **Avoid costs:** such as those related to legal risk and business disruption
- **Protect your brand:** from things such as public pressure, being linked with serious abuses such as slavery
- **Get ahead of regulation**
- **Increase profitability**

BHRRC Guidance



Companies often resist formulating a human rights strategy because of the highly sensitive nature of the issues. One of the most effective ways to get executives to focus on the need for a formal strategy is to approach the subject from a legal risk perspective. The Centre's hub on corporate legal accountability profiles lawsuits against companies for human rights abuses across the world. Users can search cases by industry, company, country and issues.

Early engagement with critics – before concerns escalate into full-blown disputes – is one important way to reduce legal risks. Since 2005, the Centre has approached companies over 2,000 times for responses to specific human rights allegations raised by NGOs (with a global response rate of 70%).

On legal and reputational risks...

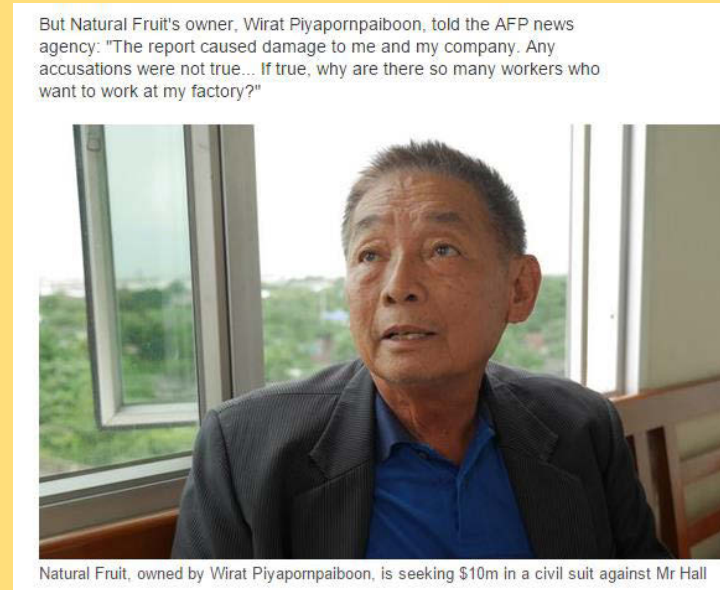
- Communities and NGOs in Myanmar and throughout Southeast Asia are becoming more adept at using research, legal and campaigns tools against companies that are linked with human rights concerns. A human rights policy could serve as a company's "compass" in navigating these situations if they come.

Examples:



Court case against Myanmar Pongpipat in Dawei

<http://www.irrawaddy.org/burma/lawsuit-heinda-mine-accepted-dawei-court.html>



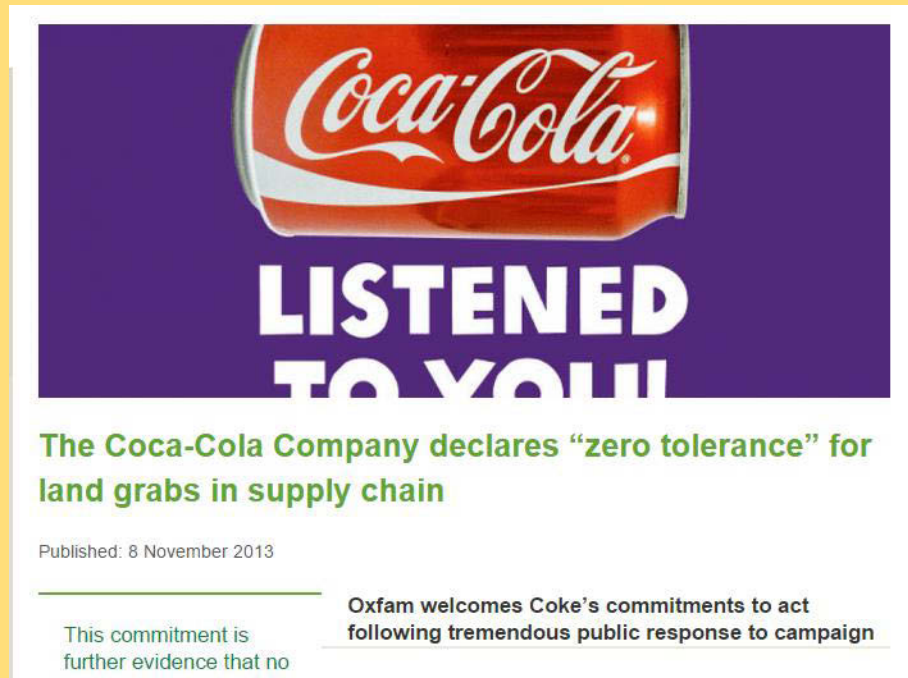
Campaign against Natural Fruit in Thailand

<http://www.bbc.com/news/uk-29024904>

On legal and reputational risks...

- Foreign companies have heightened expectations of local partners, and are likely to do business with companies that show a proactive and careful approach to human rights – along with a proven track record.

Examples:



Coca-Cola’s “zero tolerance” for land grabs in its supply chains

Full text of Coca-Cola’s land rights policy available here:

<http://assets.coca-colacompany.com/6b/65/7f0d386040fcb4872fa136f05c5c/proposal-to-oxfam-on-land-tenure-and-sugar.pdf>

On legal and reputational risks...

Examples:



<http://www.smh.com.au/national/anz-under-fire-for-loans-to-controversial-cambodian-sugar-plantation-20140122-3196z.html>

<http://www.radioaustralia.net.au/international/radio/program/asia-pacific/anz-bank-dumps-cambodia-customer-pp-sugar/1340362>



More information on this case available here:
<http://business-humanrights.org/en/cambodia-villagers-ngos-express-disappointment-over-anz%E2%80%99s-cutting-of-ties-with-phnom-penh-sugar-anz-responds>

ANZ Bank cutting off ties with Cambodian company Phnom Penh Sugar – a company linked to land rights abuses and child labour – even after the bank tried to implement “time-bound measures” to help the company improve.

Before writing a human rights policy statement...

Eight steps to establishing a human rights strategy

DEVELOPING AND IMPLEMENTING A HUMAN RIGHTS STRATEGY IS NEITHER EASY NOR QUICK. IT WILL DEMAND TIME, MONEY AND EXTENSIVE BUY-IN ACROSS THE BUSINESS. THESE ARE THE ESSENTIAL EIGHT STEPS YOU NEED TO TAKE:



http://www.contextsustainability.com/wp-content/uploads/2014/09/In-Context-Autumn-2014_CTX_final.pdf

- 1. Market scan:** Companies in your sector are often willing to share their experiences and learnings.
- 2. Engage internally:** Establish a cross-functional team, involving departments such as sourcing, legal, communications, finance, etc.
- 3. Assess human rights risk:** Human rights risks can lie in many unrelated parts of your value chain.

- 4. Engage externally:** with experts, NGOs, etc.
- 5. Draft your human rights policy:** This will be your public commitment, which is different from your strategy which is an evolving internal document.
- 6. Deepen your understanding:** Undertake detailed assessments of the reasons for potential human rights failures and your company's ability to prevent them.
- 7. Strategy development:** An action plan
- 8. Communicate:** Stakeholder communications come in many forms; identify your audience and tailor your communications. For example, business partners need to understand your raised standards.

Tips on how to write a human rights policy

- **Reference standards:** State which standards influenced your policy and strategy
- **Go beyond compliance:** At times local laws are weak, and stricter company policies are needed.

Example: [Gap](#) (clothing brand)

“Recognizing the framework of “Protect, Respect and Remedy” ...we will, in addition to adhering to national laws, work to ensure respect for fundamental human rights, as defined by the UDHR, the ICCPR and the ICESCR throughout our operations...”

Full text of Gap’s policy here:

http://www.gapinc.com/content/attachments/sersite/HumanRightsPolicy_FINAL.pdf

Tips on how to write a human rights policy

- **Define scope of commitment:** Define stakeholders and impacts most relevant to your business.

Example: [H&M](#) (clothing)

“In implementing this policy, we focus our efforts on issues and relationships in which we have greater degrees of control and influence... employees (labour rights)... suppliers (using human rights impact assessments)... customers (privacy, anti-discrimination, children’s rights)...”

Full text of H&M’s policy here:

<http://sustainability.hm.com/en/sustainability/downloads-resources/policies/policies/human-rights-policy.html>

Tips on how to write a human rights policy

- **Clarify implementation:** Clearly state how you plan to implement your policy, such as by conducting risk and impact assessments, training employees, devising a mechanism enabling rights holders to report breaches, etc.
- **Establish governance:** State who is responsible for policy implementation and oversight, and how these will be reported.

Examples of how companies integrate human rights policies in the organization

The screenshot shows the Microsoft Corporate Citizenship website. At the top left is the Microsoft logo and the text "Corporate Citizenship". To the right are social media icons for Facebook, Twitter, and LinkedIn, along with a "Sign in" link and a search bar. Below the header is a navigation menu with links: "New! YouthSpark Hub", "2014 Citizenship Report", "Working Responsibly", "Serving Communities", "YouthSpark", and "Nonprofits". The main content area features a large photograph of three diverse people (two men and one woman) smiling and looking at a laptop. A red rectangular box is overlaid on the left side of the photo with the text "Technology and Human Rights Center". Below the photo are social sharing buttons for "Like" (9), "Tweet" (15), "Share" (4), and "Email". To the right of the photo is a green sidebar menu titled "Principled Business Practices" with sub-items: "Human Rights", "Responsible Sourcing", "Environmental Sustainability", and "Integrity & Governance". Below the photo and sidebar is a "Mission" section with the text: "The Center will work to ensure that Microsoft meets its commitment to respect human rights and works to advance public understanding of the human rights impact of information and communications technology."

Microsoft's Technology and Human Rights Center

Examples of how companies integrate human rights policies in the organization

Strategy

Internally, the Center will focus on promoting the integration of human rights into the company's culture, business operations and strategies. This will take the form of:

- Advancing integration and understanding of Microsoft's Global Human Rights Statement;
- Driving internal alignment and coordination on human rights issues; and
- Embedding the "respect" concept into consideration of the relationship between human rights and key business topics, such as specific products, services and technologies; market entry, exit and engagement; and business strategy, models and operations.

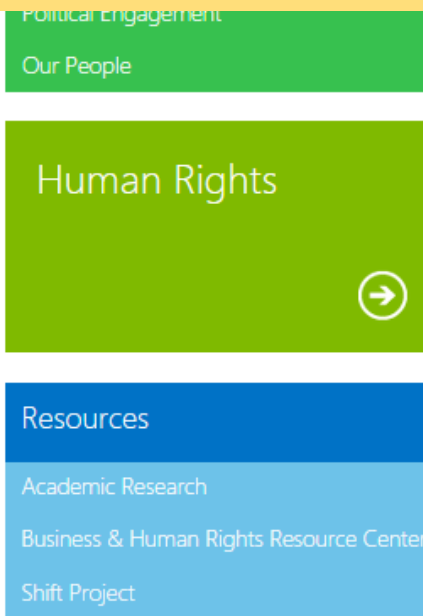
Externally, the Center will work to advance public understanding of human rights implications of ICT and explore the role business can play in driving respect for human rights through presence in – rather than absence from – markets that present human rights risk. This will take the form of:

- Advancing the public's understanding of the human rights impacts both positive and negative of information and communications technology;
- Increasing understanding that business can most effectively respect human rights through presence in, rather than absence from, countries that present human rights risks; and
- Fostering dialogue on issues related to human rights and technology.

Programs

To fully advance its missions and strategies, the Center will sponsor a variety of programs including:

- Stakeholder Engagement and Communications – The Center will coordinate Microsoft's ongoing outreach and engagement with a range of stakeholders to help ensure open and honest dialogue and discussion, an ongoing exchange of information sharing.
- Public Policy Engagement – Coordinate strategic engagement in public policy debates relating to the future of law enforcement, technology and surveillance in ways that encourage policy solutions that protect human rights.
- Research – In collaboration with Microsoft's Academic Relations program, the Center is supporting research on the topic of "Internet freedom."
- Events – The Center will develop and sponsor an annual program of various events to advance public understanding of the human rights impact of information and communications technology.



Microsoft's Technology and Human Rights Center

Examples of how companies integrate human rights policies in the organization



encourage and support everyone's right to participate in sports.

7. Who is responsible for implementing human rights within the adidas Group?

The short answer is everyone. Every employee has a responsibility to follow the Group's corporate policies, as well as comply with the relevant national laws and regulations, including those that protect against the violations of human rights.

At an operational level, our commitment to foster the implementation of human rights and core labour standards is supported through our Human Resources function, the programme for Legal Compliance and Social & Environmental Affairs.

Our commitment to upholding human rights and core labour standards is in effect in all adidas Group locations and it applies to the Group's business operations worldwide.

adidas Group's specific policies for certain areas of business (in line with approach to integrating human rights into its business practices):

- Labour Rights Charta
- Workplace Standards
- Employment, Health & Safety and Environmental Guidelines
- Code of Business Ethics

http://www.adidas-group.com/media/filer_public/2013/07/31/human_rights_responsible_business_practices_qa_july_2011_en.pdf

Other examples

- **Coca-Cola:**

http://assets.coca-colacompany.com/e9/c2/f1c4a6314f93bd7545fe43934621/human_rights_statement.pdf

- **Nestlé:**

http://www.nestle.com/asset-library/Documents/Library/Documents/Corporate_Governance/Corporate-Business-Principles-EN.pdf

- **Rio Tinto:**

<http://www.riotinto.com/ourcommitment/human-rights-4800.aspx>

- **MPRL:**

http://www.mprlexp.com/images/policy/Human_Right_Policy.pdf

- **Parami:**

<http://parami.com/company-policies/human-rights-policy/>

Examples of guidance from the BHR website:



- This list of company human rights policies are a good starting point when writing your own policy:

<http://business-humanrights.org/en/company-policy-statements-on-human-rights>

- These tools and examples can guide you in conducting human rights impact assessments:

<http://business-humanrights.org/en/tools-guidance-0/impact-assessment>

- The Centre's corporate legal accountability portal profiles lawsuits against companies for human rights abuses, which highlight the legal risk that rights allegations present to companies:

<http://business-humanrights.org/en/corporate-legal-accountability>

Thank you.

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<http://business-humanrights.org/en/weekly-update-sign-up>