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# Practical Steps for Effective Prevention and Mitigation of Adverse Human Rights Impacts

Human Rights as the New Fuel for Business  
Riga Graduate School of Law, Riga, Latvia  
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Roger Branigin, Senior Advisor

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## **Personal background**

20+ years in due diligence litigation and risk management before focusing on B&HR

Member of SRSG Ruggie legal roundtable during UNGP multistakeholder consultation

10 years experience in field assessment, process gap analysis, and risk management

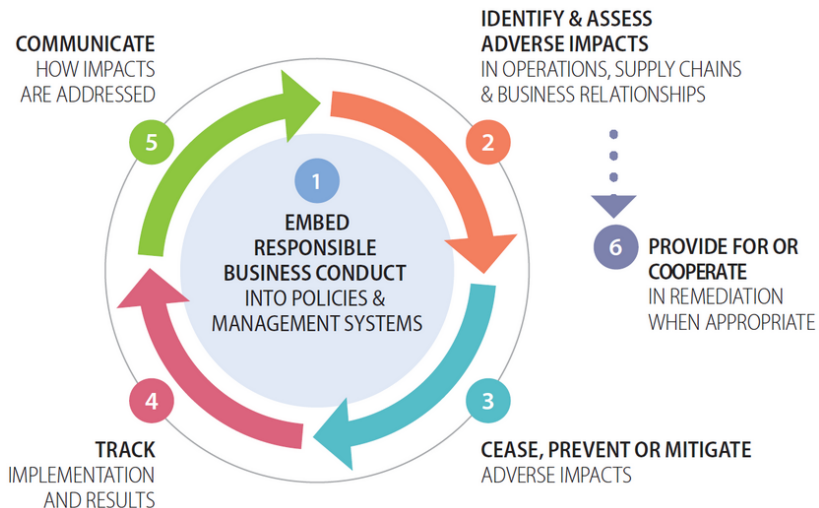
Practical tools for preventing, mitigating and managing human rights risk

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## Due diligence



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Source: OECD Guidelines on responsible business conduct

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## Business rationale for HRDD

Four biggest reasons clients implement HRDD:

1. Build corporate identity
2. Promote more ethical, attractive culture and work environment
3. Better understand people-related risks and capacity to respond (“supply chain resiliency”)
4. Compliance — least important driver

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## Policy, Process and People

*For human rights due diligence to be effective, policy, process, and people must all keep pace*

Prevention/mitigation strategies and remediation are sector- and context-specific, but effective HRDD share 3 features:

1. Communication of clear strategy through a range of actions: policy, codes of conduct, purchasing and contracting practices, defined accountabilities
2. Iterative processes based on practical metrics that track and triangulate corporate inputs and impacts → steep learning curve, so start small and prioritise
3. Systematic, sustained dialogue with stakeholders and proxies → 3 roles as data sources, collaborators, and affected rights-holders

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## Example

Client purchased key raw material input from suppliers in developing economies through commodity traders

Raw material suppliers varied in size, maturity, resources

Workers at risk of substandard pay, no benefits, unsafe conditions, and exploitation, especially by unlicensed firms seeking cost advantage

Company asked its suppliers to address labor abuses, but still often paid lowest market price offered by traders

Suppliers resisted changes to improve worker welfare until client implemented new prevention/mitigation plan

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## Example

Feature	Before	After
Strategy and accountability	Sustainability initiative; other functions not directly involved	Procurement and purchasing/quality assurance shared lead with sustainability
	Policy and code of conduct	Policy and CoC supported by clear standards and specific purchasing requirements
	No supplier contract or financial support	Preferred purchasing program with price supports and extended contract terms
Due diligence	Supplier CoC but no performance metrics	Continuous improvement based on limited but repeated set of defined and achievable performance metrics
	SAQs but no verification	Assurance supplemented by NGOs, government sources
Stakeholder engagement	No sustained engagement with worker representatives	Ongoing NGO and trade union input, support for hearing grievances and remedies

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## Recap

- Clear strategy commitment, resources, and contract incentives
- Clear accountabilities and responsibilities including functions connected to impacts
- Start small, prioritising most severe risks
- Input- and impact-based risk metrics for continuous improvement
- Sustained rights-holder/proxy dialogue

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Strategies Group AB  
[www.enact.se](http://www.enact.se)**

**Roger Branigin  
Enact Sustainable Strategies  
[roger.branigin@enact.se](mailto:roger.branigin@enact.se)  
[roger.branigin@enact.fi](mailto:roger.branigin@enact.fi)  
+1 612 202 1693**

Vasagatan 7  
S-111 20 Stockholm, Sweden  
Tel. +46 8 522 03 450

UMA, Lautatarhankatu 10,  
00580 Helsinki, Finland  
Tel. +358 400 011 211

James Wattstraat 100, 8th floor  
1097 DM Amsterdam, The Netherlands

No. 181, Sichuan Middle Road,  
Shanghai, 200002, China  
Tel. +86 1381-637-0747