

SHOWCASING BUSINESS AND HUMAN RIGHTS

29 October 2015 | Global
Legal Briefings - By **Stéphane Brabant**

Read our overview, key insights and link to video from the International Bar Association's Conference in Vienna.

HOW DO YOU KNOW YOU RESPECT HUMAN RIGHTS?

With non-financial reporting requirements now known to be an important feature of what it means to be a responsible corporate player in the global economy, businesses must be able to demonstrate transparency and back up any human rights claims made.

This regulatory priority is a global issue that will drive future investment channels and demands from major shareholders, according to Harvard University professor John Ruggie, speaking at the recent International Bar Association (**IBA**) conference in Vienna.

In a showcase session at the conference, former UN Secretary General Kofi Annan and Ruggie participated in a discussion chaired by Herbert Smith Freehills partner, Stéphane Brabant and facilitated by Jane Nelson, Director of the Corporate Social Responsibility Initiative at Harvard Kennedy School.

The discussion explored the history of the United Nations Guiding Principles on Business and Human Rights (**Guiding Principles**) and the role lawyers must play in implementing them, with Kofi Annan emphasising that "lawyers have a critical role to play in building healthy and prosperous societies".

The second part of the session focused on the application of business and human rights in practice, discussing the implications of the Guiding Principles for lawyers' daily practice and the legal advice they provide to private sector clients. This session highlighted the increasing material risks for companies that fail to properly address human rights issues as part of their core strategy.

The panel featured multinational companies represented by their general counsel and a chief ethics officer, as well as leading international NGOs represented by their executive directors, chairmen and CEOs.

The session gathered 700 lawyers from across the world and raised significant awareness of business and human rights among participants.

The annual IBA conference reunites approximately 6000 lawyers for a week of sessions, training, and business development opportunities.

Stéphane Brabant serves as senior co-chair of the IBA's Corporate Social Responsibility Committee and he had been planning this session for several months, with assistance from associates Elsa Savourey in Paris and Maximilian Szymanski in London, both of whom joined him at the conference.

TOP 5 TAKEAWAYS FOR BUSINESS

1. How do you know you respect human rights? Businesses need to be able to back up their claims and show transparency throughout their supply chains and statements of policy must be embedded effectively in corporate processes. As such, Kofi Annan states it was a deliberate decision of the UN to make transparency and corporate reporting a key element of the UN Global Compact and in the Guiding Principles.
2. Non-financial reporting requirements will become a “global phenomenon” that will drive future investment channels and demands from major shareholders, according to Professor John Ruggie.
3. Lawyers, including in-house counsel, will have an increasingly critical role to play in ensuring companies deal properly with human rights risks—companies that involve their lawyers in implementation of human rights policies are doing a better job overall and lawyers (in some companies) are playing a critical role in integrating human rights considerations into due diligence processes, contracts and other corporate functions etc.
4. Business and human rights will present material risks for organisations going forward.
5. “The time for soft law vs hard law is finished” according to Stephane Brabant in his session wrap-up. Chris Jochnick backed this up, discussing that even though principles like the UNGPs are “soft law” they provide a benchmark and civil society (ie NGOs) will scrutinize corporate conduct by reference to the UNGPs and will highlight violations.

FULL VIDEO FROM CONFERENCE

[Part One: IBA Conference 2015 - Business and Human Rights Showcase.](#)

[Part Two: IBA Conference 2015 - Business and Human Rights Showcase.](#)

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