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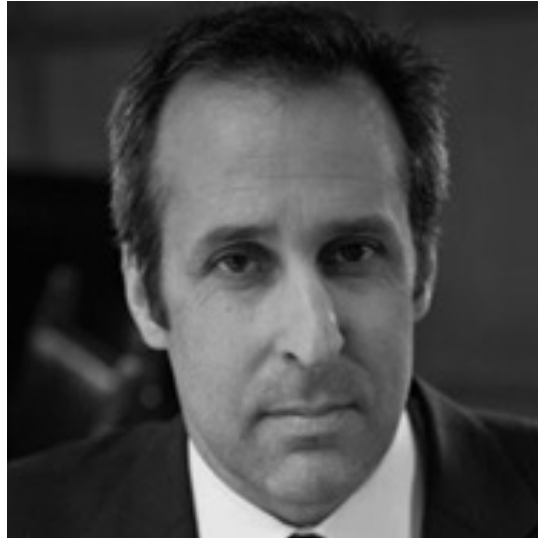
CR2R WEBINAR 3: The Corporate Responsibility to Respect (CR2R) – HRDD Part 2: Integrating, Tracking, and Monitoring Human Rights Risk Management

June 6, 2024
10am – 11am EST

Panelists:



**INVESTOR ALLIANCE
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Ian Beers
Performance Director,
MSS Global



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Engagement Manager,
Social Transformation,
World Benchmarking
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Manager,
Social Equality Initiatives,
BMO Global Asset
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Re-cap: The CR2R webinar series

CR2R Webinar Series

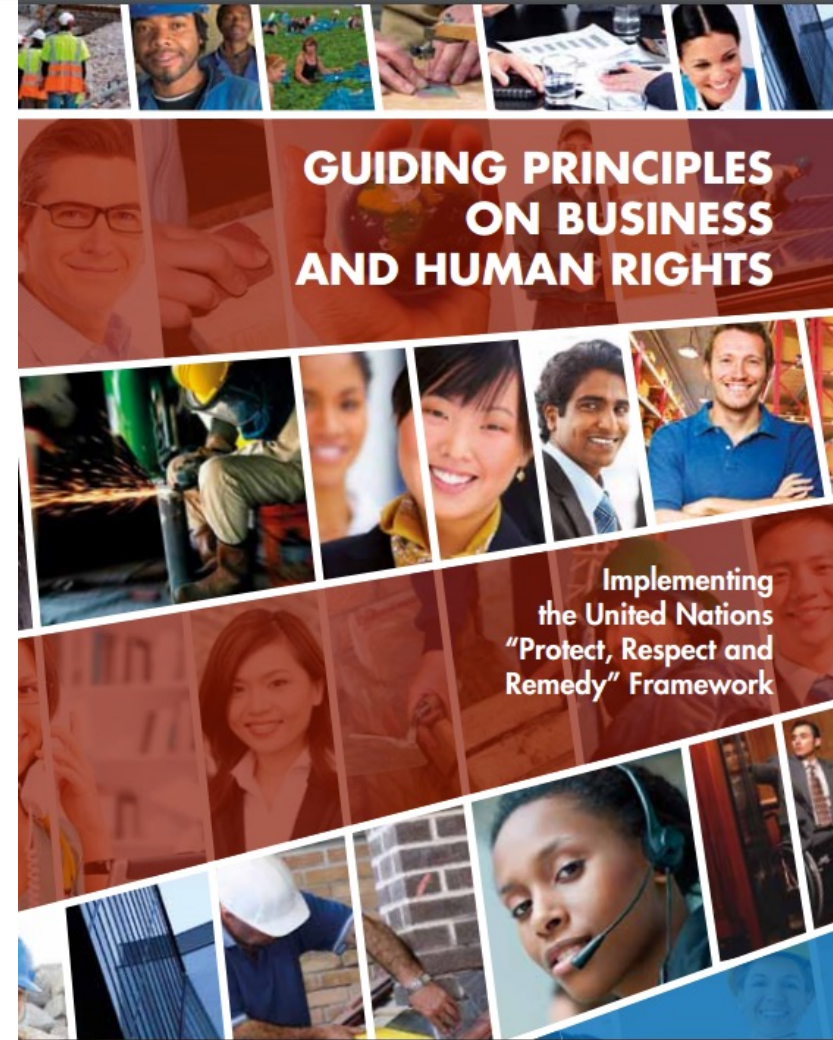
- **Purpose:** Systematically explore the elements of the corporate responsibility to respect human rights (CR2R) as framed in the UN Guiding Principles on Business and Human Rights to educate and support investors as they assess and engage with their portfolio companies on their human rights performance.
- During five webinars, elements of the CR2R will be examined in greater depth:
 1. Human rights policy and governance
 2. HRDD Part 1: Context and sector specific approaches to human rights impact assessment
 3. HRDD Part 2: Integrating, tracking, and monitoring human rights risk management
 4. HRDD Part 3: Communicating responsible corporate conduct
 5. Stakeholder engagement and effective grievance processes

What is CR2R?



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- UNGP 15 lays out CR2R - Businesses should have in place policies and processes including:
 1. A **policy commitment** to respect human rights (*Webinar 1 – on our website and YouTube channel*)
 2. A **human rights due diligence** process to identify, cease, prevent, mitigate and account for how they address their impacts on human rights, including
 - ✓ Process for assessing actual and potential human rights impacts (*Webinar 2 – See website and YouTube channel*)
 - ✓ Process for integrating and acting upon assessment and tracking responses (*TODAY*)
 - ✓ Process to communicate findings (*Webinar 4 – forthcoming*)
 3. **Processes to remediate** adverse human rights impacts businesses cause or to which they contribute – Stakeholder engagement throughout the HRDD process (*Webinar 5 - forthcoming*)



The human rights due diligence process: Spotlight – UNGPs 19&20



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- *Companies should “know and show” that their activities do no harm*
- HRDD detailed in UNGPs 17-21
- **UNGP 19:**
 - “...business enterprises should integrate the findings from their impact assessments across relevant internal functions and processes, and take appropriate action...”
- **UNGP 20:**
 - “In order to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response...”

FIGURE 1. DUE DILIGENCE PROCESS & SUPPORTING MEASURES



(Source: OECD Due Diligence Guidance)

How to Integrate HRIA Findings into an Effective Risk Management System

Ian Beers

MSS Global Performance Director

Overview of the Presentation Topics

- Integrating HRIA findings into risk management
- Tracking responses
- Ongoing monitoring
- Continual improvement process

How to Integrate HRIA Findings into an Effective Risk Management System

Clarifying the Relationship

- Misconceptions about risk management
- ISO 31000 definition of risk:
 - “the effect of uncertainty on objectives”
 - “Uncertainty”
- Positive and Negative
- Applicability of risk management frameworks

Principle 17 Commentary:

Commentary

This Principle defines the parameters for human rights due diligence, while Principles 18 through 21 elaborate its essential components.

Human rights risks are understood to be the business enterprise's potential adverse human rights impacts. Potential impacts should be addressed through prevention or mitigation, while actual impacts – those that have already occurred – should be a subject for remediation (Principle 22).

Human rights due diligence can be included within broader enterprise risk-management systems, provided that it goes beyond simply identifying and managing material risks to the company itself, to include risks to rights-holders.

Human rights due diligence should be initiated as early as possible in the development of a new activity or relationship, given that human rights risks can be increased or mitigated already at the stage of structuring contracts or other agreements, and may be inherited through mergers or acquisitions.

MSS Global's Method Grid

NOT STARTED Human rights Due Diligence (HRDD) Methodology - Jürgen

Grid: Human rights Due Diligence (HRDD) Methodology - Jürgen | Stage: 0. | Guidance | Theme: C. | The HRDD Process - Project scope

Primary label: Guidance documentation Display rules: None

0C.1 | What is HRDD? - an Overview & Principles

hierarchical order. Denial of one right invariably impedes enjoyment of other rights. Thus, the right of everyone to an adequate standard of living cannot be compromised at the expense of other rights, such as the right to health or the right to education.

Interdependence and Interrelatedness: Human rights are interdependent and interrelated. Each one contributes to the realization of a person's human dignity through the satisfaction of his or her developmental, physical, psychological and spiritual needs. The fulfillment of one right often depends, wholly or in part, upon the fulfillment of others. For instance, fulfillment of the right to health may depend, in certain circumstances, on fulfillment of the right to development, to education or to information.

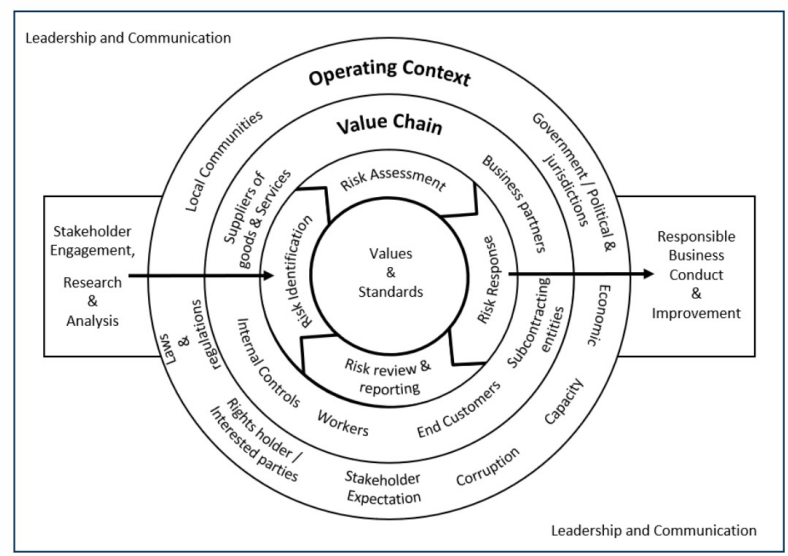
Human Rights can change!

Or at least expectations can. It's important to understand how human rights can change over time, for example, consider the relatively recent debate around a "right to internet access".

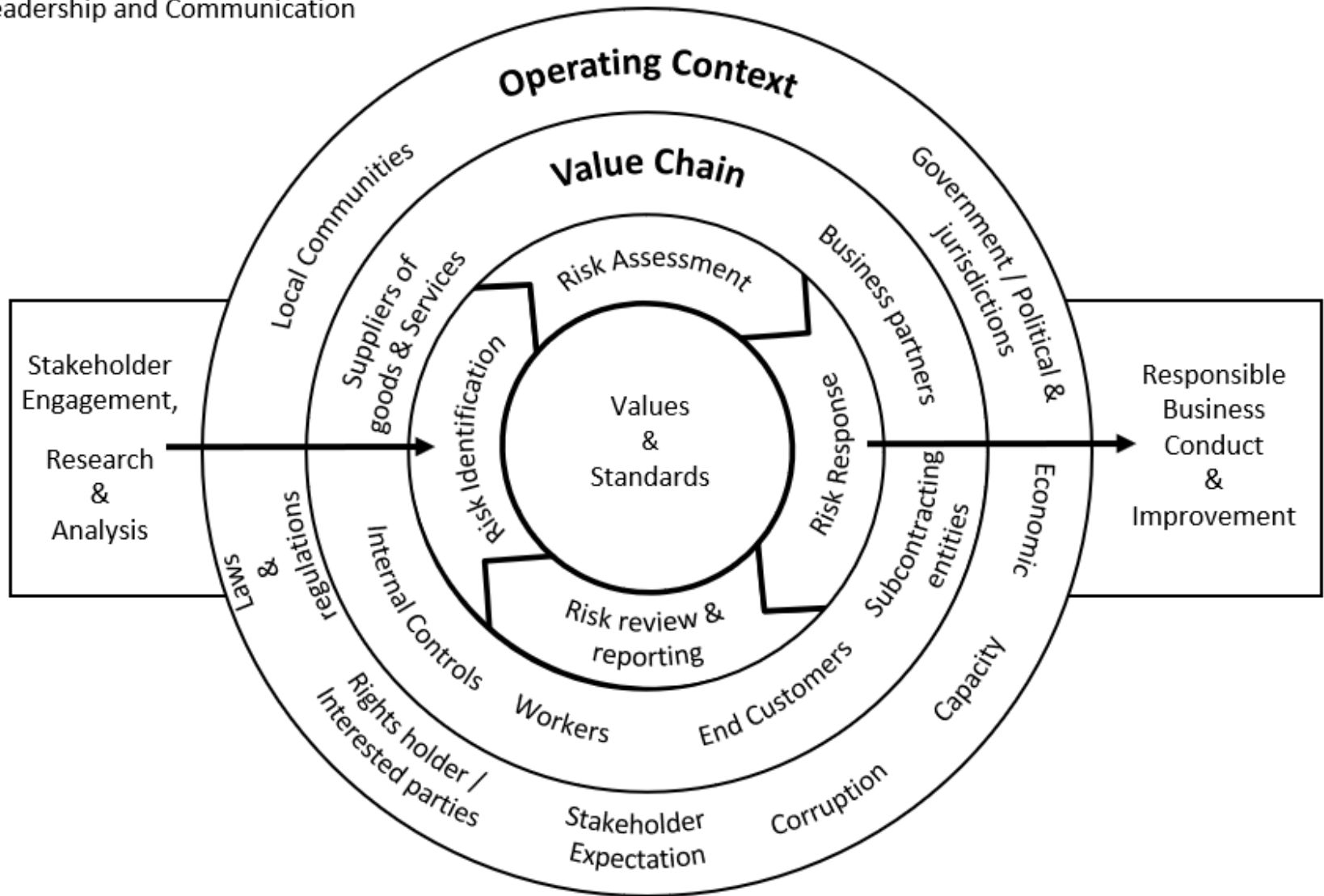
The UN Guiding Principles on Business and Human Rights

The GPs or "Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework"

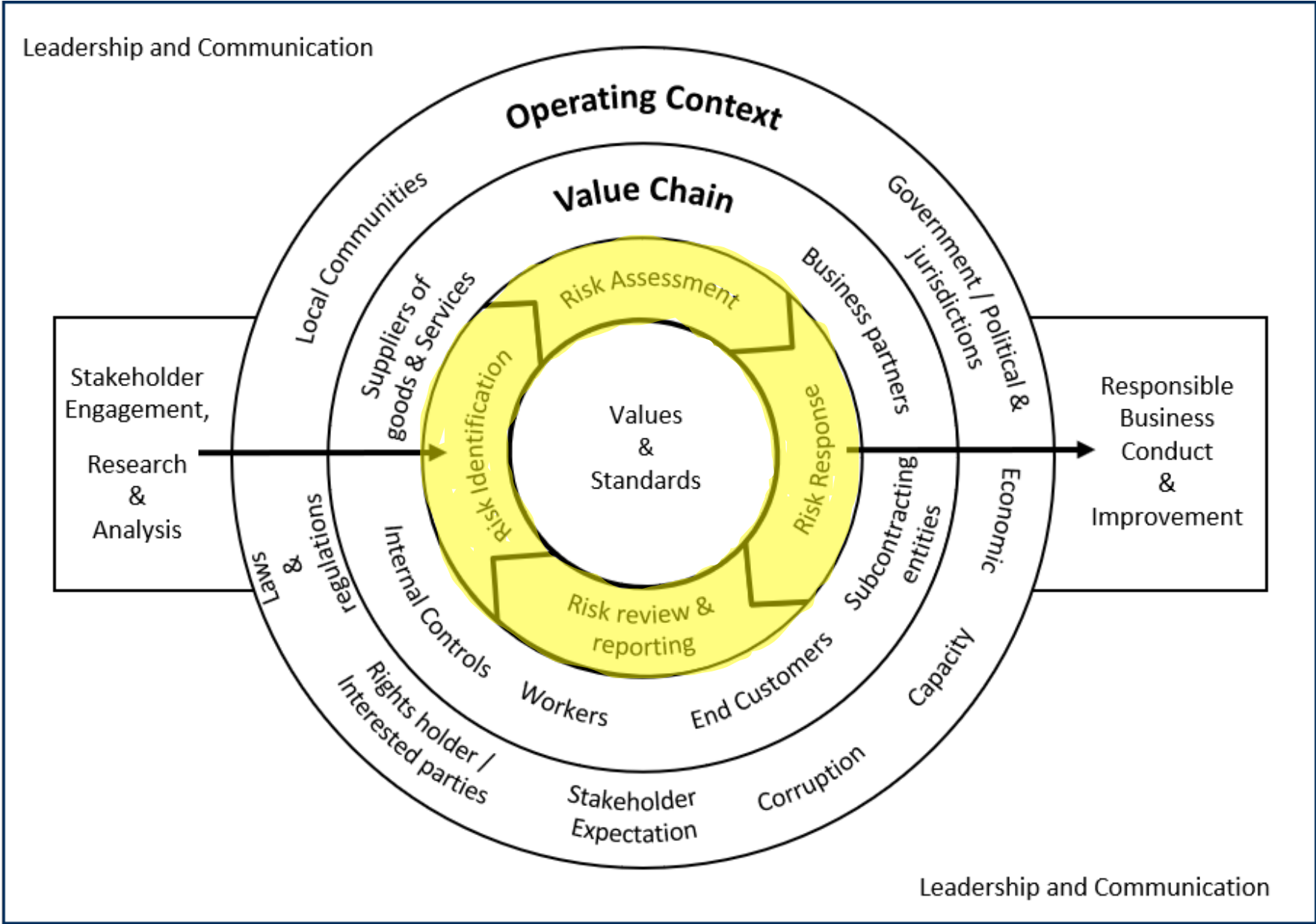
Figure 1. The MSS Global HRDD System



Leadership and Communication



Leadership and Communication



Risk Criteria

Likelihood Criteria						
Scale (score)	Frequency / Description					
Certain (5)	Occurs > than twice per year Recurring event during a contract/project. The risk is expected to occur in most or many circumstances	Moderate	Moderate	Major	Major	Catastrophic
Likely (4)	Typically occurs once or twice per year. Event that may occur during a contract/	Minor	Moderate	Moderate	Major	Major
Possible (3)		Minor	Minor	Moderate	Moderate	Major
Unlikely (2)		Insignificant	Minor	Minor	Moderate	Moderate
Very Unlikely (1)		Insignificant	Insignificant	Minor	Minor	Moderate

Impact Categories	Impact Criteria				
	1	2	3	4	5
Operational					
People / Safety / Wellbeing (Health and Safety)	Negligible injury or illness with no absence from work.	Reversible injury requiring hospital treatment Requiring minor (< 3) days stand down	Reportable Injury leading to a lost time or restricted working		
Staff Morale	No effect on staff morale.	Limited effect: no resignations of key staff			
Operating Processes					Disruption and/or failure of business process which prevents delivery of product/services indefinitely.
Strategic					
Stakeholder / Interested Parties	Key stakeholder express support/dissatisfaction				
Reputation	No appreciable damage to reputation or standing. Word of mouth / local press				
Supply Chain (Upstream, downstream dependencies)	Failure or fault manageable through application of leverage and Corrective Action Request.				Disruption which halts service delivery and could force termination of contract. Denial/halt (>3 day) of key operational facilities.
	Breach or error	Breach or error			

Example risk categories deliberately blurred to encourage ownership

Impact Categories	Impact Criteria				
	1	2	3	4	5
Operational					
People / Safety / Wellbeing (Health and Safety)	Negligible injury or illness with no absence from work.	Reversible injury requiring hospital treatment Requiring minor (< 3) days stand down	Reportable Injury leading to a lost time or restricted working	[REDACTED]	[REDACTED]
Staff Morale	No effect on staff morale.	Limited effect: no resignations of key staff.	[REDACTED]	[REDACTED]	[REDACTED]
Operating Processes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	Disruption and/or failure of business process which prevents delivery of product/services indefinitely.
Strategic					
Stakeholder / Interested Parties	Key stakeholder(s) express support/dissatisfaction informally.	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Reputation	No appreciable damage to reputation or standing. Word of mouth / local press	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Compliance (Legal)	Breach or error (Non-compliance) manageable through application of normal Corrective Action by individuals or line manager intervention.	[REDACTED]	[REDACTED]	[REDACTED]	Major litigation or prosecution with damages of \$Xm+ plus significant costs, Custodial Sentence for company executive, Prolonged closure of operations by authorities.

Impact Categories	Impact Criteria				
	1	2	3	4	5
Operational					
People / Safety / Wellbeing (Health and Safety)	Negligible injury or illness with no absence from work.	Reversible injury requiring hospital treatment Requiring minor (< 3) days stand down	Reportable Injury leading to a lost time or restricted working [Redacted]	[Redacted]	[Redacted]
Staff Morale	No effect on staff morale.	Limited effect: no resignations of key staff.	[Redacted]	[Redacted]	[Redacted]
Operating Processes	[Redacted]	[Redacted]	[Redacted]	[Redacted]	Disruption and/or failure of business process which prevents delivery of product/services indefinitely.
Strategic					
Stakeholder / Interested Parties	Key stakeholder(s) express support/dissatisfaction informally.	[Redacted]	[Redacted]	[Redacted]	[Redacted]
Reputation	No appreciable damage to reputation or standing. Word of mouth / local press	[Redacted]	[Redacted]	[Redacted]	[Redacted]
Compliance (Legal)	Breach or error (Non-compliance) manageable through application of normal Corrective Action by individuals or line manager intervention.	[Redacted]	[Redacted]	[Redacted]	Major litigation or prosecution with damages of \$Xm+ plus significant costs, Custodial Sentence for company executive, Prolonged closure of operations by authorities.

Primary label: Risk management Display rules: None

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2D.4 | Analyse your organisation's potential human rights impact

Element complete

0/18

Severity

[Understanding severity](#)

Understanding severity

Dimensions	Definition	Examples	
		Potentially less severe	Potentially more severe
Scale:	<ul style="list-style-type: none"> How grave or serious the impact would be 	<ul style="list-style-type: none"> A 14-year-old helping out behind the counter in the family store 	<ul style="list-style-type: none"> A 10-year-old child working in artisanal mining
Scope	<ul style="list-style-type: none"> How widespread the impact would be (i.e., how many people would be affected) 	<ul style="list-style-type: none"> One or two individuals 	<ul style="list-style-type: none"> A whole community
Remediability	<ul style="list-style-type: none"> How hard it would be to put right the resulting harm 	<ul style="list-style-type: none"> A worker is fired on a discriminatory basis but can be promptly reinstated with appropriate 	<ul style="list-style-type: none"> A worker contracts an incurable disease due to a lack of appropriate health and safety measures

occupational, health and safety inspections.

NOT STARTED

6. Where available, use any other relevant assessments of business relationships carried out by your enterprise or by industry and multi-stakeholder initiatives, including environmental, social and labour audits, corruption assessments [link to TI index etc.] and Know your Counterparty (KYC) processes. How does your organisation perform when benchmarked against your competitors?

NOT STARTED

7. Identify activities that may not be carried out under an appropriate legal or regulatory framework considered sufficient to protect the rights of all persons and organisations involved.

Understanding severity

Dimensions	Definition	Examples	
		Potentially less severe	Potentially more severe
Scale:	<ul style="list-style-type: none"> How grave or serious the impact would be 	<ul style="list-style-type: none"> A 14-year-old helping out behind the counter in the family store 	<ul style="list-style-type: none"> A 10-year-old child working in artisanal mining
Scope	<ul style="list-style-type: none"> How widespread the impact would be (i.e., how many people would be affected) 	<ul style="list-style-type: none"> One or two individuals 	<ul style="list-style-type: none"> A whole community
Remediability	<ul style="list-style-type: none"> How hard it would be to put right the resulting harm 	<ul style="list-style-type: none"> A worker is fired on a discriminatory basis but can be promptly reinstated with appropriate compensation, apologies and guarantee of non-repetition 	<ul style="list-style-type: none"> A worker contracts an incurable disease due to a lack of appropriate health and safety measures

Shift, Oxfam and Global Compact Network Netherlands, “Doing Business with Respect for Human Rights: A Guidance Tool for Companies”, 2016.

How to Effectively Track a Response

United Nations Guiding **Principle 20** states:

“In order to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response....”

SMART Objectives



Specific



Measurable



Achievable



Realistic



Time-bound



Leverage



Corrective Action Request

Corrective Action Request

Correction

Corrective Action

Corrective Action Request

Correction

Immediate 'fix'

Corrective Action

Identifying and addressing the underlying systemic root cause to prevent recurrence

What is Good Practice for Monitoring?

Right to audit

What is Good Practice for What Underpins the Continual Improvement Process?

Two perspectives

Encouraging investees to 'raise their game'



36 / 36 Filtered by: None

	0. Guidance	1. Start up	2. Initiation	3. Implement	4. Monitoring and improvement
A. Engagement Management	<ul style="list-style-type: none">Grid Guidance Start here!OA.1 Project Introduction and ScopeOA.2 Glossary - Useful human rights related termsOA.3 References & Resources				
B. Governance	<ul style="list-style-type: none">OB.1 The business case for HRDDOB.2 HRDD's relationship with ESG and UN SDGs	<ul style="list-style-type: none">1B.2 Leadership - Your Policy Commitment1B.1 Your organisation's mandate for HRDD1B.3 Defining your HRDD Criteria			<ul style="list-style-type: none">4B.1 Undertake a Policy Review and Update
C. The HRDD Process - Project scope	<ul style="list-style-type: none">OC.1 What is HRDD? - an Overview & Principles	<ul style="list-style-type: none">1C.1 Scoping your HRDD project boundaries1C.2 Tailoring your HRDD Process			<ul style="list-style-type: none">4C.1 Review opportunities for improving your (whole) s...
D. Plan - Conducting a Human Rights Impact Assessment (HRIA)			<ul style="list-style-type: none">2D.1 Identify - Your business processes, activities an...2D.2 Identify - Mapping your 'Value chain'2D.3 Identify - Rights holders that your operations ma...2D.4 Analyse your organisation's potential human right...2D.5 Evaluation of the human rights risks...		<ul style="list-style-type: none">4D.1 Review status of you risks to rights holders and ...

Thank you

Ian Beers, Performance Director

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Corporate Human Rights Benchmark HRDD indicators

Benchmarking for a better world

The World Benchmarking Alliance (WBA) is a global organization that develops free and publicly available benchmarks that measure and compare company performance on the **Sustainable Development Goals (SDGs)** and the **Paris Agreement**.

WBA has identified **seven systems transformations** that will be needed to achieve the SDGs by 2030, recognizing the interconnected and interdependent nature of the SDGs.

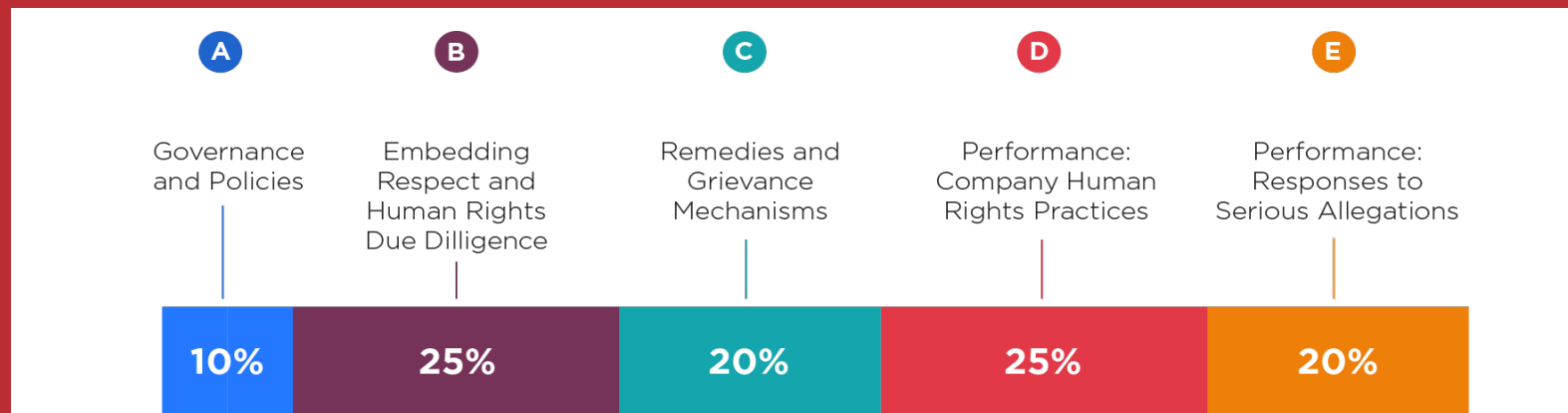
Following the SDG's "leave no one behind" principle, the **social transformation** sits at the heart of our model.



Corporate Human Rights Benchmark (CHRB)



- Indicators grounded in the UNGPs
- Free and publicly available methodologies, data and scorecards
- Company engagement as part of the benchmarking process
- Ranking **230** of the largest companies,
- Five iterations
- Five sectors: Extractives, apparel, food and agricultural products, ICT manufacturing and automotive manufacturing



CHRB HRDD indicators



B.2.3 Integrating and acting on human rights risks and impact assessments

- ✓ The company integrates the findings of its assessments of human rights risks and impacts into relevant internal functions and processes to take appropriate actions.
- ✓ This includes engaging with stakeholders and vulnerable groups on any action taken or to be taken.

Score 1

The company describes its global system to prevent, mitigate or remediate its salient human rights issues **AND** this includes a description of how its global system applies to its supply chain **OR** the company provides an example of the specific actions taken or to be taken on at least one of its salient human rights issues as a result of assessment processes in at least one of its activities/operations in the last three years.

Note: Where the company has a clear global system, it can be assumed that this system or approach is used in each particular location the company operates in.

Score 2

The company meets all of the requirements under Score 1 **AND** describes how it involves affected stakeholders in decisions about the actions to take in response to its salient human rights issues.

B.2.4 Tracking the effectiveness of actions to respond to human rights risks and impacts



- ✓ The company tracks and evaluates the effectiveness of actions taken in response to its human rights risks and impacts and describes how it uses that information to improve processes and systems on an ongoing basis.
- ✓ This includes engaging with stakeholders and vulnerable groups when evaluating the effectiveness of any action taken.

Score 1

The company describes its system(s) for tracking or monitoring the actions taken in response to human rights risks and impacts and for evaluating whether the actions have been effective or have missed key issues or not produced the desired results **OR** it provides an example of the lessons learned while tracking the effectiveness of its actions on at least one of its salient human rights issues as a result of its due diligence process(es).

Note: Where the company has a clear global system, it can be assumed that this system or approach is used in each particular location the company operates in.

Score 2

The company meets both of the requirements under Score 1 **AND** describes how it involves affected stakeholders in evaluation(s) of whether the actions taken have been effective.

Sources: UNGP 17, 20 and 24; UNGPRF C5; GRI 103-3

Leading practice: B.2.3 Integrating and acting - Freeport McMoRan



Indicator elements	Evidence
<p>✓ Describes system to prevent, mitigate and remediate HRs issues</p>	<p>"Operations personnel work with cross-functional teams to develop HRIA Action Plans for the gaps identified in each site's established human rights-relevant management system. [...] Action Plans support continuous improvement of existing systems and processes. If necessary, they establish new measures to investigate, prevent and/or remedy human rights risks and impacts. HRIA Action Plans include a field for sites to indicate the desired outcome associated with each action item (i.e., to indicate that the action item has been completed). Desired outcomes can be measured using qualitative or quantitative indicators. These indicators help sites assess the effectiveness of action plans that have been implemented"</p>
<p>✓ Describes how global system applies to business partners</p>	<p>"These assessments involve direct input from a broad cross-section of internal and external rights holders, and they support continuous improvement of our management systems by testing their effectiveness in identifying and addressing potential, actual and perceived human rights risks and impacts. [...] In addition to HRIAs, our responsible sourcing programs require human rights due diligence on suppliers of both goods and services, and minerals and metals for further processing. The development of these programs is informed by our HRIA findings."</p>
<p>✓ Example of actions decided on at least one salient HRs issue</p>	<p>"in 2021, as part of PT-Freeport Indonesia's ongoing engagement with the illegal artisanal mining community, we began human rights education, with a focus on the rights of children living in the artisanal mining camps on our site. This includes human rights awareness training and ongoing monitoring with a focus on preventing child labor. The training is carried out in a partnership between PT-FI's human rights and community liaison officers and a third-party contractor involved in managing illegal artisanal mining activities."</p>
<p>✓ Describes how stakeholders involved in decisions about actions taken</p>	<p>"In 2023, we intend to leverage our existing engagement mechanisms to communicate with stakeholders on the key findings from the HRIA and plan to involve relevant stakeholders in the development of our action plans, where appropriate'. The report adds: 'HRIAs, conducted by third-party consultants using methodologies aligned with the UNGPs, are our primary method for conducting human rights due diligence at our operations, including a sampling of our onsite contractors and local suppliers. These assessments involve direct input from a broad cross-section of internal and external rights holders, and they support continuous improvement of our management systems by testing their effectiveness in identifying and addressing potential, actual and perceived human rights risks and impacts."</p>

Link to company [scorecard](#)

Leading practice: B.2.3 Integrating and acting - Unilever



Indicator elements	Evidence
<p>✓ Describes system to prevent, mitigate and remediate HRs issues</p>	<p>The company has published a Human Rights Report where it explains its general approach and devotes a section for each of the 8 salient issues they identified. For each salient human rights issue, the company has disclosed actions taken, initiatives/project implemented, progress where relevant and some actual examples including both own operations and supply chain.</p>
<p>✓ Describes how global system applies to business partners</p>	<p>See above.</p>
<p>✓ Example of actions decided on at least one salient HRs issue:</p>	<p>Ex: "We run specific training to address risks that occur in individual regions or countries. In 2019, for example, we commissioned ethical trade management consultancy Impactt to run internal training in the United Arab Emirates on the Employer Pays Principle (EPP) for our Procurement and Human Resources teams, along with external training for our suppliers on ethical recruitment, with a focus on recruitment fees. The training gave insights into the kinds of practices linked to potential forced labour conditions, and how responsible businesses are tackling those challenges and driving best practice."</p>
<p>✓ Describes how stakeholders involved in decisions about actions taken</p> <p>Link to company scorecard</p>	<p>"Our action plans, which outline what we need to do to achieve these priorities [areas of intervention], how we will do this, and the internal and external stakeholders with whom we need to work to achieve our vision."</p> <p>Additionally, in the specific case of Women's safety in the sugar supply chain, the Company indicates: "We are working together with Resonance and Bonsucro to explore the feasibility of a women's safety movement in our global sugar supply chain. [...] We are focusing on creating rural spaces that are free from sexual harassment and other forms of violence. Learning from work in other commodities, we will achieve this by partnering and collaborating with workers, other buyers and brands, growers, civil society organisations, trade unions and other key stakeholders, in order to form a coalition for action"</p>

Leading practice: B.2.4 Tracking the effectiveness of actions - Unilever



Indicator elements	Evidence
<p>X Describes system for evaluation effectiveness of actions</p>	<p>"We reviewed our processes against the OECD Guidance on HRDD, in addition to reviewing them against guidance by Shift. Like many global companies with extensive and varied supply chains, we found that our biggest opportunities to further strengthen our respect for human rights lay in three areas. They are: traceability and issue resolution, beyond our direct (tier one) suppliers; stronger data and systems to track and monitor issues; and enhancing worker, rights-holder and stakeholder engagement relating to the identification of impacts and verification of their remediation." - although the Company describes its efforts to improve its HRDD process and indicates it has a system to track the effectiveness of its actions, no description of this system found</p>
<p>✓ Example of lessons learned from evaluation effectiveness of actions</p>	<p>Ex: "One of the biggest challenges we have found relates to the remediation of fees paid, a key element of the Employer Pays Principle. The large amounts of money involved, often relating to several years, means that a sustainable fee repayment plan has to be created, involving both suppliers and workers. Workers are often concerned about being open about the fees they have paid for fear of retaliation. We also need to be aware of possible tension between migrant and local workers who may not understand why fees are being reimbursed."</p> <p>"Our work on safety for women started in our tea plantations in Kericho in 2014. While we believed that women living and working on our tea plantations were safe, in reality more needed to be done. We had also thought that our grievance mechanisms were effective and trusted, but again, in reality, they were not. (...)" Women in and around tea plantations are too often disempowered and denied access to rights or remedies. Our response was to create a programme for women's safety, asking women the simple question: "What would it take to make you feel safe?" We engaged an independent ombudsman to investigate past and current cases of gender-based violence and hired external experts to lead our safety programme."</p>
<p>✓ Involves stakeholders in evaluation effectiveness of actions</p> <p>Link to company scorecard</p>	<p>"Our work on safety for women started in our tea plantations in Kericho in 2014. While we believed that women living and working on our tea plantations were safe, in reality more needed to be done. (...) Our response was to create a programme for women's safety, asking women the simple question: "What would it take to make you feel safe?" (...) We have formed plantation committees comprising welfare, business integrity, security and legal representatives. This has improved information-sharing and helped us to address the root causes of issues by taking a holistic approach and sharing lessons'</p>

Leading practice: B.2.4 Tracking the effectiveness of actions - **Industria de Diseno Textil (Inditex)**



Indicator elements	Evidence
<p>✓ Describes system for evaluation effectiveness of actions</p>	<p>"The Company's 'worker at the centre' programme conform the Company's 'Strategic Plan 2019-2022'. Each programme has a set of key indicators to measure the performance of the initiatives, the strategy pursued, alliances and partnerships and detailed information on actions taken."</p>
<p>✓ Example of lessons learned from evaluation effectiveness of actions:</p>	<p>"(...) visits were made to factories to measure the results of the project's goals in relation to the platform through focus groups and in-depth interviews [results are summarised in the report with indicators, goals and achievements]. During the final assessment process, both workers and employers positively rated the existence of training that favours workplace adaptation. [...] The most important effect of the training modules has been to accelerate the process of cohesion in the workplace, to help eliminate prejudices against different cultures and to fill gaps in knowledge about workers' rights. The elimination of prejudices and misinformation, especially among Turkish workers, was the main reason for strengthening intercultural communication. In fact, Turkish workers stated that they understood that the life of refugees/migrants in Türkiye was not as easy as they thought it was before the training sessions, and that the latter had given them a better understanding of their situation(...)Meanwhile, refugee/migrant workers said that after the training they felt more comfortable in their workplace and better understood by Turkish workers'. The Company discloses outcomes of different projects carried out "As a result of the exercise, an evolution of the Priority Impact Areas has been carried out in comparison with the previous strategy, incorporating all the potential impacts identified and subsequently prioritised"</p>
<p>✓ Involves stakeholders in evaluation effectiveness of actions:</p> <p>Link to company scorecard</p>	<p>The company discloses, for each Priority Area, different stakeholders involved. In some cases, affected stakeholders are found, as for instance in the case of Collaboration on the ground with IndustriALL and its local affiliates. Regarding its commitment to the Global Framework Agreement, it indicates: 'a new protocol was signed on this 15th anniversary that fosters social dialogue by establishing new mechanisms that strengthen the role of local trade unions and advance towards a better understanding of supply chain workers' needs.</p>

Over performance on HRDD: 2022-2023



In the 2022 CHR

Sectors covered: ICT manufacturing, automotive manufacturing and food & agricultural products

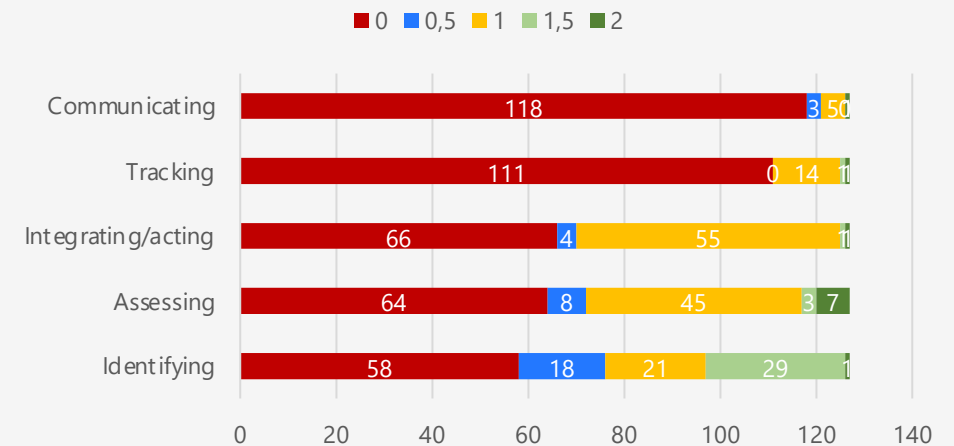
- 36% of companies scored zero on all five HRDD indicators
- 52% score zero on integrating and acting
- 87% on Tracking the effectiveness of actions

In the 2023 CHR

Sectors covered: Apparel and extractives

- 39% of companies scored zero on all five HRDD indicators
- 54% score zero on integrating and acting
- 79% on Tracking the effectiveness of actions

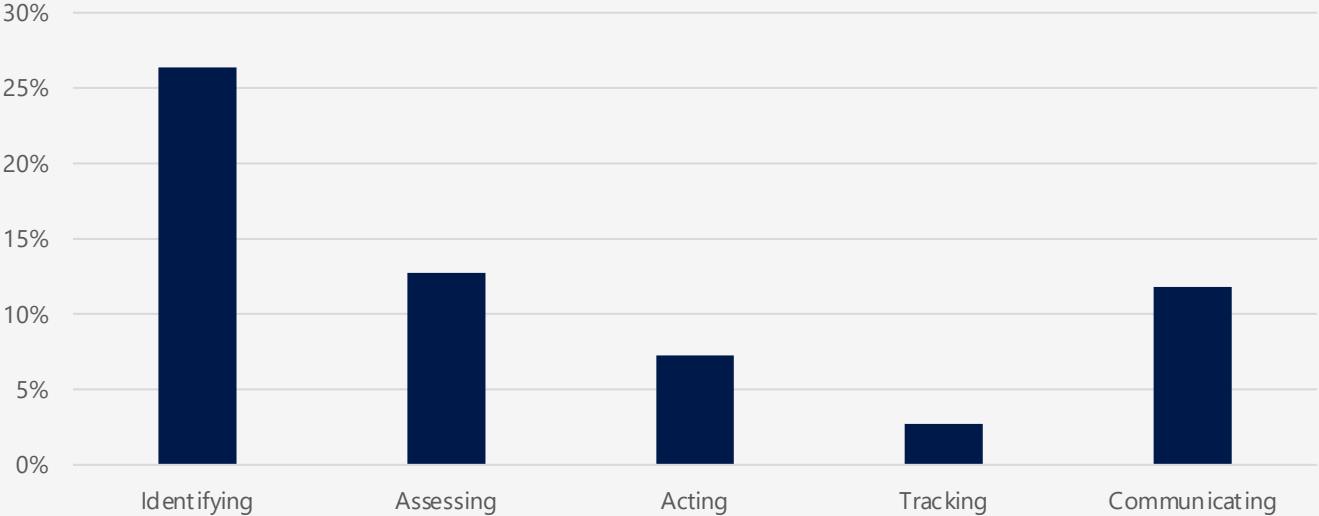
Breakdown of scores per HRDD indicator



2023 CHRB results: engaging affected stakeholders in HRDD



% of companies who consult affected stakeholders at different stages of the due diligence process





Thank you!

Contact us at info.social@worldbenchmarkingalliance.org





Human Rights Risk Management and the Role of the Investor

BMO  **Global Asset Management**

Presented by:
Sarah Morris Lang, Manager Social Equality Initiatives
Responsible Investing

The human rights and environmental due diligence process

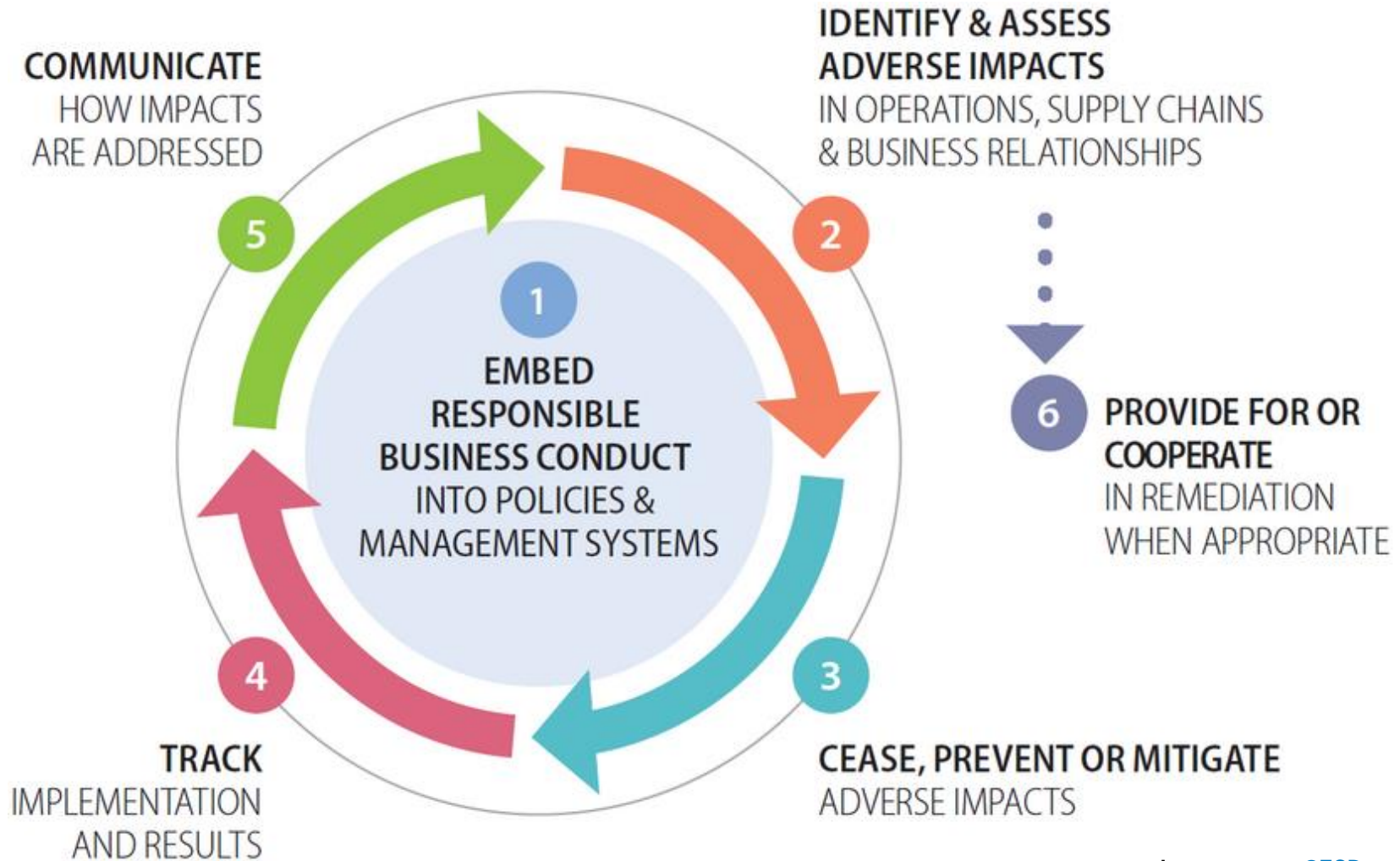


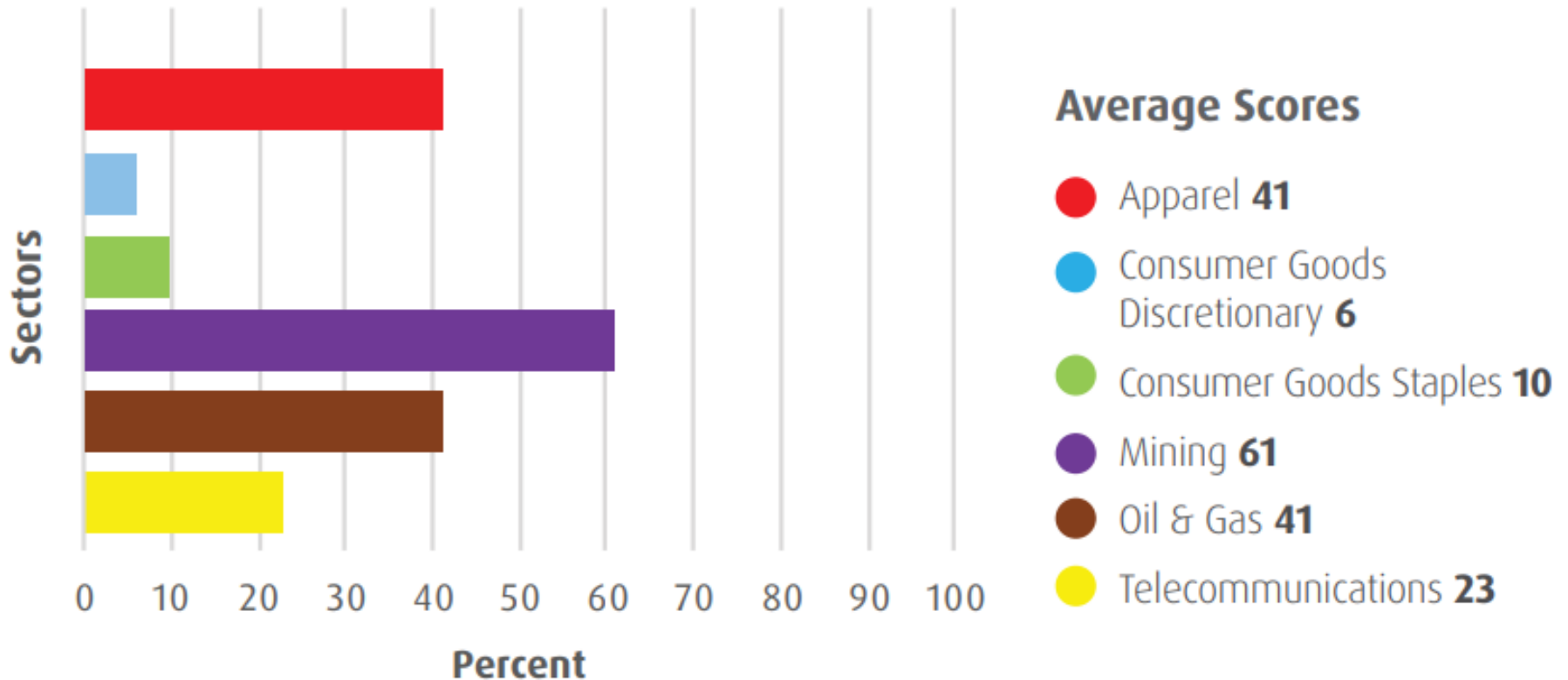
Image source: [OECD](#)

Research: Deep dive on human rights due diligence



- Assessed **29** companies across **6** sectors using **2** benchmarks
- Highest avg sector score: **61% (Mining)**
- Lowest avg sector score: **6% (Consumer Discretionary)**
- Canadian companies have made decent policy commitments, **but implementation is still lacking**

Canadian Sector HRDD Scores



The human rights and environmental due diligence process

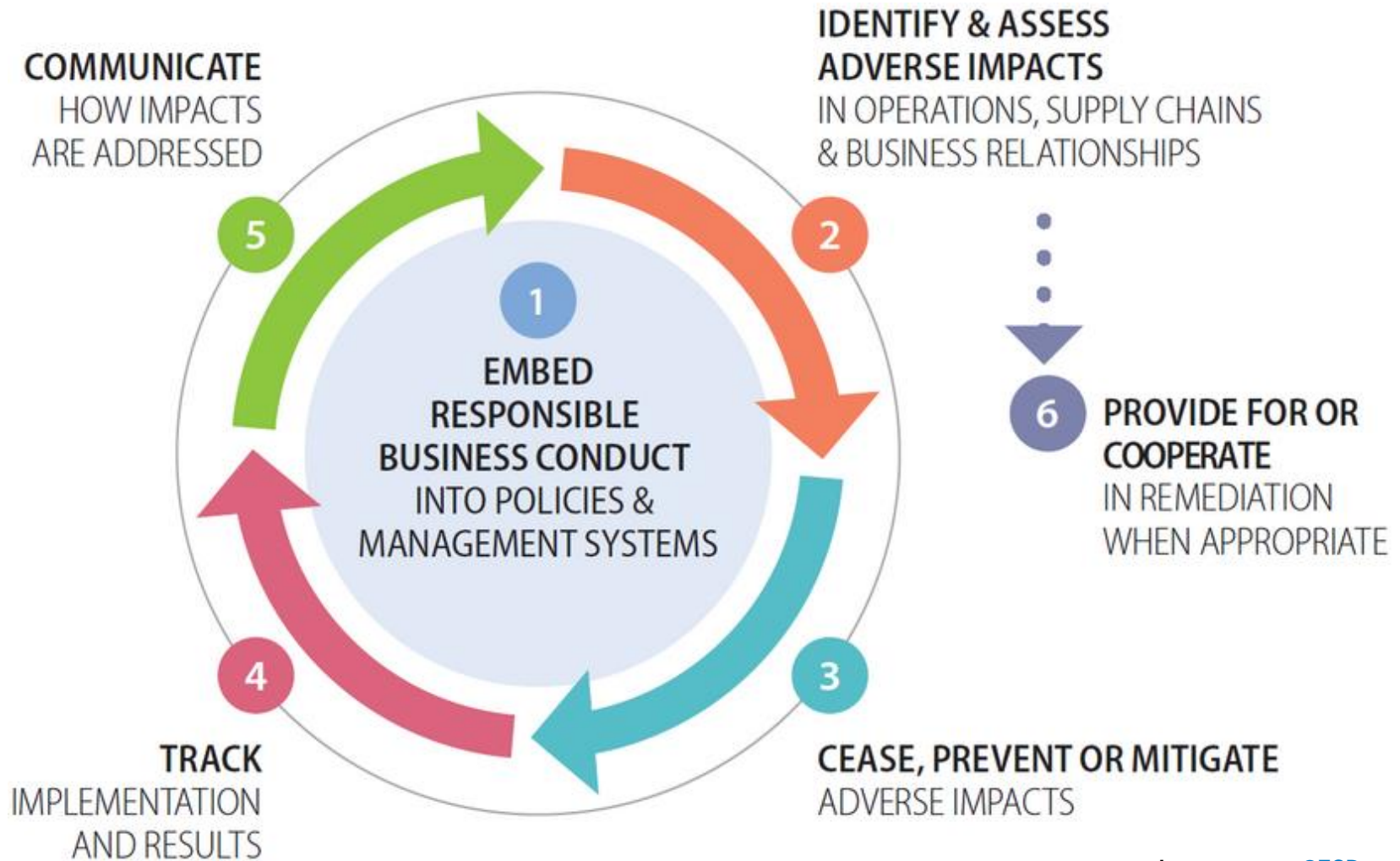
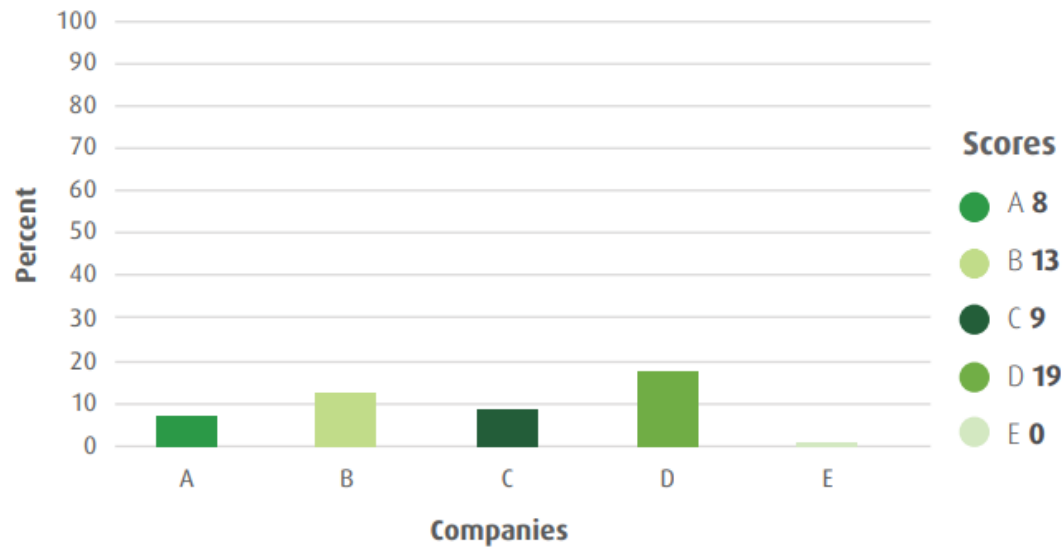


Image source: [OECD](#)

Research: Findings on Consumer Staples sector HRDD



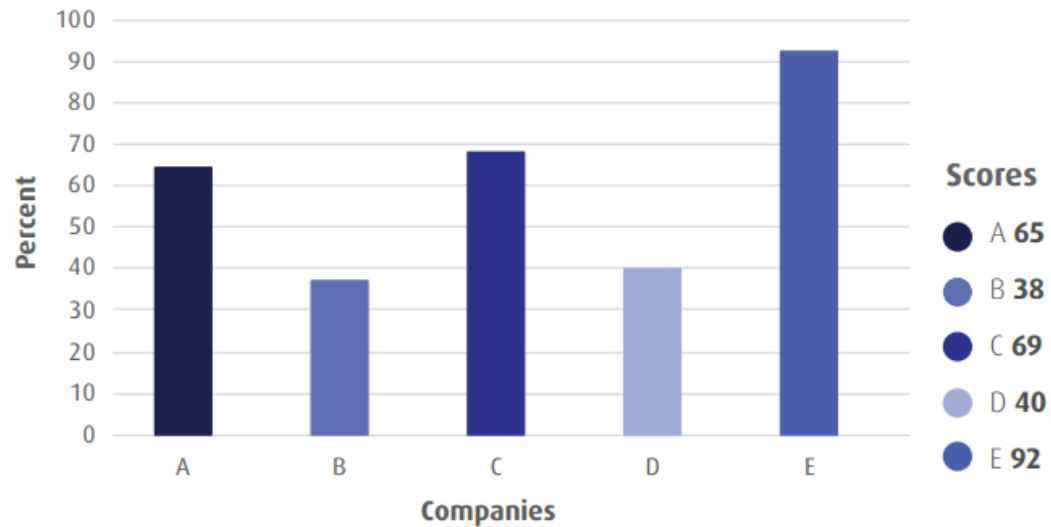
Consumer Staples' Total Scores



Research: Findings on **Metals and Mining** sector HRDD



Mining Companies' Total Scores



The human rights and environmental due diligence process

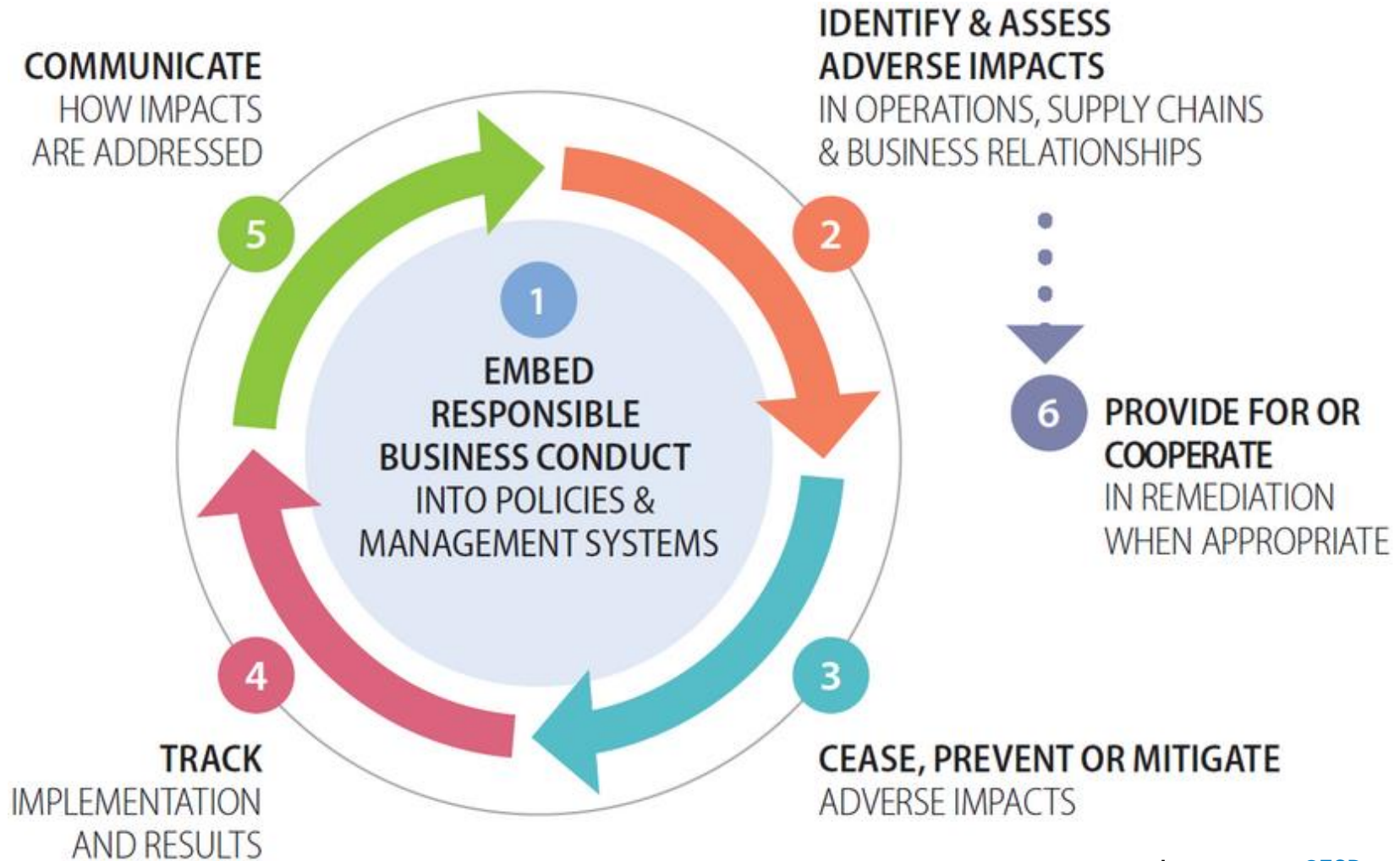


Image source: [OECD](#)

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