



# **Business and Human Rights Guidance for business enterprises**

**Produced by the Implementation Group for the National Plan  
on Business and Human Rights (2017)**

**Human Rights Unit  
Department of Foreign Affairs**

**15 April 2021**

<b>Introduction</b> .....	3
In short: what are businesses being asked to do? .....	3
<b>The international, EU and national policy context</b> .....	4
The international context.....	4
The national context.....	5
<b>The relationship between business and human rights</b> .....	7
What are human rights?.....	8
What are labour rights?.....	8
How are human rights relevant to business? .....	8
<b>Resources for businesses</b> .....	10
<b>Selected Key themes</b> .....	13
Gender .....	13
Human Rights Defenders.....	13
Anti-corruption laws in Ireland .....	13
Whistleblower protections in Ireland .....	14
Non-Financial Reporting.....	14
Ireland and International Mineral Policy .....	14
<b>Related initiatives</b> .....	16
The Sustainable Development Goals (SDGs) .....	16
OECD Guidelines for Multinational Enterprises on Responsible Business Conduct .....	16
Sustainable Membership Initiative: The UN Global Compact.....	16
Children’s Rights and Business Principles .....	17
Principles for Responsible Investment (PRI).....	17
The Global Standards for Sustainability Reporting (GRI) .....	17
The Business Working Responsibly Mark .....	17
<b>Irish case studies</b> .....	18
<b>Tesco plc</b> .....	18
<b>Diageo</b> .....	23
<b>Kerry Group plc</b> .....	27
<b>Unilever plc</b> .....	33

## Introduction

Since 2011, the [United Nations Guiding Principles on Business and Human Rights](#) (UNGPs) have been the global standard for corporate responsibility to respect human rights and a key component of many responsible business standards and legislation.

Ireland is committed to implementing the UNGPs and the [National Plan on Business and Human Rights 2017-2020](#) sets out a series of commitments to begin this implementation process.

The development of a toolkit for businesses is one of the commitments in that Plan. The [Implementation Group for the National Plan on Business and Human Rights](#) has decided that there is already a lot of expert guidance available, including in the form of toolkits, and this guidance material seeks to draw together in one place much of that expertise to help business enterprises to understand and begin implementing the UN Guiding Principles on Business and Human Rights.

At European Union (EU) level, the Commission has indicated that in 2021 it will bring forward a [sustainable corporate governance](#) proposal to enhance the EU regulatory framework on company law and corporate governance, requiring business enterprises to identify and mitigate environmental, social and human rights risks across their value chains.

The UN Guiding Principles ask businesses to take adequate measures to identify, prevent, mitigate and account for how they address their impacts on the human rights of people. They assert that when a negative impact does occur, businesses must address that impact and provide remedy, where necessary.

### In short: what are businesses being asked to do?

Under the UNGPs, at a very practical level, all businesses are expected to:

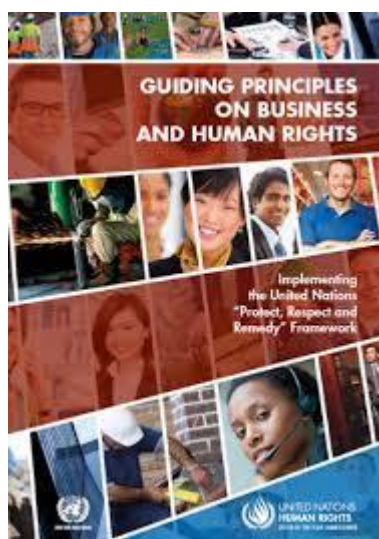
1. Develop a public commitment to respect human rights, and embed it across the organisation
  - i) Commit to respect human rights
  - ii) Embed human rights policy in the company's culture
2. Establish an on-going process of human rights due diligence, that begins with the identification and prioritisation of their most severe – or salient – human rights issues (i.e. ways that the business can negatively impact on people across a business' operations or value chain)
  - i) Identify potential and actual human rights impacts
  - ii) Act upon the findings
  - iii) Track the company's performance on preventing and mitigating impacts
  - iv) Communicate the company's efforts
3. Implement grievance mechanisms through which people can flag issues or complaints, and provide remedy when harm occurs.
  - i) Establish operational-level grievance mechanisms
  - ii) Provide for or cooperate in remediation

## The international, EU and national policy context

### The international context

Business and human rights is an increasingly important consideration for businesses of all sizes. With major changes on the horizon, particularly at EU level, now is the time for businesses to consider future-proofing their operations, identifying and mitigating risks to people that occur in their operations and value chains, and which can also represent financial and legal risks for the businesses.

Since 2011, the [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#) have been the global standard for responsible business conduct. The UNGPs consist of 31 principles across three pillars. The three pillars are: The State Duty to Protect Human Rights; The Corporate Responsibility to Respect Human Rights; and The Need for Victims of Harm to Receive Remedy. The UNGPs have formed the foundations of many responsible business standards and legislation since then.



These Guiding Principles apply to all States and to all business enterprises, both transnational and others, regardless of their size, sector, location, ownership and structure. On the question of whether the responsibilities of small and mid-size enterprises differ from those of big transnational ones – the UN’s [FAQs on the UNGPs on Business and Human Rights](#) states:

“...the responsibility to respect human rights is a baseline expectation for all companies, regardless of size, operating context, sector or industry. It should not be assumed that a smaller company necessarily has less potential or actual impact on human rights than a larger entity. However, a company’s size will often influence the kinds of approaches it takes to meet its responsibility. Larger companies will likely be engaged in a wider range of activities, and have more business relationships and longer and more complex supply chains than small companies. Large companies are also likely to have more complex procedures and systems in place for decision-making, and communications, control and oversight. Thus, the policies and processes that large companies need in order to ensure that they both know

and show that they respect human rights will have to reflect all these factors. In most cases, large companies will need more formal and comprehensive systems in place to effectively integrate respect for human rights throughout their operations and activities. Smaller companies may have less formal modes of communication, fewer employees and less formal management structures. Internal systems and oversight may therefore also be less formalized and complex. However, while a company with few employees may often not need very comprehensive systems, size should never be the determining factor for the nature and scale of the processes necessary to address human rights risk—this should always be guided by the risk that the company’s operations, products, services and business relationship pose to human rights.”

The UNGPs envisage that states will employ a ‘smart mix of measures’ to enable an environment for responsible business conduct. As part of this, some states have introduced (e.g. France), or proposed (e.g. Germany, Finland) new laws requiring businesses to conduct human rights due diligence with regard to their supply chains.

At EU level, the Commission has indicated that in 2021 it will bring forward a [sustainable corporate governance](#) proposal to enhance the EU regulatory framework on company law and corporate governance, requiring business enterprises to identify and mitigate environmental, social and human rights risks across their value chains. The EU Justice Commissioner has indicated that these new measures will also encompass Directors’ duties, requiring business enterprises to take greater account of their long-term interests and to frame decisions in terms of environmental, social and human impacts.

The new [EU Action Plan on Human Rights and Democracy 2020-2024](#) contains a suite of measures in the policy area of Business and Human Rights. These include a commitment to work on a comprehensive EU framework for the implementation of the Guiding Principles in order to enhance coordination and coherence of actions at EU level; and a commitment to engage with the business sector on best practices on responsible business conduct, corporate social responsibility, due diligence, accountability and access to remedies in a participative manner (e.g. supply chains, zero tolerance for child labour).

The UNGPs have been integrated into the OECD’s [Guidelines for Multinational Enterprises](#), the global standard on responsible business conduct.

Finally, June 2021 marks a decade since the adoption of the UNGPs, an anniversary which will be marked with proposals for a new roadmap for implementation by the [UN Working Group on the issue of human rights and transnational corporations and other business enterprises](#).

### The national context

Ireland is committed to implementing the UN Guiding Principles on Business and Human Rights and our first [National Plan on Business and Human Rights 2017-2020](#) sets out a series of commitments to begin implementing the UNGPs. Implementation of the whole of government plan is overseen by an independently chaired Implementation Group, comprising representatives of government, civil society and business. The Government’s Interdepartmental Committee on Human Rights also monitors implementation. The National Plan reflects the three pillars of the UN Guiding Principles:



## The relationship between business and human rights

The UN Guiding Principles ask businesses to take adequate measures to prevent or avoid negatively impacting on human rights of people. However, they also assert that when a negative impact does occur, businesses must address that impact and provide remedy, where necessary.

**At a very practical level, all businesses are expected to:**

- 1. Develop a public commitment to respect human rights, and embed it across the organisation**
  - i) Commit to respect human rights**
  - ii) Embed human rights policy in the company's culture**
  
- 2. Establish an on-going process of human rights due diligence, that begins with the identification and prioritisation of their most severe – or salient – human rights issues (i.e. those human rights that are at risk of the most severe negative impact across a business' operations and value chain). The human rights due diligence process involves the following steps:**
  - i) Identify potential and actual salient human rights impacts**
  - ii) Act upon the findings**
  - iii) Track the company's performance on preventing and mitigating impacts**
  - iv) Communicate the company's efforts (internally and externally)**
  
- 3. Implement grievance mechanisms through which people can flag issues or complaints, and provide remedy when harm occurs.**
  - i) Establish operational-level grievance mechanisms**
  - ii) Provide for or cooperate in remediation**

It is crucial to engage with stakeholders in meaningful dialogue throughout this process (in the context of human rights, stakeholders refer to potentially impacted people, whether individuals, workers, communities etc.). An important aspect of a company's responsibility to protect human rights relates to human rights defenders, i.e. any person or group of persons working to promote human rights locally, regionally, or internationally. Business enterprises need to ensure to not inhibit the lawful actions of a human rights defender or restrict their freedom of expression, freedom of association, or right to peaceful assembly (see, e.g., the policy on human rights defenders by [Adidas](#)).

**Focusing on human rights is very different to the traditional concept of corporate social responsibility** that focuses on voluntary actions to 'give back' to communities, and that pivots around philanthropic activities. Focusing on human rights requires that businesses examine the ways that their core activities, partnerships and business relationships (in other words, the business model) may impact negatively on people and their human rights. Businesses are then expected to take the appropriate steps to prevent those impacts from occurring, and to mitigate the impacts when they do occur. Most company CSR activities, on the other hand, focus on providing additional positive contributions that the business can make, usually to specific communities and groups of people. While these contributions have a role to play, businesses are expected to first prevent and manage human rights impacts across their value chain.

## What are human rights?

In 1948, the [Universal Declaration of Human Rights](#) set out, for the first time at the international level, those fundamental rights that every person should enjoy, and which are to be universally protected.

The United Nations [defines](#) human rights as follows:

*Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination.*

## What are labour rights?

Labour rights are a subset of human rights. The United Nations [defines](#) labour rights as follows:

*Labour rights are the rights of workers, as enshrined in international labour standards drawn up by the International Labour Organization (ILO). In particular, its Declaration on Fundamental Principles and Rights at Work commits all its member States to four categories of principles and rights: freedom of association and the right to collective bargaining; the elimination of forced labour; the abolition of child labour; and the elimination of discrimination in respect of employment and occupation. These rights are covered by its [eight core conventions](#).*

## How are human rights relevant to business?

The United Nations addresses this question in a key publication that answers a range of [FAQs on the UNGPs on Business and Human Rights](#). It notes:

*It has long been recognized that business can have a profound impact on human rights. This impact can be positive, for example by delivering innovation and services that can improve living standards for people across the globe. It can also be negative, for example where business activities destroy people's livelihoods, exploit workers or displace communities. Business enterprises can also be complicit in human rights abuses committed by others, including States—for example, if they collude with security forces in violently suppressing protests or provide information on their customers to States that then use it to track down and punish dissidents. ... The Guiding Principles on Business and Human Rights were developed to clarify the different roles and responsibilities that States and business enterprises have to address business impact on human rights.*

The UN's [Interpretive Guide to the Corporate Responsibility to Protect Human Rights](#) provides clear explanations of the terms used in the UNGPs, explains key concepts and operational principles, and provides clear examples and guidance to business enterprises .



While business enterprises are in general a force for good around the world, we regularly see media headlines highlighting the ways that businesses have harmed people.

A business enterprise can impact on a person’s human rights through its **direct activities or through its business relationships** - in other words, through its operations and value chain.

It is important that businesses understand the potential human rights impact of company activity and take steps to protect human rights.

Negative impacts may include, for example, discrimination, bonded labour, industrial pollution and accidents, poverty wages, excessive overtime, to name but a few. Business enterprises can impact negatively on people irrespective of nationality, language, religion, but the impacts tend to have a more detrimental effect on people who are already vulnerable, for example, people living in poverty, migrants, the disabled, children, the LGBTI+ community, unskilled workers, or workers from countries with inadequate social protections.

**Some examples of corporate practices that can have a negative impact on human rights:**

<b>Practice</b>	<b>Human Rights Negatively Affected</b>
A company may be involved in the transportation of people or goods that facilitates the trafficking of individuals	The right not to be subjected to slavery or servitude (forced labour)
Failing to protect the confidentiality of personal data held about employees or contract workers, customers or other individuals	The right to privacy
Using cleaning staff that are employed by a third-party company that are denied paid sick leave or necessary safety gear and equipment	The right to enjoy just and favourable conditions of work
The presence of child labour in a business or its supply chain, where those children are unable to attend school	The right to education
Purchasing garments from a company that dismisses staff who are members of a trade union	The right to freedom of association
Practices impacting Human Rights Defenders (HRDs): <ul style="list-style-type: none"> <li>• Criminalisation of HRDs that oppose a business development</li> <li>• Investing in a project that has been linked to killings of HRDs</li> <li>• Complicity in attacks and sometimes killings of HRDs who expose negative human rights impacts of business ventures</li> </ul>	<ul style="list-style-type: none"> <li>• The right to life, liberty and security</li> <li>• The right to freedom of expression, association and peaceful assembly</li> <li>• The right to work</li> </ul>

## Resources for businesses

A number of useful resources have been developed to help to guide businesses through the steps required to meet their obligations under the UN Guiding Principles and business enterprises are encouraged to make use of these resources.

We have grouped the resources according to their purposes and how you would use them; for example:

- the 'International Organisation guidance' section contains links to documents that provide the high-level context on the UNGPs.
- The Practical business-facing guidance' sections contains links to a range of documents that help businesses get started on managing and reporting on their human rights impacts.
- The 'Benchmarks for Businesses' section provides background information on a range of benchmarks and assessments of companies' human rights practice.

### International Organisation guidance

- The website of the Office of the High Commissioner for Human Rights (OHCHR) provides [an overview of Business and Human Rights](#) and a comprehensive range of [resources](#) including an [Interpretive Guide to the Corporate Responsibility to Protect Human Rights](#) which explains key concepts and operational principles for the UNGPs; a [handbook for business with real life case studies](#); [Principles for Responsible Contracts: Guidelines for Negotiators](#); [FAQs on the Guiding Principles](#) and much more.
- The Council of Europe provides a non-exhaustive [selection of some of the relevant standards and guidance issued by European and International organisations](#).

### Practical business-facing guidance (including toolkits)

- Human Rights Reporting: The [UN Guiding Principles Reporting Framework](#) helps business enterprises to understand what good disclosure on human rights looks like, and therefore what content businesses should include when reporting on human rights. As the Reporting Framework maps well to the expectations of the UN Guiding Principles themselves, it is also a useful tool for conducting a gap assessment against the UNGPs.
- The "Doing business with respect for human rights" [guidance](#) (developed by [Shift](#)) provides practical, plain-language advice, experiences and insights for businesses to help them get started with identifying and managing their human rights risks.
- The [World Business Council for Sustainable Development](#) (WBCSD) developed [practical guidance](#) for CEOs on how to manage their company human rights risks.

- The [Danish Institute of Human Rights](#) has published a [database](#) of concrete actions by companies to place human rights due diligence at their heart of their business. It has developed a number of tools including a [Human rights impact assessment guidance and toolbox](#) a [Guide on integrating human rights into environmental, social and health impact assessments](#); a [human rights and business country guide](#); and much more.
- The [British Equality and Human Rights Commission](#) has developed a [five step guide for company boards](#) setting out the steps boards should take to ensure their business enterprises are complying with their human rights responsibilities. A similar [seven step guide for managers](#) is also available.
- The [Ethical Trading Initiative](#) is an alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. The [ETI Base Code](#) is founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice while the ETI's *Base Code Guidance: Modern Slavery* guide for business is available [here](#)
- [Stronger Together](#) is a British multi-stakeholder business-led initiative aimed at reducing modern slavery. It has developed a number of resources available [here](#)
- The [Global Business Initiative on Human Rights](#) (GBI) has developed the [GBI Business Practice Portal](#). The Portal is an online 'by business, for business' resource that provides access to examples of GBI members' human rights-related practices, plain-language summaries of relevant concepts from the UN Guiding Principles on Business and Human Rights and short videos of business practitioners describing how they approach different aspects of this work.
- A number of CEOs of leading companies have also partnered with Shift and the World Business Council for Sustainable Development to produce a [CEO Guide to Human Rights](#)
- The [International Chamber of Commerce \(ICC\)](#) is the institutional representative of more than 45 million companies in over 100 countries. ICC resources on Responsible Business can be found [here](#), while material on corporate responsibility is set out [here](#). Resources developed by the ICC for companies include [The ICC Guide to Responsible Sourcing](#) and [guide to third party due diligence for SMEs](#).
- [The Business & Human Rights Resource Centre](#) is an organisation dedicated to advancing human rights in business and eradicating abuse. The Centre tracks the human rights policy and performance of over 9,000 business enterprises in over 180 countries, making information publicly available. The organisation seeks to amplify the voices of the vulnerable and human rights advocates in civil society, media, business enterprises, and governments.

### **Benchmarks for businesses**

- The [Danish Institute for Human Rights](#) has developed a [platform for human rights indicators for business](#) that includes assessment questions as well as cases studies on the application of

the human rights compliance assessment indicators in various contexts by various stakeholders.

- Businesses may be familiar with the high profile [Corporate Human Rights Benchmark](#) (CHRB) which assesses information publicly disclosed by business enterprises to measure how business enterprises' policies, processes, practices and response to serious allegations corresponds to the UNGPs. In Ireland, the [Trinity Centre for Social Innovation](#) uses aspects of the CHRB methodology to consider the performance of large firms operating in Ireland - see [Irish Business and Human Rights: A snapshot of large firms operating in Ireland](#).
- [The Business & Human Rights Resource Centre](#) is an organisation dedicated to advancing human rights in business and eradicating abuse. The Centre tracks the human rights policy and performance of over 9000 business enterprises in over 180 countries, making information publicly available. The organisation seeks to amplify the voices of the vulnerable, and human rights advocates in civil society, media, business enterprises, and governments.

## Selected Key themes

### Gender

The UN Guiding Principles on Business and Human Rights highlight the importance of addressing issues such as gender. In furtherance of this work, the UN Working Group on Business and Human Rights has examined the UNGPs through a “[gender lens](#)”, highlighting the fact that “women (including girls) experience business-related human rights abuses in unique ways and are often affected disproportionately.”

The Working Group states that business enterprises need to pay “special attention to the unique experiences of women and the structural discrimination or barriers that they face.”

A booklet with [guidance on the gender lens to the UNGPs](#) is available on the UN Office of the High Commissioner for Human Rights’ website.

### Human Rights Defenders

Ireland advocates strongly for human rights defenders in its foreign policy and works closely with the UN Special Rapporteur on the situation of Human Rights Defenders (HRDs).

HRDs are particularly vulnerable to threats and attacks where they raise concerns about adverse human rights impacts of business operations, as [highlighted](#) by the UN Working Group on Business and Human Rights.

The UN Working Group has highlighted the key role that HRDs can have in human rights due diligence, noting that the UNGPs:

- Urge businesses to consult human rights defenders as an important expert resource as part of their human rights due diligence, as defenders have a key role as watchdogs, advocates and voice for affected stakeholders.
- Urge States to ensure that the legitimate activities of human rights defenders are not obstructed.

The [International Service for Human Rights \(ISHR\)](#) has developed a [Human Rights Defender Toolkit](#) which provides guidance.

### Anti-corruption laws in Ireland

The UN Working Group on Business and Human Rights has [examined](#) how corruption involving business enterprises can lead to human rights abuses and underlined the importance of connecting the business and human rights and anti-corruption agendas.

In Ireland, there is a strong suite of anti-corruption measures. A cross-departmental website [www.anticorruption.ie](http://www.anticorruption.ie) brings together information on anti-corruption laws and policies in Ireland as well as guidance for making complaints. The State’s anti-corruption laws were strengthened and modernised in 2018 with the passage of the [Criminal Justice \(Corruption Offences\) Act 2018](#), which encompasses the requirements of a number of international legal instruments including the OECD Convention on Bribery of Foreign Public Officials. The Government is currently preparing an implementation plan for the far-reaching [Review of Structures and Strategies to Prevent, Investigate and Penalise Economic Crime and Corruption](#).

[Transparency Ireland](#) is an independent anti-corruption organisation. Its [Integrity at Work \(IAW\) programme](#) aims to help foster workplaces where people are supported to raise concerns of wrongdoing and act with integrity.

### Whistleblower protections in Ireland

In Ireland, the [Protected Disclosures Act 2014](#) (PDA) provides a statutory framework for protections to whistleblowers who raise concerns regarding potential wrongdoing in their workplace. These protections apply to workers in all sectors of the economy, both public and private. They protect whistleblowers from being penalised by their employer for reporting wrongdoing in the workplace or suffering any detriment for doing so. The Act requires every public body to establish and maintain procedures for dealing with protected disclosures and to provide written information relating to these procedures to their employees.

### Non-Financial Reporting

The [European Union \(Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups\) Regulations 2017](#) were signed into law in Ireland on 30 July 2017 and came into operation on 21 August 2017.

The Regulations, which transpose EU Directive 2014/95/EU, require certain specified large companies such as banks, insurance undertakings and listed companies with more than 500 employees to annually disclose certain company information of a non-financial nature. That information includes **environmental matters, social and employee related issues, respect for human rights and bribery and corruption matters**. The Regulations also require large listed companies to report annually on the **diversity policy** applied in respect of the board of directors.

The Regulations apply to financial years beginning on or after 1 August 2017.

The [European Union \(Disclosure of Non-Financial and Diversity Information by Certain Large Undertakings and Groups\) \(Amendment\) Regulations 2018](#) (SI No 410 of 2018) were signed into law on the 9 October 2018 and came into operation on the 17 October 2018.

These Regulations make some technical amendments to Regulations 4 and 5 of the European Union (Disclosure of Non-Financial and Diversity Information by Certain Large Undertakings and Groups) Regulations 2017 (SI No 360 of 2017).

On its 11 December 2019 [Communication on the European Green Deal](#), the Commission committed to [review the non-financial reporting directive in 2020](#) as part of the strategy to strengthen the foundations for sustainable investment.

### Ireland and International Mineral Policy

*The following sections are taken from the [Department of the Environment, Climate and Communications](#) (DECC) website, last updated on 18 January 2021*

### The Kimberley Process

The [Kimberley Process \(KP\)](#) is an international trade regime consisting of governments, the diamond industry and NGOs, with the goal of preventing the trade of conflict diamonds. Since its introduction in 2003, global production of conflict diamonds has decreased by 99.8%.

There are 55 participants in the KP, with the EU acting as a single participant. Anyone wishing to import or export rough diamonds into or out of the EU must do so through a designated Kimberley Process Union Authority and comply with the Kimberley Process Certification Scheme (KPCS).

There are currently seven EU Member States, including Ireland, which are KP Union Authorities. The Kimberley Process and Responsible Minerals Authority (KPRMA) in DECC is a KP Union Authority and is authorised to approve imports and exports of rough diamonds.

There are also so-called 'conflict minerals' - tin, tungsten, tantalum and gold, also referred to as 3TG, which are used in everyday products such as mobile phones, cars or jewellery. In politically unstable areas, these minerals can be used to finance armed groups, fuel forced labour and other human rights abuses, and support corruption and money laundering.

### The EU Conflict Minerals Regulation

The EU Conflict Minerals Regulation [EU Conflict Minerals Regulation](#) aims to ensure that the EU supply chain for these 3TG minerals and metals is from responsible and conflict-free sources only. This regulation will come into full force across the EU on 1 January 2021. DECC is the competent authority in Ireland, which means that it is responsible for carrying out checks to ensure that EU importers of 3TG minerals or metals are complying with their obligations. DECC will introduce enabling national legislation to achieve the aims of the EU Regulation and, in doing so, facilitate Irish companies trading in conflict free minerals and metals.

## Related initiatives

### The Sustainable Development Goals (SDGs)

In 2015, UN Member States adopted the [Sustainable Development Goals](#) (SDGs) which are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. The [2030 Agenda for Sustainable Development](#) sets out a 15-year plan to achieve the Goals. The [UN Working Group on Business and Human Rights](#) has highlighted the role of business in pursuing the Sustainable Development Goals (SDGs), emphasising the UN Guiding Principles as a framework for positive steps moving forward, and underscoring corporate respect for human rights in the context of sustainable development. It has also published [key recommendations](#) for embedding human rights in the private sector's envisaged contribution to the SDGs.

The [Danish Institute of Human Rights](#) has published a [database](#) of concrete actions by companies to place human rights due diligence at the heart of their business and their SDG activities.

For further reading, please see this [paper](#) by Shift, commissioned by the [Business and Sustainable Development Commission](#), which explains the connection between human rights and the SDGs.

### OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

The [Organisation for Economic Co-operation and Development \(OECD\)](#) has developed [Guidelines for Multinational Enterprises on Responsible Business Conduct](#) which it describes as reflecting “the expectation from governments to businesses on how to act responsibly [in] all key areas of business responsibility, including human rights, labour rights, environment, bribery, consumer interests, as well as information disclosure, science and technology, competition, and taxation.” The Guidelines include information on risk-based due diligence “a process through which businesses identify, prevent and mitigate their actual and potential negative impacts and account for how those impacts are addressed”.

As part of the guidelines, governments establish National Contact Points (NCPs) for Responsible Business Conduct, which promote the guidelines and provide advice on how to “handle cases against companies when the OECD Guidelines are not observed as a non-judicial grievance mechanism.”

Information about the OECD Guidelines in Ireland is available [here](#).

### Sustainable Membership Initiative: The UN Global Compact

The [UN Global Compact](#) is the world's largest corporate sustainability initiative. It aims to mobilize a global movement of sustainable companies and stakeholders; it supports companies to:

- Do business responsibly by aligning their strategies and operations with [Ten Principles](#) on human rights, labour, environment and anti-corruption; and
- Take strategic actions to advance [broader societal goals](#), such as the [UN Sustainable Development Goals](#), with an emphasis on collaboration and innovation.

The Ten Principles of the United Nations Global Compact are derived from: the [Universal Declaration of Human Rights](#), the [International Labour Organization's Declaration on Fundamental Principles and](#)



[Rights at Work](#), the [Rio Declaration on Environment and Development](#), and the [United Nations Convention Against Corruption](#)

The UN Global Compact [promotes tools and resources aligned with the UN Guiding Principles on Business and Human Rights](#).

In January 2021, the Tánaiste addressed a Global Compact event in Ireland and subsequently jointly authored an [opinion piece](#) on the issue with the Global Compact chief executive and director, Sanda Ojiambo.

The UN Global Compact Network Germany and the German Institute for Human Rights have published a [Discussion Paper](#) which outlines why and how businesses integrate human rights due diligence in their approach to the SDGs.

### Children's Rights and Business Principles

The UN Global Compact has also partnered with UNICEF and Save the Children to produce [Children's Rights and Business Principles](#) which define what business can do to support children's rights as part of their corporate social responsibility (CSR).

### Principles for Responsible Investment (PRI)

The [Principles for Responsible Investment](#) (PRI) describes itself as “the world’s leading proponent of responsible investment” which works “to understand the investment implications of environmental, social and governance (ESG) factors; and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.”

The PRI’s [six Principles for Responsible Investment](#) were developed by investors for investors and are “a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice.” The PRI describe the principles as attracting “a global signatory base representing a majority of the world’s professionally managed investments.”

### The Global Standards for Sustainability Reporting (GRI)

[The global standards for sustainability reporting](#) (GRI) “create a common language for organizations – large or small, private or public – to report on their sustainability impacts in a consistent and credible way. This enhances global comparability and enables organizations to be transparent and accountable. The [Standards](#) help organizations understand and disclose their impacts in a way that meets the needs of multiple stakeholders. In addition to reporting companies, the Standards are highly relevant to many other groups, including investors, policymakers, capital markets, and civil society.”

### The Business Working Responsibly Mark

“The [Business Working Responsibly Mark](#) is the leading independently audited standard for corporate social responsibility (CSR) and Sustainability certification in Ireland. The Mark is audited by the National Standards Authority of Ireland and based on ISO26000. It is open to both members and non-members of [Business in the Community Ireland \(BITCI\)](#). Once achieved, it is valid for 3 years.

## Irish case studies

Both the [CHRB 2020 Results](#) and the TCD [snapshot of large business enterprises operating in Ireland](#) identify business enterprises which, based on the [methodology](#) employed, have policies and public commitments to respect human rights, conduct human rights due diligence, implement grievance mechanisms and provide for remediation where necessary, consistent with their responsibilities under the [United Nations Guiding Principles on Business and Human Rights](#).

Though such benchmarks cannot predict actual performance and outcomes for people, they nevertheless provide an insight into how business enterprises are addressing and mitigating risks to people in their own activities and operations, through their products and services, and in their business relationships.

Four business enterprises, which have been identified in these studies as having relatively stronger commitments and processes in place, have kindly provided information for case studies to assist other business enterprises in beginning the process of implementing the UNGPs on Business and Human Rights. It is intended that this section will be expanded over time (please note that several of the publications listed under 'resources for businesses' also contain case studies).

### Tesco plc.

**[Tesco plc.](#) obtained the highest score (83%) in the [2020 TCD benchmarking assessment of large companies operating in Ireland](#). Tesco describes itself as a leading grocery retailer with over 400,000 staff serving millions of customers every week across its stores and online. Tesco first entered the Irish market in 1997 and today has 151 stores in towns and cities across Ireland. Tesco Ireland employs 13,000 colleagues across its head office, distribution centre and stores nationwide.**

**Tesco Ireland kindly provided the following responses to a series of questions on its approach to the UN Guiding Principles on Business and Human Rights:**

Please outline Tesco's commitment to respect Human Rights

*Overall, we believe our trade is a force for good, creating jobs and opportunities for people and communities across the world. But we also want those jobs to be good jobs. We are committed to upholding human rights and support in full the United Nations (UN) Universal Declaration of Human Rights and the International Labour Organization (ILO) Core Conventions on freedom of association and collective bargaining, forced labour, child labour and discrimination at work. We also uphold standards on working hours and health and safety for workers. As founding members of the Ethical Trading Initiative (ETI), we have been taking action on these issues since 1998. More detailed information is available [here](#)*

What does the governance of human rights look like in Tesco?

*Our human rights strategy is led by the Group Responsible Sourcing Director, within our Product division who reports to our Group Quality Director and Chief Product Officer and who are responsible for product sourcing across all Tesco's retail businesses.*

*Governance and progress monitoring of our human rights work, for all markets and subsidiaries, sits with the Board's Corporate Responsibility Committee, which meets three times a year.*

*On a day-to-day basis, colleagues in our commercial and technical teams manage supplier and site relationships, and ethical requirements with support from a specialist responsible sourcing team, including dedicated local staff in 9 key sourcing countries.*

How have you embedded your commitment to human rights into Tesco's DNA?

*Our work on human rights is fully integrated within our operations, forming a key part of our broader strategy for responsibility and sustainability as laid out in the key commitments of our Little Helps Plan. Our Little Helps Plan is the framework through which we shape our long-term approach to sustainability. It enables us to demonstrate, monitor and improve our performance, both within our own operations and the wider supply chain.*

*All Tesco UK Buying Managers and Technical Managers are required to attend internal training which covers topics such as responsible sourcing, human rights and modern slavery.*

*Responsible sourcing criteria are also integrated into commercial reviews, when new contracts are set and throughout the tender process. Commercial reviews are based on three pillars which are weighted equally: price, quality and service. Responsible sourcing sits within the quality pillar and for priority products a member of the Responsible Sourcing Team will review each supplier and advise on supplier performance from a responsible sourcing perspective. The Responsible Sourcing Director is also required to approve any new supplier or any significant new contracts to ensure that responsible sourcing is considered.*

## Human Rights Due Diligence

Has Tesco identified its salient human rights issues (i.e. the most severe human rights issues connected to your company)? What are those issues?

*Our human rights supply chain programme extends to everything we source for our Own Brand including Tesco-exclusive brands, services and goods not for re-sale to customers.*

*Our due diligence process was developed in consultation with over fifty internal and external stakeholders, including suppliers, multi-stakeholder bodies such as the Ethical Trading Initiative, trade unions, civil society groups such as Unseen and Oxfam and government bodies. Our due diligence framework has five stages:*

- 1. Risk assessment*
- 2. Prioritising and identifying leverage*
- 3. Mitigating risks*
- 4. Remediating and grievance mechanisms*
- 5. Monitoring and communication*

*Our risk assessment framework for Own Brand products looks at five metrics, which have the potential to increase the vulnerability of workers:*

- 1. Country of origin – assessing the enabling environment of the supply chain*
- 2. Type of work – assessing whether a role requires a skilled, semi-skilled or unskilled worker*
- 3. Type of labour – identifying whether a role is permanent, seasonal, or through an agency*
- 4. Known industry, cultural or community issues – identifying any endemic challenges such as gender discrimination*
- 5. Supply chain capability – assessing the knowledge and capacity suppliers have to address supply chain risks.*

*These risk metrics are then mapped end to end in our key supply chains, allowing us to identify the most salient supply chain risks, wherever they occur. To underpin this process, Tesco UK, Republic of Ireland and Central Europe use the country risk ratings from the Food Network of Ethical Trade (FNET) – a collaborative industry platform.*

*Our risk assessment enables us to identify our highest areas of risk and to work out our priorities for the next three to five years.*

*What actions is Tesco taking to manage these issues?*

*Once we have identified our priorities, we then seek to work collaboratively with our suppliers, wider industry, civil society and, where appropriate, policy-makers to mitigate human rights risks.*

*Ethical auditing is predominantly focused on the ‘first tier’ of the supply chain, i.e. sites producing the final product, such as a clothing factory or food manufacturing plant. Sites in high risk countries must have an audit before supply and then on an annual basis. We also audit beyond first-tier based on the risk of the products being produced. For example, we audit down to grower level for our fresh fruit and vegetables and do this in collaboration with our first-tier suppliers who cascade our requirements along the supply chain. We also use certification standards to help us improve standards for workers and smallholders in our supply chain. Our primary certification partner for a number of key supply chains is the Rainforest Alliance.*

*Can you share any examples of progress against the issues?*

*We recognise that in many cases we cannot address labour rights abuses without first addressing the root causes which underlie them – ethical auditing alone often does not address root causes.*

#### **Example - forced labour - Responsible recruitment**

*We recognise that debt bondage caused by excessive recruitment fees charged to workers can lead to situations of forced labour. As members of the Institute of Human Rights and Business Leadership Group for Responsible Recruitment we have committed to the Employer Pays Principle that – no worker should pay for a job, the costs of recruitment should be borne not by the worker, but by the employer. Recognising the risk of excessive recruitment fees is greatest in Asia, we have launched (2020) new requirements for UK/ROI suppliers in Thailand and Malaysia to embed the Employer Pays Principle within our supply chains there.*

[Example – sustainable livelihoods/living wage – bananas](#) - In 2020 we have required all producers to complete the IDH Salary Matrix. The tool defines a consistent method to assess current wages at a site and compare this to a living wage benchmark. We are using this tool to work with our suppliers to gain greater visibility of living wage gaps so that we can jointly create timebound actions plans to improve wages. We are also working with the World Banana Forum and other key stakeholders to develop a timebound industry commitment to living wages.

Has Tesco engaged any directly affected stakeholders on these issues? If yes, which stakeholders and how?

*The due diligence process was developed in consultation with over fifty internal and external stakeholders, including suppliers, multi-stakeholder bodies such as the Ethical Trading Initiative, trade unions, civil society groups such as Unseen and Oxfam and government bodies.*

#### [Tea – Malawi – Sustainable livelihoods](#)

*We pay a higher than market value purchase price for our Malawian tea, which is NGO verified, to generate additional value for the estate workers. To understand how best to spend this additional money we have collaborated with the Ethical Tea Partnership to undertake a survey on the ground in Malawi to gain insight into what in kind benefits tea estate workers value the most.*

#### Remedy and Grievance Mechanisms

Has Tesco provided any remedy related to human rights impacts by your company? If yes, can you describe the process and outcome?

*A number of examples in our MS statement including:*

*One issue we monitor particularly closely in key sourcing countries is that salaries are paid on time and in full for all hours worked, including overtime premiums where relevant. We do this because we know how important it is for workers, and because ensuring workers are not in debt means they are less vulnerable to any risk of forced labour. Where we identify a shortfall in payment, we require suppliers to pay back any missed wages. In the rare occurrence that suppliers do not agree, we exit our relationship with them in a responsible manner. In 2019/20 we identified 52 cases, affecting 7,060 workers, where payments had fallen short of what should have been paid, including premiums for overtime, that were subsequently addressed as a result of Tesco's intervention.*

Through what means can Tesco receive complaints or concerns related to human rights impacts?

*All Tesco employees and workers in Tesco's 'first tier' supply base have access to our confidential, independently managed Protector Line. Workers in lower tiers and communities can also use the line and all concerns will be investigated, but it is not communicated directly to these workers and communities. Protector Line is promoted in the language relevant to the location of the site. Call operators speak a variety of languages, and "in call translation" can be used to ensure that the caller can speak in the language that they choose to.*

*In some contexts there are potential barriers to using such grievance mechanisms – for example language, access to telecommunications, low literacy - or where there are additional vulnerabilities for women, migrant workers or small-scale farmers. That’s why our team of 45 responsible sourcing specialists based across 9 key sourcing countries increases our ability to find out about local concerns, through dialogue with a range of stakeholders. They will investigate any issues of concern and will take appropriate remedial action.*

*In 2019, we also entered into partnership with the charity, Unseen, who run the UK’s only fully independent and confidential Modern Slavery helpline. Helpline advisors are able to support potential victims of modern slavery as well as offer a way for businesses and the general public to raise suspicions or concerns. We strongly encourage all our primary supplying sites in the UK as well as our distribution and fulfilment centres promote the helpline, enabling us to continue to raise awareness of modern slavery.*

## General Learnings and Comments

**Advice for business enterprises starting off:** *A robust and regularly reviewed risk assessment is key –*

**Top Tip:** *Collaborate, share learnings and discuss challenges with other businesses/industry – throughout the whole journey.*

## Diageo

[Diageo](#) obtained the second highest score (71%) in the [2020 TCD benchmarking assessment of large companies operating in Ireland](#). Diageo describes itself as a global leader in beverage alcohol with an outstanding collection of brands (including Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Ciroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Tanqueray and Guinness). Diageo is a global company, and its products are sold in more than 180 countries around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO).

Diageo kindly provided the following responses to a series of questions on its approach to the UN Guiding Principles on Business and Human Rights:

Please outline Diageo's commitment to respect Human Rights

*We believe doing business the right way contributes to a fair and just society.*

*At Diageo, we create an environment where all our people feel they are treated fairly and with respect. We commit to understanding what it means to act with integrity in our roles, to ensure we are doing business in the right way, meeting external expectations and our own standards.*

*We will ensure no one compromises on their values, and everyone goes home safe and healthy, every day, everywhere.*

*In 2014, we signed the UN Guiding Principles on Business and Human Rights (UNGP) and committed to embedding respect for human rights into everyone's working day, in every country throughout our supply chain.*

*We use our voice to create fair and inclusive societies wherever we do business. We work with peers and trade associations to take collective action to bring about peace and justice and build the strong institutions we all need to thrive.*

*For more information, please see our [Code of Business Conduct](#), [Human Rights Policy](#), [Partnering with Suppliers Standard](#) and [Modern Slavery Statement](#).*

What does the governance of human rights look like in Diageo?

*Our Code of Business conduct and Human Rights policy are agreed by our Chief Executive, who reports directly to the Board. Responsibility for delivery is shared between members of Diageo's Executive Committee, all of whom report to the Chief Executive. Our Executive, senior business leaders and functional specialists lead the agenda, and assess risks, emerging issues, compliance and remediation within our routine business processes. Responsibility for day-to-day delivery of our Code and Human Rights Policy is everybody's responsibility. We communicate our Code and Human Rights policy throughout our business and, alongside our Partnering with Suppliers standard, to all our suppliers around the world. Also, all of our teams receive routine training in our Code, with a focus on key human rights risk potentially arising in their area of work where appropriate.*

How have you embedded your commitment to human rights into Diageo's DNA?

*We are committed to embedding respect for human rights into everyone's working day, in every country throughout our supply chain.*

*Lead responsibility for human rights sits jointly with the President, Global Supply and Procurement and the Group Human Resources Director. Both are members of the Diageo Executive Committee and report to the global CEO and CFO (respectively), who are members of, and responsible to, the Board of Directors. Both also sit on our Human Rights Steering Committee, which shapes and determines our strategy on human rights and ensures its operational delivery across Diageo's activities.*

*We also operate a cross-functional working group comprising senior managers from across the business who have relevant expertise, knowledge and skills. This working group plays a leadership and advisory role in our human rights agenda.*

*Our Diageo in Society team coordinates our Human Rights Impact Assessment activity, which is prioritised by country and risk. This team works with our markets around the world to apply the programme, engaging senior management in each location to undertake human rights assessments with the support of expert external advisers.*

*Responsibility for day-to-day delivery of our Code and Human Rights Policy is everybody's responsibility. Our Code and Human Rights Global Policy apply to everyone of our more than 27,000 employees worldwide regardless of their role or seniority, including those in subsidiary companies and joint ventures where Diageo has a controlling interest. Our policy framework is supported by on-going training programmes.*

*We also expect all our business partners to adopt clear commitments on ethical business like those in our Code, and any party operating on Diageo's behalf must ensure that their actions comply with our Code and global policies. We contractually commit our business partners to adhere to our Code and/or our Partnering with Suppliers Standard. We have also included an 'end-to-end responsibility' statement in our Partnering with Suppliers Standard, setting out the expectation of our suppliers to promote the principles of the standard throughout their own supply chain, and to have the appropriate processes in place to verify and demonstrate applicable compliance standards.*

## Human Rights Due Diligence

Has Diageo identified its salient human rights issues (i.e. the most severe human rights issues connected to your company)? What are those issues?

*We have been signatories to the UN Guiding Principles on Business and Human Rights (UNGPs) since 2014. As part of our commitment to act in accordance with the UNGPs, we partnered with Business for Social Responsibility (BSR) in 2016 to formulate and deliver our human rights strategy. We have since conducted a corporate-level risk assessment and mapped our global policies and processes against the UNGPs, while also considering risks in different geographies informed by our own understanding and external reference data. Following the corporate-level assessment, we developed a comprehensive HRIA toolkit to guide our markets through a systematic review of their businesses to identify and assess potential human rights impacts, including modern slavery risks. Our assessments are robust, and involve detailed examination of our value chain, from raw material sourcing – which includes visits to farming communities and fields where we source our barley, wheat, sorghum, sugarcane, agave and other agricultural products – to the suppliers and manufacturing units where*



*we procure our glass, labels, caps and other items, to our own production operations, and to the retailers and bars selling our products. They involve meetings with employees, union members, workers on factory production lines, manpower providers, contract workers, NGOs we support and other external parties. Where assessments identify human rights concerns, or suggest our approach can be strengthened to better identify and prevent risk, we put in place robust action plans to resolve matters, working with external experts when appropriate. We have made a commitment to carry out an HRIA in all of our markets. In 2020, we carried out HRIsAs in China, North America (United States/Canada), the Middle East (first phase) and Australia, bringing our total to 17 HRIsAs since we began the programme in 2015. The remaining market assessments will be completed by the end of 2021.*

*In line with the UNGPs, as a direct result of carrying out the HRIsAs to date, we have identified three risks as particularly salient to our business: labour rights, including the risk of child labour, specifically in agricultural supply networks; labour standards for contract workers; sexual harassment in the hospitality sector. These issues are external risk factors in the places where we operate, and we recognise the challenges they pose in our value chain. We are particularly aware of these risks when carrying out HRIsAs and in our supply chain.*

What actions is Diageo taking to manage these issues?

*Having identified these risks, we have developed a child protection programme for our work with smallholder farmers, where we have trained key functions and business partners on our local sourcing programme in seven countries in Africa to prevent child labour.*

*We have also developed initiatives aimed at preventing sexual harassment in the hospitality sector and, as part of this, we launched a [Global Brand Promoter Standard](#) which establishes principles and guidelines to protect the rights of brand promoters.*

*We have also created contractor standards guided by the International Labour Organization's Declaration on Fundamental Principles and Rights to Work, focused on promoting conditions in which people can work in freedom and safety. In addition to the above, each market has produced an action plan to address its specific risks.*

Has Diageo engaged any directly affected stakeholders on these issues? If yes, which stakeholders and how?

*In support of our programmes, business, human rights and the delivery of shared value, we are also committed to engaging with communities alongside all our stakeholders, both local and global, on an ongoing basis. At a local level, employees across Diageo's business engage their colleagues, local governments, suppliers, farmers, customers, media, civil society and community groups to respond to their interests and concerns. At a global level, we engage investors, customers, suppliers, and multinational organisations such as United Nations agencies or NGOs. By listening to everyone who engages with Diageo, we can ensure that ours is a business that understands stakeholders' expectations and meets them.*

*For detailed information on how we engage with our stakeholders please see pages 12-13 and 76-77 of our [annual report](#).*

## Remedy and Grievance Mechanisms

Has Diageo provided any remedy related to human rights impacts by your company? If yes, can you describe the process and outcome?

*In 2019-20, five human rights allegations were raised via SpeakUp. Of the five cases, three were substantiated. The three substantiated cases related to: inadequate leave allowances and expense reimbursements of third-party contractors and one case related to discrimination and harassment. We have taken action to address each of these issues.*

Through what means can Diageo receive complaints or concerns related to human rights impacts?

*We are committed to working directly with our suppliers and customers to tackle human rights issues where we become aware of them. We have policies and processes in place to identify, prevent and mitigate human rights risks and to provide remedy to any adverse impact we have caused or contributed to by our operations. Our SpeakUp whistleblowing phone line and web reporting tool can be accessed by employees or by those in our value chain. Where matters are brought to us, we are committed to protect the rights of those reporting them, and we do not tolerate reprisal against anyone who raises a matter in good faith or where they have assisted an investigation. We track and routinely review these mechanisms, along with any feedback on them, developing our approach to improve the process where practical. Where appropriate we will also engage with local judicial or non-judicial grievance mechanisms to address matters. We will not impede access to state-based judicial or non-judicial mechanisms; or any other available mechanisms available to people who make allegations of potential human rights impacts. In addition, we will not request that any individuals or communities participating in a process waive their legal rights as a condition of participating in our (or any other judicial, or non-judicial) grievance/mediation process.*

## General Learnings and Comments

**Advice for business enterprises starting off:** *Doing business the right way is not only the right thing to do, it supports sustainable business growth.*

**Top Tip:** *To truly uphold your commitment to human rights, it must be embedded into everyone's working day, in every country throughout your supply chain, not sit in a silo or be seen only as a legal requirement.*

## Kerry Group plc

Following Diageo and Tesco, [Kerry Group](#) was ranked third (58%) in the [2020 TCD benchmarking assessment of large companies operating in Ireland](#) and achieved a score of 15 out of 26 in the [2020 Corporate Human Rights Benchmark \(CHRB\)](#).

**Kerry Group describes itself as “a leading player in the global food and beverage industry. Kerry Taste & Nutrition is the global leader in the development of taste and nutrition solutions for the food, beverage and pharmaceutical markets, while Kerry Foods is the Group’s Consumer Foods division and is a leader in its categories in the chilled cabinet. Kerry employees over 26,000 people and has 149 manufacturing locations worldwide, selling over 18,000 products and reaching over 1 billion consumers.”**

**Kerry Group kindly provided the following responses to a series of questions on its approach to the UN Guiding Principles on Business and Human Rights:**

[Please outline Kerry Group’s commitment to respect Human Rights](#)

Kerry Group understands that companies have a duty to respect human rights and to ensure their activities do not infringe on the rights of others. At Kerry, we are committed to upholding internationally recognised human rights and our approach reflects a number of guidance documents, treaties and the work of relevant organisations, including the UN Guiding Principles on Business and Human Rights and the recommendations within the OECD Guidelines for Multinational Enterprises.

The Group’s human rights policy and supporting policy documents clearly set out our expectations and are informed by the International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work, the Children’s Rights and Business Principles, the UN Women’s Empowerment Principles and the approach laid out within the UN Global Compact.

Our human rights policy forms an integral part of the Group’s Code of Conduct, and both documents reinforce our position that we will not tolerate or condone any abuse of human rights within our business or supply chains. Individual policies throughout our Group Code of Conduct are explicit on our commitments in critical areas like health and safety, child and forced labour, harassment and freedom of association and collective bargaining, helping to set clear parameters around acceptable behaviour and guide decision making across the organisation.

Within our supply chain, we translate these requirements to business partners and all those who seek to do business with Kerry through our Supplier Code of Conduct. This document establishes minimum social and environmental criteria for suppliers and their counterparts and applies right across our business.

[What does the governance of human rights look like in Kerry Group?](#)

We have established clear roles and responsibilities for human rights within our business.

Kerry Group’s **Board of Directors** are fully engaged in efforts to progress the organisation’s human rights commitments. The Governance, Nomination and Sustainability Committee of the Board have responsibility for

guidance and oversight of the implementation of the Group's sustainability strategy and are supported in this work by the Global Sustainability Council.

Our **CEO**, Edmond Scanlon, chairs the **Group's Sustainability Council**. Operating under delegation from the Board, the Sustainability Council is made up of executive directors and senior management and is tasked with addressing the broader social and environmental impacts of Kerry, including those relating to human rights.

To support the work of the Global Sustainability Council, we have established a dedicated Social Sustainability Council and human rights working group, made up of key cross-functional personnel. Established in 2020, as part of the Group's revised sustainability commitments, this working group includes senior personnel from the Human Resource, Procurement, Supply Quality and Sustainability functions who have day-to-day responsibility for delivering on the Group's human rights commitments across our operations and broader value chain.

The role of the working group is to continually develop, articulate and integrate our overall approach to human rights, building on the work to date and driving greater awareness and engagement with key stakeholders to ensure our commitments are upheld.

### How have you embedded your commitment to human rights into Kerry Group's DNA?

Through the newly established human rights working group, we are focused on engaging key parts of our business to further strengthen the integration of human rights considerations into our policy and governance frameworks. Building on strong oversight and due diligence foundations in place at local level, this group is responsible for establishing and maintaining a globally connected approach and ensuring that best practice and potential learnings are shared across the organisation.

Our policies in respect of human rights form a key part of the requirements within the Group's Code of Conduct. All of our colleagues are made aware of these requirements on commencement of their role with Kerry and regular mandatory training is scheduled that helps to reinforce their importance for how we conduct our business. This training details specific elements related to human rights risks and we continue to develop more targeted programmes for colleagues in specific functions where potential risks may be greater, for example within procurement.

On a day-to-day basis, the Group's Chief Human Resource Officer and our Human Resource function has a key role in ensuring rights are upheld internally and all functions and management have a part to play. Policies are available to colleagues via our intranet platform 'mykerry', through our HR teams or alternatively through employees' direct line managers. These policies are reviewed and updated annually, a process that allows for stakeholder input into their design and integration of any feedback that may be required.

With a procurement spend of almost €4 billion, we have a significant opportunity to positively impact on the communities from which we source. We make an important contribution through the provision of employment and support for economic activity, but we know that there can be challenges with the protection of human rights and labour standards associated with certain commodities and geographies. To help ensure our procurement activities create a positive impact, we have set out minimum ethical and environmental standards, to which we expect our suppliers to adhere. These standards are contained within the Supplier Code of Conduct and apply across our entire business.

Kerry's **Supplier Code of Conduct** is informed by the ILO's core conventions and a number of other guidance documents and clearly sets out what is required of our direct suppliers to ensure they meet the standards we deem acceptable. This code has been updated in 2016 and again in 2020, to reflect the evolution of our efforts on human rights and the protection of workers within our supply chain.

Our Chief Procurement Officer, the procurement function and supply quality team have the key day-to-day responsibility for ensuring that appropriate processes and controls are in place to ensure our human rights requirements are observed by suppliers.

## Human Rights Due Diligence

Has Kerry Group identified its salient human rights issues (i.e. the most severe human rights issues connected to your company)? What are those issues?

As part of our risk based approach, we have initiated an assessment of salient human rights issues across our business. These are issues that stand out because of their significant potential impact through our activities across our operations and supply chain. Through a preliminary assessment we have identified the following salient issues for our business.

- Health and safety
- Freedom of association and collective bargaining
- Discrimination
- Working hours
- Forced labour
- Child labour
- Fair wages

As we continue to refine and explore this approach, we anticipate that through increased stakeholder input additional issues may be included in this list.

### What actions is Kerry Group taking to manage these issues?

Across our operations we have strong oversight and due diligence foundations in place at local level and with the support of the human rights working group, we maintain a globally connected approach, ensuring that best practice and potential learnings are shared across the organisation.

All of our manufacturing sites are members of Supplier Data Ethical Exchange and we use both self assessment and independent audits across our sites to support our own internal management systems.

In our supply chain we map our suppliers based on the risks associated with the geography and /or commodity which we are sourcing. In this way we can focus our efforts and prioritise areas where there is a greater chance of human rights infringement. Again, we use the SEDEX platform to help us assess those suppliers identified as higher risk through a process of registration, sharing data with Kerry, review and potentially audit. In some categories we are more directly involved at farm level, for example in Madagascar (Vanilla) and Malaysia (Palm Oil), we have implemented improvement programmes with farmers and communities to help address the underlying cause of some key risks.

### Can you share any examples of progress against the issues?

One area where we have made significant progress is with our education programme in Madagascar. Child labour can be associated with the cultivation of vanilla, even though education is mandatory up to the minimum age of for legal employment (14 years).

One obvious barrier to education is cost. Financial pressure can make it difficult for farmers to meet the expense of their children's school fees. This is a relatively simple problem to overcome and Kerry pays the school fees for all children of farmers who have met the programme criteria.

When looking at the other challenges faced by children in the project region, we noted that historically 80% dropped out of school before the age of 12. The difficulty here was not a financial one, instead it is caused by the fact that pupils had failed the national test. The Certificat d'Études Primaires Élémentaires (CEPE)

examination that children undertake at age 12, certifies completion of primary education and is a mandatory requirement for students wishing to stay within the school system. Without access to continuing education, children are forced to go back to work in the fields perpetuating a cycle of poverty and subsistence farming.

In partnership with relevant stakeholders, we agreed the introduction of new performance measures to help establish a different way of working in schools. These measures were designed to promote greater structure and assure optimal use of class and study time. To reward teachers we introduced a programme of incentives that helped to encourage best practice.

Our objective is to increase the number of children who pass the final exam at 12 years of age, enabling them to continue their education. In this way we aim to help move more children away from working on farms, keeping them in school and providing them with greater long term opportunities. Early results showed a marked increase in the attainment rates for children attending the selected schools. In 2019, the pass rate increased to 85% from just 40% in the previous twelve months. Encouraged by this success, we took the decision to broaden the scope of the programme to other schools within the sourcing region.

Has Kerry Group engaged any directly affected stakeholders on these issues? If yes, which stakeholders and how?

The scale and complexity involved in addressing many human rights issues is such that no one entity can make sufficient progress acting alone. We understand that it takes a concerted and collaborative effort involving business, Government, NGO's and civil society to make the kind of impact that is required. We know the importance of engaging with these stakeholders to inform our own approach and we use a variety of channels to support the engagement process.

Internally, this includes one-to-one review processes with colleagues, engagement with workers' representatives, Works Councils, town-hall style meetings and our Group-wide employee engagement survey. Through these and other channels we engage directly with our employees on a range of issues, including those salient ones outlined above.

In most parts of our raw material supply chain, we do not source directly from farms and so are often removed from the point of agricultural production. For high risk commodities, this is often the area where negative human rights impacts can occur and so we must work with others to address any issues. This can prove challenging, particularly where there are multiple tiers in the supply chain and so we must work with multi-stakeholder platforms and through our suppliers to implement our requirements and understand how these are cascaded beyond their direct operations.

## Remedy and Grievance Mechanisms

Through what means can Kerry Group receive complaints or concerns related to human rights impacts?

We provide both **internal and external channels** to support anybody wishing to raise a concern and have a clear process around the handling and investigation of such matters. Where possible and appropriate we use existing processes and channels as outlined below.

### 1. Employee Grievance Approach

- Level 1: Concerns can be raised in the first instance with local management (verbally/in writing)

- Level 2: Where a person feels unable to raise the matter with someone in their immediate management they can inform relevant Human Resource Partner and/or next level Manager
- Level 3: If a person feels unable to raise the matter with someone in their business area for whatever reason, they can bring the issue to the attention of the Head of Internal Audit.
- Level 4: Express a Concern Ethics Hotline: Where a person feels unable to raise the matter through any of these routes, they can use the Express a Concern Ethics Hotline, which is a confidential reporting system.

Once we receive a concern, we will assess what action should be taken, initiating the appropriate enquiries. An initial assessment on how to proceed will be undertaken as quickly as possible, usually within five working days. This may lead to a formal investigation which, depending on its findings, will determine the action to be taken and timescales involved.

Investigations to establish all relevant facts will be conducted as sensitively and quickly as possible. Wherever possible, investigations will not be carried out by any person who has had previous involvement in the matter concerned.

The complainant will be kept up-to-date on the outcome of any enquiries and investigations carried out and any actions taken, at all times respecting Kerry's duty of confidentiality to others.

Where colleagues wish to appeal response received, employees can raise their concerns to other levels within a defined process. Kerry is committed to ensuring all such issues are handled fairly and properly.

## **2. Whistleblowing**

The Express a Concern Ethics Hotline can be accessed in more than 100 languages and is available 24 hours a day, 7 days a week. Users can report a concern anonymously, and their report will be logged with a unique ID, which they can use to check on the status of the concern raised without providing personal contact information.

All concerns raised in this manner will be assessed, fully investigated and appropriate action taken. All whistleblowing incidents are reviewed by the Head of Internal Audit and formally investigated by the relevant functional heads depending on the nature of the concern raised.

## **3. Suppliers**

All our suppliers are covered by Kerry's Supplier Code of Conduct within the Supplier Requirements Manual. This code requires them to have their own grievance mechanisms in place and to prohibit retaliation against workers or others who may raise a concern.

While we also make our Express a Concern Ethics Hotline mechanism available to suppliers and draw their attention to this facility within the Supplier Code of Conduct, the number of reports from suppliers to date has been low. This may be due, in part, to worker awareness around the facility and we are exploring how we can do more to raise the visibility of this mechanism with suppliers.

Through these and other channels, we encourage individuals or communities to raise a concern with us directly. Should they feel unable to do so, we will not impede access to state-based judicial or non-judicial mechanisms for these individuals or communities who believe their human rights have been impacted.

We continue to focus on improving our approach to receipt of, and response to, grievances throughout our extended supply chain. We have structured channels in place and are committed to continuing to promote and

highlight these channels through which individuals and communities can raise complaints or bring any matters of concern to our attention for review and resolution.

## General Learnings and Comments

Would you like to offer any words of encouragement or wisdom to companies that have yet to embark on the Business and Human Rights journey?

Business has a key role to play in supporting internationally recognised human rights. At Kerry, we have a very clear commitment in this area and continue to work across our impact areas to implement it. Our values, policies, codes and processes support this, albeit our work has not always been viewed in the light of action on human rights, often it has been more about living our Purpose and doing business in the right way.

As part of our approach, we look at the areas where Kerry has the greatest potential impact and the actions that are already underway to address these. From here we look to build on areas of good practice or identify potential gaps where we can take further action. We also continue to engage with expert agencies and others working in this area, learning from their feedback and from others businesses who are implementing best practice.

Can you share key actions taken to strengthen your management of human rights issues that may have also resulted in improvements in the CHRB 2020 ranking?

There are a number of ongoing programmes that help to improve our management of human rights risks, and as a result, our CHRB ranking.

Crucially, we published a human rights statement, which outlines how we approach this topic and the actions that are already underway within Kerry, to make this activity more visible to external stakeholders.

As outlined above, we have also put in place additional governance mechanisms around human rights and a cross functional team structure to support our work in this area.

**Top Tip:** While this can be a daunting area for businesses, it is one that is hugely important, so simply getting started is crucial. Talk to other businesses, agencies, expert bodies and look at frameworks or best practice guidance that can help to define the best approach for your organisation.



## Unilever plc

**Unilever plc achieved a score of 25 out of 26 in the 2020 Corporate Human Rights Benchmark (CHRB) and was ranked in joint first place in the benchmarking assessment. Unilever describes itself as “a global company selling fast-moving consumer goods. Our purpose is to make sustainable living commonplace. We make around 400 brands. Shoppers buy them in more than 190 countries.”**

**Unilever kindly provided the following responses to a series of questions on its approach to the UN Guiding Principles on Business and Human Rights:**

Please outline Unilever’s commitment to respect Human Rights

We know that social inequality and climate change remain the biggest challenges of our time – so in early 2021 we announced commitments and actions that would take us a step further towards the fairer and more socially inclusive world we want to see. These social ambitions build on our Unilever Sustainable Living Plan which ran until 2020 and are informed and driven by our continuing journey to embed human rights across our business making human rights the foundation of our business strategy.

### Human Rights Policy Commitment

In line with the UN Guiding Principles on Business and Human Rights, we base our human rights policy commitment on the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. We follow the OECD Guidelines for Multinational Enterprises and are a founding signatory to the United Nations Global Compact. We are committed to respecting all internationally recognised human rights as relevant to our operations.

Our principle is that where national law and international human rights standards differ, we will follow the higher standard; where they are in conflict, we will adhere to national law, while seeking ways to respect international human rights to the greatest extent possible.  
(Policy commitment)

We believe a strong policy framework is an essential precursor to embedding human rights into our business. It helps us set clear and consistent expectations and allows us to enforce compliance, so at heart they are about driving positive behaviour aligned with our values. They also enable our employees to work with partners, governments, community leaders and other stakeholders to push standards and boundaries where needed. They enable us to operationalise the UN Guiding Principles on Business and Human Rights (UNGP) and embed them into our business.

In 2014, we launched a stand-alone Human Rights Policy Statement to articulate how we approach our responsibility to respect human rights across our value chain and help guide how we address impacts, including remediation and governance. Created as a living document, adaptable as realities shift and translated into 12 languages, the Statement was finalised after consultations with key external stakeholders, colleagues in our legal, human resources, sustainability and communications teams, and approved by members of the Unilever Leadership Executive.

## What does the governance of human rights look like in Unilever?

We believe that human rights are at the heart of sustainable business, and our human rights work does not exist in isolation within Unilever. It is increasingly integrated throughout the business, with our markets, brands and people in all functions continually improving the ways they advance respect for human rights.

Our human rights governance is led from the top, overseen by our CEO and supported by our Unilever Leadership Executive (ULE), the most senior leaders of our business. As well as providing strategic direction, the ULE is consulted on human rights issues when the severity of an actual or potential impact is high, where a business-critical decision needs to be taken, or where substantial financial investment may be needed to address an impact. Additional Board-level oversight is provided by the Corporate Responsibility Committee.

At a strategic and operational level, Unilever's human rights work is led by the Global Vice President, Integrated Social Sustainability. Monitoring third-party compliance to the mandatory standards of our Responsible Sourcing Policy (RSP) is now delivered by our Legal – Business Integrity function. Our Integrated Social Sustainability team focuses on addressing the root causes of endemic business and human rights issues and social impact programmes, and on working with our suppliers on critical and endemic issues to move from good to best practice.

The Procurement Business Integrity Committee (PBIC) is a tripartite internal body comprising representatives from Supply Chain (including Procurement), Business Integrity and Human Resources. It provides guidance and direction on difficult and complex situations where remediation, escalation and sanctions are required with respect to sourcing in line with our RSP. The PBIC is the final arbiter for these cases and is responsible for upholding the principles that govern the implementation of the RSP by the Procurement function, and for ensuring a consistent, fair and appropriate approach.

Our Sustainability Advisory Council is a key channel for gathering external insight and advice from independent specialists. It is chaired by our Chief Sustainability Officer, and among its distinguished expert members is Professor John Ruggie, Harvard Kennedy School of Government, who joined in 2019. Our Sustainable Sourcing Advisory Board provides independent advice and judgement and helps strengthen policy-making within Unilever.

## How has Unilever embedded your commitment to human rights into your company's DNA?

We'll only succeed in embedding human rights across our business if everyone understands how, and why, they matter in their day-to-day jobs. That means communicating on human rights to everyone in Unilever, as we do through articles on our internal Yammer site and other internal news sites and learning platforms. It also means creating and delivering training that brings the issues to life. In 2019, we developed a new five-stage training programme on business and human rights, using webinars, film and face-to-face modules to provide both an overview and deep-dive training into specific issues at regional level. We piloted this in the USA and Singapore with the aim of rolling it out globally.

We run various training sessions related to our Responsible Sourcing Policy (RSP) and Responsible Business Partner Policy (RBPP). In 2017, we created RSP champions in our Procurement team. These champions are the first contact point for their colleagues, helping to strengthen implementation of the RSP and our ongoing due diligence. We also run training on specific issues such as responsible recruitment and addressing gender-based violence.

## Human Rights Due Diligence

Has Unilever identified its salient human rights issues (i.e. the most severe human rights issues connected to your company)? What are those issues?

In the lead up to our first human rights report in 2015, we worked with a range of expert external stakeholders and internal leaders to identify where, and how, our business activities could result in salient human rights risks. In our 2015 Report we gave an introduction to each issue and how we were responding to it. These issues were:

- Discrimination
- Fair wages
- Forced labour
- Freedom of association
- Harassment
- Health and safety
- Land rights
- Working hours

In our 2017 Report, we gave progress highlights of our work and outcomes, and linked them to the SDGs. We have reported annually on our progress on our global website.

We have conducted a review of the global salient issues and conducted regional stakeholder consultations to map out relevance and impact at the regional level. As a result, we are putting comprehensive multi-year action plans in place.

As well as addressing the salient issues we've identified, we know we need to keep monitoring them to make sure they're still relevant. Are there any new, emerging issues we need to consider – such as those relating to technology or new ways of working? And if so, are these relevant globally? Or do we need to take a more local approach?

To answer this, we re-mapped our salient issues in our country clusters so we can focus our efforts on what matters most in those countries.

We know that regular engagement with rights-holders and their representatives and other stakeholders is critical to keeping our salient issues under review and needs to be an ongoing process.

**What actions are you taking to manage these issues?**

We take various actions — to address our salient human rights issues. This is an on-going process as we engage with our suppliers, other business partners and with communities, along with multi-stakeholder initiatives and industry associations to make progress on systemic issues such as discrimination, low wages, excessive working hours, unrecognised land rights, and lack of freedom of association, among others.

**Can you share any examples of progress against the issues?**

One of our key commitments is that everyone who directly provides goods and services to Unilever will earn a living wage or a living income by 2030.

We believe this is a vital contribution to the global effort to eradicate poverty wages from value chains, and an enabler for advancing respect for human rights in many areas. And it is a critical step forward for the work we

are doing to advance human rights throughout our value chain, showing the evolution of our human rights strategy from 'doing no harm' to 'doing good'.

A living wage is sufficient to afford a decent standard of living for a family's basic needs including food, water, housing, education, healthcare, transportation, clothing and other essential needs including provision for unexpected events.

Enabling people to earn a living wage will support and help stimulate economic recovery in the communities where we operate. This in turn will fuel consumer demand and kickstart the engine of responsible and sustainable economic growth.

We have already achieved our commitment to providing a living wage to our direct employees. As we extend our ambition, we will focus on the most vulnerable workers in manufacturing and agriculture, working with stakeholders to create systemic solutions to raising living standards through purchasing practices, collaboration and advocacy wherever we operate

Some examples of work already done towards this goal include:

- Implementing our internal policy on the Sustainable Employment of Temporary Workers. This required in-sourced third-party temporary workers in our manufacturing sites to be given comparable terms and conditions, including the payment of a Living Wage.
- Became Chair of the [Ethical Tea Partnership](#) Living Wage Working Group in order to drive progress on fair wages in the tea supply chain.
- Making progress on closing the net living wage gap for tea workers in Malawi through working with others as part of the [Malawi 2020 Programme](#). This means that tea workers on tea plantations in Malawi now earn considerably more than the country's minimum wage. The partnership has developed a sustainable procurement model, which members of the partnership will look to replicate in other tea-sourcing locations. The partnership will externally verify that increased payment to suppliers, linked to increased quality, will be passed on to workers.
- Continuing to work with suppliers to move from minimum to living wages. In Brazil, for example, a supplier audit observed that workers travelling to a remote location received no free transport or transport allowance, and that paying for their own transport amounted to 20% of their wages. This affected their ability to earn a wage which met their basic needs and discretionary income. Our local team discussed the issue with the supplier, and as a result, transportation is now being provided to workers.

Have you engaged any directly affected stakeholders on these issues? If yes, which stakeholders and how?

Unilever engages with a range of stakeholders.. Our 2021 Human Rights Report provides information on actions in this area that we have taken.

We have learnt that it is vitally important to understand the needs of different groups of people and how best to reach them. For example, it is very difficult physically to reach some remote communities in order to understand the situation on the ground and any negative human rights impacts. One of the areas we are exploring is the idea of 'ground-truthing' – collecting data directly from the field as a way to independently verify information, using different ways of engagement. We are also exploring technology to connect with workers to identify and address risks of abuse and exploitation.

## Remedy and grievance mechanisms

Has Unilever provided any remedy related to human rights impacts by your company? If yes, can you describe the process and outcome?

In 2016 we successfully bid for a Rwandan government concession to set up a tea-processing factory and commercial estates that will support extensive smallholder tea development in South-West Rwanda. The project transformed one of the poorest areas of Rwanda and will provide financial and agricultural support to smallholder farmers. The land for the core estate and factory site is leased by Unilever and was expropriated by the government for the project. As a condition of the bid, we required that land acquisition and resettlement was implemented in line with International Finance Corporation (IFC) Performance Standards. External experts independently verified that the Resettlement Action Plan (including the Livelihoods Restoration Plan and Grievance Mechanism) properly ensured that potentially affected persons and communities were identified and engaged and appropriate remedial measures were in place.

Through what means can the company receive complaints or concerns related to human rights impacts?

We encourage all our employees and third parties to speak up, without fear of retaliation and in strict confidence (or anonymously if they prefer), regarding any concerns about Code issues. Encouraging people to speak up early helps us manage risk and builds trust in our business. Likewise, by communicating the number of substantiated breaches and dismissals each year we make 'living the Code' a very visible part of our culture.

We invite employees to discuss concerns directly with their line manager, Business Integrity Officer or a member of their local leadership wherever possible. Employees can also use an externally-hosted confidential Code Support Line (a 'whistle-blowing' line) – on the phone or internet. All our Business Integrity awareness and learning materials highlight these channels.

We have sought to strengthen our grievance mechanisms and the ways in which people can gain access to remedy. That includes through our Code procedures, and through our Code Support Line, which is open to third parties. Our RSP includes information on grievance mechanisms, and our specific palm oil grievance mechanism is open to anyone in our palm oil value chain.

## General Learnings and Comments

Would you like to offer any words of encouragement or wisdom to companies that have yet to embark on the Business and Human Rights journey?

We do not have all the answers, we still have a long way to go and we are always learning from others.

- There is plenty of helpful expert guidance available for businesses, and collaboration with others – including other companies, civil society, trade unions and expert organisations is key.
- It is important to work out what your salient human rights issues are start to map out where these intersect with your business.
- Set priorities and review your own policies and processes.
- Good management systems are key to human rights due diligence.
- Engage with, and listen to and learn from, rights-holders.

**Top Tip:** Realise that respecting and promoting human rights is an on-going process that never finishes. The world keeps changing and so do the human rights risks to people so keep adapting and remain vigilant.