

Human rights

- A growing risk for business

Since 2011, respect for human rights has been formalised by the United Nations as a fundamental responsibility of business. As a result, corporations (i.e. global companies) are under ever increasing pressure to identify any human rights infringements related to their business, and to address them quickly and effectively. In recent years, similar scenarios could be seen in the Malaysian market, driven by the growing interest in Environmental, Social and Governance (“ESG”) management from investors and Bursa Malaysia Exchange.

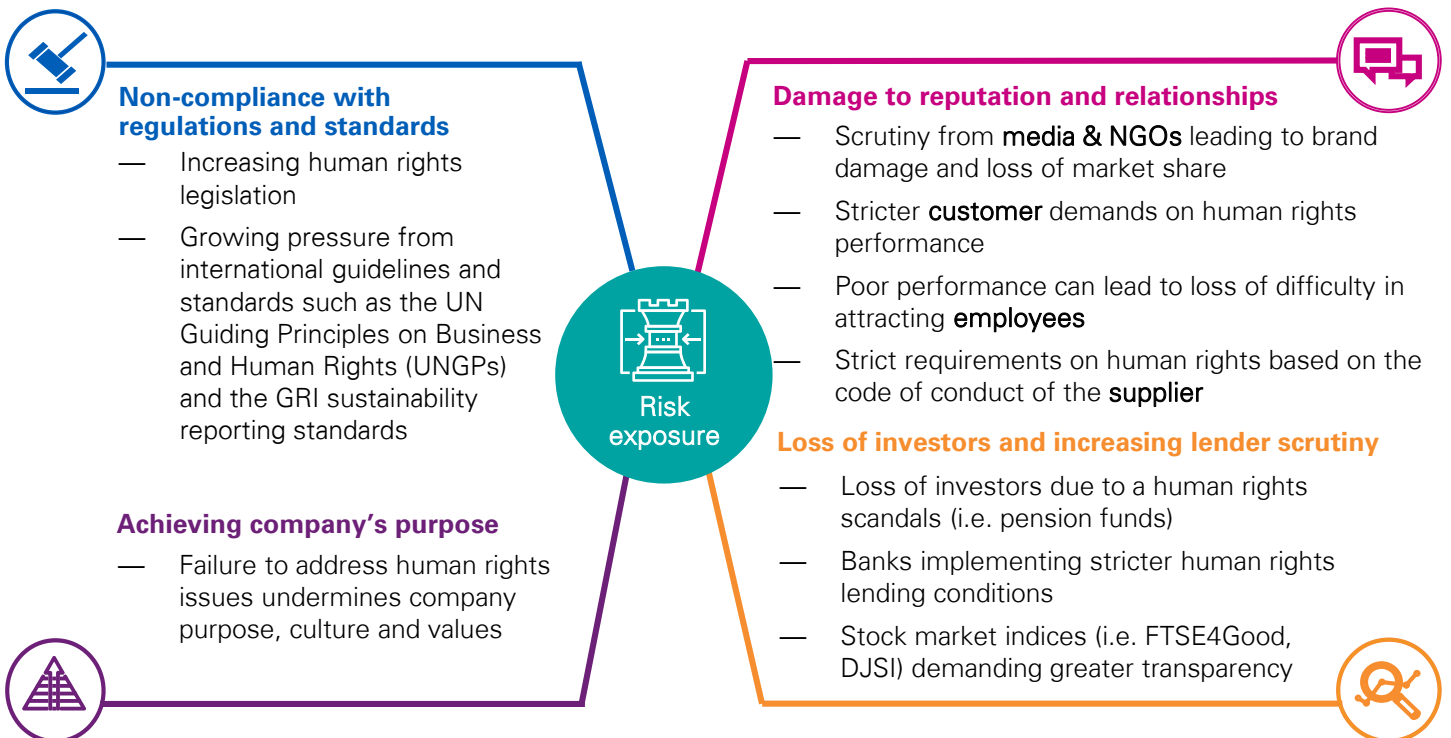


What are Human Rights issues in businesses?

Impacts that a company (or its contractors, suppliers or business partners) may have on people and their human rights. Common human rights issues are:

- Forced labor, child labor and human trafficking
- Poor or unsafe working conditions
- Underpayment of workers
- Discrimination against employees (e.g. by race, nationality, gender or sexuality)
- Breaching workers’ rights to freedom of association and collective bargaining
- Forced or involuntary displacement of communities, including indigenous communities
- Damage to people’s health through pollution, environmental accidents and health and safety failures
- Depletion or contamination of water sources that local communities depend upon
- Failure to provide workers and communities with access to grievance mechanisms

Why take action on Human Rights?



How can KPMG help?

1

Design Policy

- Review company's existing policies and management systems
- Develop a human rights policy statement

2

Build Capacity & Awareness Training

- Help raise internal awareness
- Support you with securing senior executive commitment
- Train, educate and build internal capacity

3

Assess Human Rights Risks

- Map, assess and prioritise human rights risks
- Identify stakeholder groups at risk
- Conduct human rights impact assessments

4

Develop Human Rights Strategy / Roadmap

- Review or develop management approaches and mitigation strategies

5

Set Targets & Track Performance

- Develop monitoring and review processes including targets and KPIs
- Review data collection platforms
- Align with internal reporting processes

6

Communicate & Demonstrate Accountability

- Provide independent assurance of human rights reporting
- Review and design external corporate communications strategies

7

Engage Stakeholders & Provide a Remediation Framework

- Implement effective local stakeholder engagement strategies e.g. community dialogue
- Review and implement grievance and complaint mechanisms
- Review and design remediation processes

Why KPMG?

KPMG professionals can help organisations understand the challenges faced and have the knowledge and experience to guide you through the sustainability journey.

Here at KPMG, we have worked and advised clients across sectors and industries on ESG management and strategic roadmaps, contributing extensively in the sustainability space, helping clients articulate their ESG aspirations and effectively translating it into a thorough and performance based sustainability approach. Our expertise and in-depth understanding of corporate sustainability norms have enabled us to advise and deliver quality projects with greater impact.

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Story highlight

Helping a manufacturer improve working conditions in factories. A global industrial manufacturer based in Europe wanted to ensure that working conditions in its Asian factories respect the human rights of workers, as part of its strategy to be a more responsible company.

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