



## Human rights due diligence: A move towards a sustainable society

The global trend on sustainability is gaining momentum in many aspects. Corporate entities are being obliged to operate with more sophisticated social responsibility towards all stakeholders. This time we discuss the developing legal landscape of human rights due diligence ("HRDD"), another elements in the "S" of the ESG (environment, social and governance) movement.

### Human rights due diligence - What is it?

HRDD is a method for enterprises to proactively manage potential adverse human rights impacts (e.g., unsafe and unhealthy working conditions for workers, child labour and forced labour) which they are involved, either through their own activities or which may be directly linked to its operations, products or services by its business relationships.

According to the Office of the United Nations High Commissioner for Human Rights, HRDD includes the following four core components:

1. Identifying and assessing actual or potential adverse human rights impacts;
2. Integrating findings from impact assessments across relevant company processes and taking appropriate action;
3. Tracking the effectiveness of measures and processes to address the impacts; and
4. Communicating on how impacts are being addressed to the stakeholders.

For background, the aim to achieve the protection of human rights has been discussed and included in several international conventions over the last decade. The United Nation Guiding Principles on Business and Human Rights, endorsed in 2011, provided an internationally recognized framework for duties and responsibilities of governments and business enterprises to prevent human rights impacts. Practical guidelines on HRDD



### In This Issue

[Human rights due diligence - What is it?](#)

[We can help](#)

[www.bakermckenzie.com](http://www.bakermckenzie.com)

#### Bangkok

5th, 10th and 21st-25th Floors  
990 Abdulrahim Place  
Rama IV Road, Silom, Bangrak  
Bangkok 10500  
Thailand



implementation have been further provided in the globally recognized OECD Guideline on Responsible Business Conduct, and its concept has also been embedded in the International Labour Organization (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

It has become clear for the international community that companies throughout the global value chain play a vital role in realizing effective and sustainable protection of human rights. This has resulted in several initiatives to build legal frameworks with a higher level of sanctions that require companies to identify, assess, prevent and mitigate risks, and, where necessary, remedy the negative impacts of their activities that cause human rights abuse in their supply chains.

In the next article, we will take a look at the recent international trends of HRDD.

## We can help

With the growing global recognition of the importance of Environmental, Social and Corporate Governance (ESG) and digitalization considerations in various markets, we are witnessing a notable shift in the approach taken by policy makers and industry players. This shift opens up new opportunities, but also new challenges for market participants navigating the evolving sustainability ecosystem. Strong ESG practices relating to environmental sustainability, human rights, labor, governance, supply chains, and corruption are now a prerequisite for good business practice. This represents an enormous opportunity for many organizations. However, failing to take this responsibility seriously brings potential legal, financial and reputational liabilities as well as a loss of trust among consumers and other stakeholders.

At Baker McKenzie, we help our clients achieve their targets by clearly analyzing and identifying the areas of legal risk and scope for growth. Not only are we your Green Partner to transform operations, manage risk, and drive growth as we make greater strides towards a more sustainable future, we also assist clients by providing the required information and insight to enable informed, comprehensive and ambitious decision making that will help achieve growth. With our experience, global perspectives, industry expertise, and geographic reach, we are the law firm best equipped to provide the entire spectrum of legal and regulatory advice in a manner that is consistent with your business objectives.

## Contacts

For further information, please contact:

Nam-Ake Lekfuangfu  
+66 2666 2824 ext. 4112  
nam-ake.lekfuangfu  
@bakermckenzie.com

Varutt Kittichungchit  
+66 2666 2824 ext. 4334  
varutt.kittichungchit  
@bakermckenzie.com

©2022 Baker & McKenzie Ltd. All rights reserved. Baker & McKenzie International is a global law firm with member law firms around the world. In accordance with the common terminology used in professional service organizations, reference to a "partner" means a person who is a partner or equivalent in such a law firm. Similarly, reference to an "office" means an office of any such law firm. This may qualify as "Attorney Advertising" requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.