Getting Started with Human Rights: 10 Practical Tips

A few years ago, I wrote this article for the Dutch magazine *Compliance*. This version has been updated and translated.

It is increasingly clear to businesses that they have a responsibility for human rights as part of sustainability, ESG, social compliance, ethics, and responsible business practices. A key difference between these terms and human rights is that human rights are based on international regulations. The standards are clear, universal, and applicable to everyone, though often not directly enforceable. Over time, corporate standards have also become more explicit, now enshrined in the CSDDD and several other EU regulations. Expectations for businesses are only increasing. Even if the political climate fluctuates, the risks are so significant that investors, NGOs, customers, and employees will continue to demand adherence. This article explains why it remains crucial to actively uphold human rights and offers ten practical tips for companies to take action.

Human Rights matter

In April 2013, an eight-story building housing garment factories collapsed in Bangladesh (Rana Plaza). The building employed 5,000 people, 1,000 of whom lost their lives, while 2,000 were injured. These workers were producing clothing for internationally recognized brands such as Benetton, Walmart, and likely some Dutch brands as well.

This was a severe disaster but not the first instance in which businesses were accused of violating the human rights of workers in international, globalized supply chains. As the late UN Special Representative Professor John Ruggie established in 2008, companies can impact nearly all human rights enshrined in international treaties.

Some of these rights are already acknowledged by businesses, though not necessarily as human rights. These include the right to safe and hygienic working conditions, the right to rest breaks and leisure, the prohibition of child labor under a certain age, and the right to education. Additionally, the right to "fair and favorable remuneration ensuring a dignified existence for the worker and their family," now widely recognized as a "living wage," is crucial. A company that acquires or uses land in conflict with local communities may be implicated in land ownership disputes. Similarly, businesses that pollute the environment can infringe upon the right to a healthy environment.

There are dozens of human rights that a company may be linked to, depending on the industry and sector.

A Race to the Top?

Since 2017, several investors—including AVIVA, Calvert, APG, and Nordea—have collaborated with NGOs to publish the **Corporate Human Rights Benchmark**[1]. As of 2024, 244 of the largest companies in high-risk sectors (apparel, mining, agriculture and food, ICT, and automotive) have been assessed on their ability to conduct "human rights due diligence" and handle (unintended) human rights violations appropriately. The benchmark's premise is that the competitive drive to be

1 https://www.worldbenchmarkingalliance.org/corporate-human-rights-benchmark/

the best will push companies to improve their human rights performance.

However, the findings reveal that **significant improvements are still neede**d. While 64% of the companies assessed over the years have made some progress, little has changed in terms of improving conditions for workers or communities. **The average company score was 28.7%.** In the latest 2023 assessment of the extractives and apparel sectors, **only one company (Repsol) scored above 60%,** while three others (Newmont, Eni, and Puma) scored above 50%.

Corporate Progress on Human Rights

As a corporate human rights advisor, I am well aware that few companies take serious and proactive measures to prevent contributing to human rights violations in their global operations and supply chains. Yet, I am repeatedly shocked by the benchmark results and the slow progress being made. Was the methodology too strict? Did it accurately reflect reality? Despite these concerns, much of this methodology is now reflected in upcoming legislation (CSDDD), which expects the same from businesses.

The methodology is based on the UN Guiding Principles on Business and Human Rights (UNGPs), the most authoritative framework outlining corporate human rights responsibilities.[2] Developed by UN Special Representative Professor Ruggie, these principles inform the benchmark, which is continuously refined and widely consulted upon. A revised methodology is already planned for 2026.

To perform well in the benchmark, companies must have **a human rights policy**—both general and specific to workers and communities. This is not a strict requirement under the CSDDD, but investors expect it. Board-level commitment, integration into business models with incentives for results, and a company's approach to assessing its own contributions and business model are also crucial. Under the CSDDD, these aspects are partially required, as businesses must evaluate their own contributions to risks.

Additionally, companies must **internally and externally communicate their human rights commitments**. While this is only partially mandated by the CSDDD, embedding these commitments through engagement with business partners and affected stakeholders is essential. Both aspects fall under the CSDDD obligations.

The due diligence process—how companies identify, assess, address, and monitor risks—is a core component of both the benchmark and the CSDDD. Establishing grievance mechanisms and addressing negative impacts (remedy) are also key aspects of the benchmark and will soon be mandatory under the CSDDD.

Furthermore, the benchmark evaluates how companies **manage specific human rights risks relevant to their sect**or, such as child labor, forced labor, or living wages. While businesses must address these under the CSDDD, the law does not frame them in the same way as the benchmark does. Finally, how a company handles serious human rights allegations is a standard benchmark criterion.

This confirms real-world experience. In my advisory practice, I see that human rights only become a top priority within a company when a media issue arises—excluding social enterprises with a core social mission. For instance, an NGO publishes a report on a human rights violation involving an international company, the media picks it up or investigates further, and alarm bells go off.

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2 https://duckduckgo.com/?t=h_&q=http%3A%2F%2Fwww.ohchr.org%2FDocuments%2FPublications%2F+GuidingPrinciplesBusinessHR_EN.pdf.&ia=web

Senior executives step in to restore the company's reputation, sometimes leading to the development of a robust due diligence process.

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Prevention is Better Than Cure?

In most cases, the issue could have been prevented through a proactive human rights due diligence process. Some companies now openly admit that child labour likely exists somewhere in their supply chain. In the future, it will become increasingly difficult for companies to claim ignorance. The expectation is that they must take all necessary measures to prevent child labor. Simply having suppliers sign a code of conduct banning child labor is insufficient. Companies are expected to investigate where the risks lie, which suppliers and countries are involved, and act accordingly through effective supply chain management. They should require supply chain partners to conduct their own investigations, implement measures, monitor compliance, and communicate transparently.

Rising Expectations

Despite current political developments (2025), expectations for companies to respect human rights actively will continue to grow. Below are some key drivers of this trend.

Expectations from Investors

Human rights violations can not only damage a company's reputation or be seen as a non-financial risk; the consequences of insufficient human rights due diligence can pose a material risk by harming business relationships, negatively impacting financial results, or jeopardizing sustainable value-creation objectives. This is why human rights are receiving increasing attention, particularly from long-term investors. The previously mentioned Corporate Human Rights Benchmark is an example of this trend.

Under the **Sustainable Finance Disclosure Regulation (2023),** financial institutions are required to demonstrate how they incorporate sustainability information (including human rights) into their investment decisions. Moreover, investors themselves are expected to conduct human rights due diligence and assess related risks, although this is not yet mandatory. Human rights are also frequently on the agenda of shareholder meetings, even though proposals on this issue are not always approved.

Legalization

Back in 2017, I already wrote about the trend of increasing legalization, and since then, numerous laws have been enacted at the European level, requiring companies to conduct human rights due diligence (**EU Conflict Minerals Regulation, EU Taxonomy Regulation, EU Deforestation Regulation, EU Battery Regulation, Corporate Sustainability Reporting Directive, EU Forced Labour Regulation**). Soft law guidelines are increasingly being formalized into regulations. Although there is significant resistance and legal obligations may be weakened, I still expect this issue to remain high on the agenda, with certain obligations remaining in place.

Meanwhile, the **The Hague Rules on Business and Human Rights Arbitration ("the Rules")** were introduced in 2019 to resolve disputes between multinational corporations and victims. Additionally, within the **United Nations**, work is underway on a treaty called the **"International Legally Binding Instrument on Transnational Corporations and Other Business**

Enterprises with Respect to Human Rights." In short, legal developments are gradually shifting the debate, making it increasingly urgent for companies to proactively address these issues.

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What Are the Expectations?

The **UN Guiding Principles on Business and Human Rights** and the **OECD Guidelines for Multinational Enterprises**, which incorporate these principles, remain the foundation. These guidelines impose a **duty of effort** on companies, which creates uncertainty and misunderstanding with some legal professionals but remains highly effective in practice. Implementation is by continuous improvement and is subject to interpretation, which is why the **Corporate Sustainability Due Diligence Directive (CSDDD)**, which has codified these guidelines into law, remains a source of debate.

Below are **practical tips** relevant to all these developments, based on existing laws and guidelines. Every company should at least start with these:

Better Safe Than Sorry!

1. Understand the Expectations

The **UN Guiding Principles on Business and Human Rights**, the business-specific guide **"Doing Business with Respect for Human Rights"**, and the **OECD Guidance for Responsible Business Conduct** are essential reading. These documents help businesses understand legal requirements. Organizations like **Human Rights@Work** and other experts can also provide insights. These guidelines offer a structured process to comply with regulations and serve as a solid foundation.

2. Identify Key Risks

This isn't just about risks to the company but, more importantly, **risks to people** whose rights may be violated in the supply chain. For large international companies, this can be challenging, as they operate in over a hundred countries and have thousands of suppliers. Companies are expected to identify risks in their **supply chains**—not just their direct suppliers. While mapping these risks requires **time and resources**, it is crucial for making credible human rights commitments. **Prioritization is key**—not everything needs to be identified and addressed immediately, but major risks should take precedence.

3. Engage with Internal Stakeholders

Risk management often involves consulting **internal stakeholders**. For human rights risks, it's important to engage not just with management but also with **local employees**, particularly vulnerable groups such as **women, migrant workers, minorities, and those on temporary contracts**. Internal **training** can help stakeholders better identify risks.

4. Engage with External Stakeholders

External stakeholders offer valuable insights that might be overlooked internally. This includes **customers, suppliers, government bodies, researchers, and NGOs**. Local trade unions are also key stakeholders. If direct engagement is not possible, at least research what **stakeholders expect** from the company.

5. Engage with Those Directly Affected

Human rights issues concern **real people with rights**. They know best whether their rights are being respected. Engaging with them can be challenging, but **civil society organizations** can be valuable partners in facilitating these conversations.

6. Establish a Cross-Functional Internal Team

Human rights compliance is not the responsibility of just one department. It requires collaboration across **compliance, HR, procurement, sustainability, corporate governance, and product development**. The responsibility should rest at the **board level**, with execution involving **all relevant divisions**, especially in high-risk regions.

7. Leverage External Expertise

Human rights are not just a **compliance issue**—they are about **credibility and trust**. Do **internal and external stakeholders** believe in the company's approach? Many businesses lack the necessary expertise in-house. While only a few companies have dedicated human rights teams, it is crucial to **bring in external experts** to ensure a credible strategy.

8. Analyze the Company's Responsibilities

Companies must assess their role in **human rights violations**:

- **Direct violations** (e.g., firing an employee for being pregnant).
- **Contributory violations** (e.g., setting unrealistic deadlines, leading suppliers to impose forced labor conditions).
- **Linked violations** (e.g., a supplier polluting a community's drinking water).

9. Set Clear Priorities

Companies are not expected to fix everything at once. **Prioritization**—starting with the most severe risks—is entirely legitimate. Transparency about **how** priorities are set is also important. The most **severe** issues and areas where the company has the **greatest influence** should come first.

10. Communicate Clearly About the Process and Choices

Many companies hesitate to communicate until everything is **perfectly in place**—but with human rights, perfection is rarely achievable. Even before the **Corporate Sustainability Reporting Directive (CSRD)** is fully implemented in national law, the **Non-Financial Reporting Directive** already requires companies to disclose information. A well-established **human rights due diligence process** should be communicated transparently:

- What are the key risks?
- How are they being addressed?
- Who are the stakeholders, and how are they engaged?

Human Rights Are Rising on the Agenda

Expectations from **governments, civil society, customers, and investors** continue to grow. These expectations are increasingly being codified into **law**, making **proactive implementation** crucial. The **above recommendations help businesses prevent major issues** and provide a **strong starting point** for developing an effective mechanism to address problems before they become crises.