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## ***ABOUT US***

WHITE BLACK LEGAL is an open access, peer-reviewed and refereed journal provide dedicated to express views on topical legal issues, thereby generating a cross current of ideas on emerging matters. This platform shall also ignite the initiative and desire of young law students to contribute in the field of law. The erudite response of legal luminaries shall be solicited to enable readers to explore challenges that lie before law makers, lawyers and the society at large, in the event of the ever changing social, economic and technological scenario.

With this thought, we hereby present to you

# **A STUDY ON HUMAN RIGHTS COMPLIANCE AND VIOLATIONS IN TODAY'S CORPORATE SUPPLY CHAINS**

AUTHORED BY - NIVETHA S

## **ABSTRACT**

Corporations expect rewards for upholding human rights and often tend to avoid accountability when they violate human rights. It's time for us to acknowledge that businesses should act with due diligence to protect these rights, starting from the point where they purchase their raw materials and to the point where they sell their finished goods and services. Companies need to take an active role in the community, beyond just making a profit. Supply chain management is a network of companies and people that are involved in the production and delivery of a product or service. The components of a supply chain include producers, vendors, warehouses, transportation companies, distribution centers, and retailers. Human rights violations by corporations in their supply chains are a serious concern. Issues such as child labour, forced labour, unsafe working conditions, and environmental degradation can occur. Companies should take steps to ensure that they know what the risks of human rights violations in their supply chain are, and should monitor and address those risks on an ongoing basis. In order to correctly assess risks in their supply chain, companies need to be familiar with every link in their supply chain. As part of their corporate responsibility to respect human rights, companies are expected not only to avoid causing or contributing to adverse human rights impacts, but also to address, "human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts." This doctrinal research paper addresses the following key research questions: Can corporations truly know who makes their products, and is such extensive mapping even feasible? Do corporations genuinely care about ethical sourcing, or are they merely driven by potential risks associated with human rights abuses in their supply chains? How can companies effectively integrate the UN's human rights framework into their complex business relationships? Does India require a dedicated law to safeguard human rights within its supply chains, and if so, what can we learn from international models? This paper also focuses on Examining successful laws like Germany's LkSG and France's Loi de vigilance to guide potential reforms in India and

analysing case studies of both corporations violating human rights and those with strong ethical sourcing practices, The aim of this paper is to understand the complexities of corporate responsibility and recommend best practices for ensuring human rights throughout supply chains.

## KEY WORDS

Corporate Supply chain, Human rights, Ethical sourcing, Due diligence, corporate accountability, Corporate social responsibility (CSR).

## 1. INTRODUCTION

**"Respecting human rights is not just good ethics, it's good business." - John Ruggie, UN<sup>1</sup>**

Companies used to get away with human rights abuses by suppliers. But a major sporting goods brand in the 1990s learned the hard way that consumers care. Public outcry over child labor, bad working conditions, and low wages in their factories led to boycotts and damaged the brand's reputation. This forced the company to change its ways. Today, businesses face much more scrutiny on human rights. Issues like forced labor, discrimination, unsafe workplaces, and the treatment of foreign workers are all on the table. Even advertising and product use can be criticized for human rights violations. This pressure comes not just from NGOs, but also from customers, investors, and even auditors. The bottom line is companies can't ignore human rights anymore. Human rights aren't just a feel-good cause for businesses, they're a smart risk management strategy. Rather than adopting a bystander's policy of not causing harm to others, companies should adopt proactive approaches to prevent human rights violations throughout their operations. This isn't just a human resource or CSR department's issue, it requires involvement from every department, such as research and development, design, procurement and sales. After all, harming people can hurt the business too. By prioritizing positive social impact, companies create a better environment for everyone, including their own employees, and ultimately ensure their own long-term success. As far as India is concerned, company law and human rights law have traditionally operated in separate spheres. Company law prioritized a company's financial success, while human rights law protected individuals and communities. However, there's a growing push for them to work together. The Companies Act of 2013 introduced mandatory CSR, a first step towards merging social responsibility with business

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<sup>1</sup> John Ruggie was the special representative of the Secretary-General on human rights and transnational corporations and other business enterprises from 2005 - 2011.

practices. But some argue that India already has extensive labor and environmental regulations that address human rights concerns. Additionally, overly strict regulations could stifle economic growth. To bridge this gap, India has frameworks for Business and Human Rights. Additionally, companies themselves can take proactive steps by conducting human rights due diligence to identify and address potential issues. Ultimately, separating company law from human rights is outdated. In today's world, ethical business practices that consider human rights are not just the right thing to do, they're also good for a company's long-term success.

## **2. MAPPING OF SUPPLY CHAIN**

Mapping the supply chain can help the business learn more about how their products or services are produced, where, and by whom. It is the foundation for building a risk management, due diligence, and responsible sourcing programme in the supply chain. The process of supply chain mapping brings numerous benefits to a business that go far beyond simply providing visibility and meeting legal requirements. Supply chain is not a simple structure it is mostly vast and complex and intricate networks.

### **2.1. What are the challenges of mapping a supply chain?**

- **Subcontracting Complexity:** Many supply chains involve multiple tiers of suppliers, with each tier subcontracting work to lower-tier suppliers. This tiered structure can make it difficult to trace the origin of materials and components, as it creates a cascading effect. Subcontracting arrangements can lead to a lack of accountability among suppliers, especially when lower-tier suppliers operate independently or subcontract work further downstream. This makes it challenging for companies to ensure compliance with ethical, environmental, and quality standards throughout the supply chain. It increases the risk of non-compliance with regulations and standards, as companies may unknowingly source materials or components from suppliers that do not adhere to legal or ethical requirements. This can expose companies to reputational damage, legal liabilities, and supply chain disruptions.
- **Geographical Spread:** Supply chains have become increasingly globalized, with companies sourcing materials, components, and labor from diverse regions around the world. This geographical spread introduces complexities related to logistics, transportation, customs, and regulatory compliance. Operating in different geographical regions involves navigating cultural and language barriers, which can

hinder communication, collaboration, and understanding among supply chain partners. Misinterpretations or misunderstandings may arise, leading to delays, errors, or conflicts in the supply chain. Some regions may lack reliable transportation networks, internet access, or digital infrastructure, making it challenging to track and monitor supply chain activities effectively. It also exposes supply chains to political instability, economic fluctuations, and geopolitical tensions. Changes in government policies, trade agreements, or currency exchange rates can impact sourcing decisions, production costs, and supply chain resilience.

## **2.2.How to overcome the challenges?**

- **Supplier Audits and Assessments:** Corporations can conduct audits and assessments of their suppliers to gather information about their operations, labor practices, environmental impact, and other relevant factors. This helps in understanding the entities involved in producing components or raw materials.
- **Traceability Technologies:** Technologies such as blockchain, RFID (Radio-Frequency Identification)<sup>2</sup>, and other tracking systems can be employed to trace products back to their source. These technologies enable companies to monitor the movement of goods through the supply chain and verify the authenticity and origin of products<sup>3</sup>.
- **Supplier Collaboration:** Building strong relationships with suppliers can facilitate greater transparency. Collaboration allows for better communication and sharing of information about processes, materials, and sources.
- **Supplier Codes of Conduct:** Implementing supplier codes of conduct that outline ethical and responsible business practices can encourage suppliers to operate transparently and adhere to certain standards.
- **Third-Party Verification:** Engaging third-party organizations or certification bodies to verify and validate the practices of suppliers can provide an independent assessment of their operations.
- **Transparency Initiatives:** Some corporations participate in or lead industry-wide initiatives aimed at improving supply chain transparency. These initiatives often involve collaboration among various stakeholders to address common challenges.

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<sup>2</sup> RFID systems use radio waves at several different frequencies to transfer data.

<sup>3</sup> World Economic Forum. (2018). "Supply Chain Digital Transformation Playbook." Retrieved from: <https://www.weforum.org/reports/supply-chain-digital-transformation-playbook>

Supply chain transparency requires the companies to know what is happening upstream in the supply chain and to communicate this knowledge both internally and externally. MIT Sloan school of management research shows that “consumers may be willing to pay 2% to 10% more for the products with companies that provide greater supply chain transparency”<sup>4</sup> The consumers are interested in knowing about how the companies treats the employees the product supply chain. Not just the consumers but also the NGOs, government and stakeholders are interested in the information regarding supply chain.

### **3. BUSINESS AND ETHICAL SOURCING**

Ethical sourcing ensures suppliers and vendors meet certain ethical standards, such as upholding fair labor practices, making a positive social impact and practicing environmental sustainability. Implementing ethical sourcing often requires organizations to set standardized sourcing policies and do their due diligence on prospective suppliers<sup>5</sup>. Are there any unethical practices such as child labor or human rights violation prevalent at the product manufacturing facility? Do the factories provide a safe and healthy working environment? Are there any deviations from standard production practices? Monitoring unethical supplier business procedures and practices has now become the core task of procurement. However, the scope of ethical sourcing extends well beyond monitoring unethical practices. It requires procurement to check adherence to environmental, social and legal concerns.

Ethical sourcing can help a business gain customer confidence. 81% of respondents in a 2021 survey conducted by OpenText<sup>6</sup> indicated their preference for buying ethically sourced products. The survey, conducted on over 25,000 consumers across 12 countries, also revealed 83% of respondents were ready to pay more for products that were sourced ethically without a doubt. As it is clear from the survey findings, consumer buying habits have evolved quickly in recent years. They also expect companies to be more transparent about how they source their products. Businesses that meet these consumer expectations can thrive amid growing competition. To do this, they must align their procurement and supply chain organizations with larger, strategic business objectives.

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<sup>4</sup>MIT Sloan school of management research retrieved from <https://mitsloan.mit.edu/ideas-made-to-matter/supply-chain-transparency-explained>

<sup>5</sup> What is ethical sourcing? Retrieved from <https://www.ibm.com/topics/ethical-sourcing>

<sup>6</sup> The Importance of an Ethical Supply Chain Retrieved from <https://www.opentext.com/assets/documents/en-US/pdf/opentext-wp-the-importance-of-an-ethical-supply-chain-en.pdf>

There are only two types of companies: one is corporations that desire to do good and another one is corporations that have awareness about potential risk associated with unethical sourcing. Corporations prioritize ethical sourcing due to its impact on brand reputation, consumer demand, and employee morale. Legal compliance and risk management are crucial, as non-compliance can lead to penalties and reputation damage. Ethical practices also contribute to long-term sustainability and meeting stakeholder expectations. Genuine care for ethical sourcing reflects a commitment to social and environmental responsibility, shaping corporate culture and strategy.

#### **4. EFFECTIVE INTERGRATION OF UNITED NATIONS FRAMEWORK IN BUSINESS**

A good human rights policy should be guided by the international bill of rights, international labour organization, UN global compact and the UN guiding principles on business and human rights.

##### **4.1. What are the essentials of good human rights policy?<sup>7</sup>**

- Making clear the ‘who’ and ‘what’

Who does the commitment apply to: Just the company? Does it include its subsidiaries?  
Does it extend its expectations under the commitment to its value chain?  
What specific standards form the basis of the commitment?

EXAMPLE: “The Coca-Cola Company’s Human Rights Policy is guided by international human rights principles encompassed in the Universal Declaration of Human Rights, the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights. The Human Rights Policy applies to The Coca-Cola Company, the entities that it owns, the entities in which it holds a majority interest, and the facilities that it manages. The Company is committed to working with and encouraging our bottling partners to uphold the principles in this Policy and to adopt similar policies within their businesses. The Supplier Guiding Principles applies to our bottling partners and our suppliers and are aligned with the expectations and commitments of this Policy.”

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<sup>7</sup> Reporting Trends & Insights: Are Companies Making the Commitment to Respect Human Rights? Retrieved from <https://www.ungpreporting.org/reporting-insights-trends-are-companies-making-the-commitment-to-respect-human-rights/>

- Explaining how the policy was developed

Another useful but rarely reported piece of information relates to the process behind the adoption of the human rights policy. Did the company consult with stakeholders? Was company leadership involved? Was the policy approved at the most senior level of the company? This information helps readers understand how seriously the company took the development of the policy, and how it sees it as integrated into corporate governance.

EXAMPLE: H&M offers a brief but informative answer to these questions on its website: “In December 2012, H&M adopted its Human Rights Policy. This policy is based on the UNGPs as well as the UDHR, the international covenant on civil and political rights, the international covenant on economic, social and cultural rights, as well as other international standards and guidelines. The policy is approved by H&M’s CEO and throughout its development stakeholders, both internal and external, were consulted and had the opportunity to give input to the content.”

- Getting into detail: particular group focus, dissemination and changes

whether the company takes a particular group focus: does the commitment cover all individuals and groups who may be impacted by the company’s activities and through its business relationships, is it limited to certain groups, or does it cover everyone while highlighting some for particular attention?

EXAMPLE: Unilever says it pays particular attention to vulnerable individuals and the different risks faced by women and men: “We pay particular attention to individuals or groups who may be at greater risk of negative human rights impacts due to their vulnerability or marginalization and recognize that women and men may face different risks.”

## **5. SUPPLY CHAIN LAWS: INTERNATIONAL PERSPECTIVE**

Supply chain laws, particularly those focusing on corporate responsibility and human rights, have gained traction globally as a means to hold companies accountable for their operations and supply chain practices. Two notable examples are Germany's Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz or "LkSG") and France's Corporate Duty of Vigilance Law (Loi de vigilance).

### **5.1. Germany's Supply Chain Due Diligence Act (LkSG):**

The LkSG, which came into effect in 2023, requires large German companies to ensure that human rights and environmental standards are observed throughout their supply chains. It applies to companies with over 3,000 employees in Germany, or over 1,000 employees if their global revenue exceeds €400 million. The companies must conduct due diligence to identify and prevent human rights and environmental risks in their supply chains. This includes risk assessments, implementation of risk management measures, and establishing grievance mechanisms. Non-compliance with the LkSG can result in fines of up to €10 million or 2% of a company's annual turnover. The law also allows for civil liability claims by affected parties. Germany's LkSG has been praised for its comprehensive approach to supply chain due diligence and its potential to drive positive change in global supply chains. It sets a high standard for corporate responsibility and has spurred discussions about similar legislation at the European Union level.

### **5.2. France's Corporate Duty of Vigilance Law (Loi de vigilance):**

The French Duty of Vigilance Law, enacted in 2017, requires large French companies to identify and prevent human rights and environmental risks throughout their supply chains. It applies to companies with over 5,000 employees in France, or over 10,000 employees globally. Similar to the LkSG, the Loi de vigilance requires companies to conduct due diligence to identify and mitigate risks, establish a vigilance plan, and report on their efforts to prevent human rights and environmental violations. Non-compliance with the Loi de vigilance can result in civil liability claims by affected parties. However, enforcement of the law has faced challenges, and there have been calls for stronger penalties and oversight mechanisms. France's Duty of Vigilance Law has been hailed as a groundbreaking initiative to promote corporate accountability and protect human rights. It has prompted companies to take a more proactive approach to supply chain due diligence and has sparked momentum for similar legislation in other countries and at the EU level.

### **5.3. Other notable legislations:**

**UK Modern Slavery Act:** The UK Modern Slavery Act requires businesses operating in the UK with a turnover above a certain threshold to produce an annual statement detailing their efforts to prevent modern slavery and human trafficking in their operations and supply chains. This statement must outline the steps taken to assess and address these risks.

**California Transparency in Supply Chains Act (CTSCA):** The CTSCA requires certain large

retailers and manufacturers doing business in California to disclose their efforts to eradicate slavery and human trafficking from their supply chains. Covered companies must disclose specific actions taken to address these issues, such as conducting audits and certifications of suppliers.

**Australian Modern Slavery Act:** Australia's Modern Slavery Act requires certain large businesses and other entities operating in Australia to report annually on their actions to address modern slavery risks in their operations and supply chains. The Act includes requirements for risk assessment, due diligence, and public reporting.

**Netherlands Child Labour Due Diligence Law:** The Netherlands has proposed legislation that would require companies selling goods or services in the Dutch market to conduct due diligence to prevent child labor in their supply chains. The proposed law would hold companies accountable for addressing child labor risks and require them to report on their efforts.

**Swiss Responsible Business Initiative (RBI):** The Swiss RBI, which was narrowly rejected in a referendum in 2020 but is still being discussed, would have imposed due diligence requirements on Swiss-based companies regarding human rights and environmental standards in their global supply chains. It aimed to hold companies accountable for the social and environmental impacts of their operations abroad.

## **6. SUPPLY CHAIN LAWS: NATIONAL PERSPECTIVE**

India does not have a specific law governing human rights in the supply chain similar to those found in countries like Germany, France, the UK, or Australia. However, there are broader labor laws, corporate governance regulations, and international guidelines that can inform and guide businesses operating in India to ensure respect for human rights in their supply chains. Apart from these we have the national guidelines on responsible business conduct (NGRBC)<sup>8</sup> and business responsibility and sustainability reporting (BRSR)<sup>9</sup>.

The National Guidelines on Responsible Business Conduct (NGRBC) was developed by the Ministry of Corporate Affairs, Government of India in 2018, to encourage responsible business practices among Indian companies. While the NGRBC does not specifically focus on supply

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<sup>8</sup>National Guidelines on responsible Business conduct retrieved from [https://www.mca.gov.in/Ministry/pdf/NationalGuideline\\_15032019.pdf](https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf)

<sup>9</sup> business responsibility and sustainability reporting (BRSR) retrieved from [https://www.sebi.gov.in/sebi\\_data/commondocs/may-2021/Business%20responsibility%20and%20sustainability%20reporting%20by%20listed%20entitiesAnnexure1\\_p.PDF](https://www.sebi.gov.in/sebi_data/commondocs/may-2021/Business%20responsibility%20and%20sustainability%20reporting%20by%20listed%20entitiesAnnexure1_p.PDF)

chain human rights issues, it outlines broader principles and guidelines for corporate responsibility, which can include aspects related to supply chain management and human rights. Business Responsibility and Sustainability Reporting (BRSR) is a reporting framework introduced by the Securities and Exchange Board of India (SEBI) in 2012 to encourage top 1000 listed companies to voluntarily disclose their sustainability-related initiatives and performance. While BRSR primarily focuses on environmental, social, and governance (ESG) aspects, it can also provide valuable insights into a company's approach to responsible business conduct, including supply chain management and human rights.

Many countries have enacted laws or regulations focused on human rights in the supply chain, reflecting international standards such as the United Nations Guiding Principles on Business and Human Rights. India may benefit from aligning its legal framework with these global norms to enhance its reputation as a responsible business destination. As there is no specific legislation addressing human rights in the supply chain comprehensively, a dedicated law could fill this gap and provide clear guidelines and requirements for businesses to follow.

## **7. CASE STUDIES**

### **7.1. Companies that have violated human rights in their supply chain**

- In 2016, **Apple, Samsung and Sony** faced scrutiny over its cobalt supply chain in the Democratic Republic of Congo (DRC), where a significant portion of the world's cobalt is sourced. Reports have highlighted child labor as young as 12 years old, unsafe working conditions, and environmental degradation. Then apple announced that it will switch to recycled cobalt by the year 2025<sup>10</sup>.
- **Nike, Inc.** faced allegations of utilizing sweatshops and exploiting workers in East Asia, particularly in countries like Indonesia, Pakistan, and India, where it subcontracted factories solely based on the lowest bids without thoroughly reviewing conditions. The scrutiny heightened after a 1991 report by Jeff Ballinger shed light on inadequate worker payments and dismal factory conditions in Indonesia. Further exacerbating the situation, a 1996 Life magazine feature revealed a picture of 12-year child stitching a football, intensifying public outrage. Despite denying direct responsibility and attributing issues to subcontracted factories, Nike faced mounting

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<sup>10</sup> Apple, Samsung and Sony face child labour claims retrieved from <https://www.bbc.com/news/technology-35311456>

pressure. Consequently, the company-initiated factory audits for health and safety in 2002 and embarked on efforts to improve conditions and transparency through social responsibility reports starting in 2005. In 2021, response to persistent labor rights concerns, Nike, alongside other brands, engaged in negotiations with unions and labor rights organizations to address issues like wage assurance, severance, and basic labor rights<sup>11</sup>.

- Eight children alleged that they were subjected to slave labor on cocoa plantations in Ivory Coast have initiated legal action against major chocolate companies, accusing them of complicity in the illegal enslavement of "thousands" of children within their supply chains. **Nestlé, Cargill, Barry Callebaut, Mars, Olam, Hershey, and Mondelez** were named as defendants in a lawsuit filed in Washington DC by the human rights firm International Rights Advocates (IRA). The lawsuit, brought on behalf of the former child slaves, asserts that they were coerced to work without compensation on cocoa farms in the West African nation<sup>12</sup>. Later in 2022 the case was dismissed by the US District Judge as the plaintiff failed to prove that there was a traceable connection between the plantations they worked on and the seven defendant companies, as well as failing to explain the role of supply chain intermediaries<sup>13</sup>.

## 7.2. Companies with exclusive policy for overseeing human rights in their supply chain

- **Marks and Spencers-** They are committed to respecting internationally recognized human rights and the principles and guidance in the United Nations (UN) Guiding Principles on Business and Human Rights as a basis for dialogue and action. We also support the OECD Guidelines for Multinational Enterprises. Their Global Sourcing Principles sets out our minimum global supplier ethical and environmental standards, and were updated in 2022. These standards are contractual and apply across their entire business. Also, they encourage their employees and individuals within our supply chains and wider communities (including those that represent them) to report any

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<sup>11</sup> Nike Sweatshop Scandal retrieved from <https://www.studysmarter.co.uk/explanations/business-studies/business-case-studies/nike-sweatshop-scandal/>

<sup>12</sup> Mars, Nestlé and Hershey to face child slavery lawsuit in US retrieved from <https://www.theguardian.com/global-development/2021/feb/12/mars-nestle-and-hershey-to-face-landmark-child-slavery-lawsuit-in-us>

<sup>13</sup> <https://www.reuters.com/business/hershey-nestle-cargill-win-dismissal-us-child-slavery-lawsuit-2022-06-28/>

wrongdoing without fear of retribution. This includes where human rights may be violated or where there is a breach of labour standards<sup>14</sup>.

- **Tetra Pak India-** It is a multinational food packaging and processing company headquartered in Switzerland. To respecting human rights and its potential for further development as part of their social sustainability strategy, the essential risks to people in supply chain have been identified (in line with the UN Guiding Principles on Business and Human Rights):

- Forced labor of workers and indigenous people's rights in the extraction or cultivation of our base materials for our packaging
- Environmental impacts on the livelihoods of communities from the extraction of our base materials for our packaging
- Security of human rights and environmental defenders in some higher-risk countries
- Health and safety of workers in our base material suppliers' production
- Working conditions of workers at our logistics providers

Action plans are currently being developed to prevent, mitigate, and address these risks by collaborating with suppliers, industry peers, industry and multi-stakeholder associations, governments, and civil society. For instance, engagement with key logistics suppliers is being conducted to communicate expectations on human rights, assess the strength of their due diligence, provide guidance on enhancing their systems, and explore potential areas for further collaboration on shared risks to people<sup>15</sup>.

- **Allianz Global Investors-** Their approach is a collaborative engagement. To reinforce engagement approach on human rights, in 2022, they joined the PRI Advance<sup>16</sup> stewardship initiative for investors to act on human rights and social issues. During this year, they worked jointly with other investors on engaging companies across Europe and Asia. The overall objective of the initiative is to advance human rights and positive outcomes for people through investor stewardship. The following three expectations have been set by PRI Advance for companies that are in focus for these engagements<sup>17</sup>:

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<sup>14</sup> Responsible Sourcing and Human Rights <https://corporate.marksandspencer.com/sustainability/human-rights-our-supply-chain>

<sup>15</sup> Workers and communities in our supply chain: Respecting human rights in our procurement and supply chain <https://www.tetrapak.com/en-in/sustainability/focus-areas/social-sustainability/workers-in-our-supply-chain>

<sup>16</sup> Advance is a PRI-led collaborative stewardship initiative on human rights and social issues, launched in December 2022.

<sup>17</sup> Human rights – the weakest link in supply chains? <https://www.allianzgi.com/en/insights/outlook-and-commentary/human-rights-supply-chains>

- Full implementation of the UN Guiding Principles – the guardrail of corporate conduct on human rights.
- Alignment of their political engagement with their responsibility to respect human rights.
- Deepening of progress on the most severe human rights issues, in their operations and across their value chains.

## **8. CONCLUSION**

“Behind every product we buy, there is a human story. Let us make sure that the story is of dignity”

In conclusion, addressing human rights compliance and violations in today's corporate supply chains requires a multifaceted approach that encompasses mapping of the supply chain, ethical business sourcing, legislative action, and corporate accountability. While challenges persist, progress can be achieved through enhanced due diligence, strengthened legislation, multi-stakeholder collaboration, investment in supplier capacity building, and a commitment to transparency and accountability. By working together, businesses, governments, civil society, and consumers can contribute to building more responsible and sustainable supply chains that respect and uphold human rights for all. In this endeavor, education and awareness also play a vital role. By raising awareness about human rights issues in supply chains and promoting responsible consumer behavior, we can collectively contribute to building more sustainable and equitable business practices. Ultimately, the goal is to create supply chains where dignity, fairness, and respect for human rights are upheld at every stage.

## **9. SUGGESTIONS AND WAY FORWARD**

- **Enhanced Due Diligence:** Implement robust due diligence processes throughout the supply chain to identify and address human rights risks effectively. This involves engaging with suppliers, conducting regular audits, and establishing transparent reporting mechanisms.
- **Strengthened Legislation:** Advocate for the implementation of comprehensive legislation addressing human rights in the supply chain, both at the international level and within countries lacking specific regulations. This can help establish clear standards and accountability mechanisms for companies.

- **Multi-Stakeholder Collaboration:** Foster collaboration among stakeholders, including businesses, governments, civil society organizations, and consumers, to collectively address human rights issues in the supply chain. Collaborative initiatives can lead to shared learning, resources, and solutions.
- **Investment in Supplier Capacity Building:** Provide support and resources to suppliers, particularly in developing countries, to improve working conditions, labor practices, and environmental sustainability. Capacity-building initiatives can empower suppliers to meet ethical sourcing requirements effectively.
- **Transparency and Accountability:** Promote transparency and accountability in supply chain management by encouraging companies to disclose information about their human rights efforts, challenges, and progress. Transparency builds trust with stakeholders and facilitates meaningful dialogue on improvement areas.

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