

Business and Human Rights in Finland Survey 2025

Report

IN PARTNERSHIP



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This report has been jointly prepared by FIBS, Fairtrade Finland and Threefold Sustainability. The work was supported by a steering group consisting of external experts, including Heidi Hautala (Heidi Hautala Consulting), who specializes in corporate responsibility regulation and human rights, Juho Saloranta (Association for Corporate Responsibility Law), Nikodemus Solitander (Hanken School of Economics), and Susan Villa (Human Rights Centre).

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Fairtrade Finland promotes fair trade and corporate responsibility in Finland and the Baltic countries, licenses the Fairtrade label, and offers companies services and development project cooperation to ensure human rights and environmental responsibility.

Threefold Sustainability provides guidance and support to companies and civil society actors on a wide range of sustainability issues, with particular expertise in human rights.

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From the Steering group

The findings of the study on companies' human rights work provide an important snapshot of where Finnish companies currently stand on their journey towards a systematic approach to human rights due diligence. The companies that responded to the survey have identified their most salient human rights risks particularly in the deeper tiers of their supply chains, where risks are often most severe and visibility the weakest. It is an encouraging sign that companies are increasingly able to pinpoint risks – yet at the same time, the results show that concrete action and the systematic integration of impact tracking into core business processes are still at an early stage.

There remain significant gaps across the different phases of the due diligence process – identifying, preventing, tracking, and remediating adverse impacts. For example, at Tier 3 and beyond, impact monitoring, reporting and remediation rarely take place. This discrepancy between risk identification and concrete follow-up measures is a challenge that should be addressed without delay.

While EU-level regulation, such as the Corporate Sustainability Due Diligence Directive (CSDDD) and the debate around it, has accelerated the structuring of corporate human rights work, it has also led some companies to delay planned measures while awaiting the final legislative text. Yet advancing human rights due diligence should not be postponed – on the contrary, now is the right time to establish practices that bring transparency to supply chains, strengthen engagement with rightsholders, and lay the foundations for more sustainable business models.

This work requires commitment, resources, and continuous learning, but it is also an investment in business resilience and competitiveness. We want to encourage all companies to take the next step and deepen their human rights due diligence, not only to be prepared for forthcoming regulatory requirements but above all because respecting human dignity is the foundation of sustainable business.

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In brief

In recent years, the expanding body of EU sustainability regulation has significantly strengthened and sharpened companies' human rights work. The most salient risks, however, are often located geographically and culturally far from lead companies' core markets, and visibility into complex supply chains remains limited.

Companies seek various forms of support for this work, but the rapidly evolving operating environment is still catching up with those needs. Peer examples and practical solutions from other companies are of particular interest.

At the heart of both mandatory corporate sustainability regulation and the key voluntary human rights frameworks is the meaningful engagement of stakeholders at every stage of the due diligence process. This requires companies to identify and understand the impacts of their operations on people, and to take necessary action to prevent, mitigate and remedy adverse impacts in collaboration with stakeholders. The further into supply chains the impacts extend, the more challenging it becomes to establish the required dialogue.

This study takes a broader look at the current state of corporate human rights work, focusing on practical implementation and, in particular, on meaningful stakeholder engagement. The topic is approached from three perspectives: 1) through a broader survey of companies, 2) through coffee and cocoa supply chains, where human rights risks are especially pronounced, and 3) through established good practices amongst large companies.

The study finds that corporate sustainability regulation has played a central role in supporting and accelerating human rights work. Even though human rights practices are still at an early stage in many large companies, regulation has been a key driver in advancing human rights due diligence. Heavy reliance on certification schemes, in turn, indicates a relatively low level of maturity. According to the study, regulation has also been instrumental in structuring internal collaboration across all areas of sustainability – including human rights. Companies regard the risk-based due diligence process set out in the UN Guiding Principles as an appropriate approach to prioritising and addressing human rights impacts.

The study also includes recommendations from corporate human rights practitioners on how companies can advance and strengthen their own human rights work. For policymakers, it provides an updated picture of the realities of corporate human rights practice, and the types of support companies need, particularly with regard to the national implementation of corporate sustainability regulation.

The electronic survey was distributed via the Survio platform to 245 companies operating in Finland. A total of 61 companies responded: 52 large enterprises and 8 medium-sized companies. In addition, 18 companies participated in in-depth interviews.

Key findings of the study

1. **INCREASING REGULATION** has been a decisive factor in structuring companies' human rights work.

The role of regulation as a driver of corporate responsibility came out strongly in all three datasets of the study. Respondents noted that regulation has clarified human rights work, increased internal dialogue and collaboration across business functions, and brought new resources for implementation.

2. **HUMAN RIGHTS WORK** is least developed in the areas of supply chains where companies themselves identify the most significant risks.

The study examined how the human rights due diligence process is implemented in companies' own operations and in their business relationships. Responses revealed that due diligence processes are the weakest deeper in the supply chain.

At the same time, respondents assessed that the most salient risks of adverse human rights impacts are precisely at these deeper tiers.

3. **MEANINGFUL STAKEHOLDER ENGAGEMENT** is still at an early stage, and collaboration with rightsholders remains limited.

Respondents reported only limited dialogue with groups at risk of adverse human rights impacts. Cooperation with civil society organizations and trade unions is also still rare.

Meaningful stakeholder engagement in human rights due diligence requires companies to establish genuine and ongoing dialogue with those individuals and groups who may be affected by their activities. It is particularly important to involve rightsholders – such as workers, local communities, and vulnerable groups. Consultation alone is not sufficient; engagement must be safe, accessible, and genuinely attentive to participants' perspectives.

4. **RISK-BASED DUE DILIGENCE PROCESS** is applied by frontrunner companies and has also been recognized as the most sensible approach from a business perspective.

A risk-based human rights due diligence process means that companies focus their efforts where the risks to people are most severe.

In practice, this entails identifying both potential and actual impacts, assessing their severity and likelihood, and prioritising action accordingly. The process includes preventing and mitigating risks, remediating actual harm, as well as continuous monitoring and stakeholder engagement.

Key concepts

Human Rights Due Diligence (HRDD)	<p>At the core of corporate human rights work is the due diligence process, which consists of six components:</p> <ol style="list-style-type: none"> 1) The company should embed responsible business conduct into its policies and management systems. 2) The company should identify and assess actual and potential adverse impacts in its operations, supply chains and business relationships. 3) The company should cease, prevent and mitigate adverse impacts. 4) The company should track implementation and results. 5) The company should communicate how impacts are addressed. 6) The company should provide for or cooperate in remediation where appropriate.
Stakeholder	<p>A stakeholder refers to any person, group or entity who may affect or be affected by a company's activities. In this context, a stakeholder particularly means an individual whose human rights are or may be affected by the company's operations, products or services.</p>
Meaningful Stakeholder Engagement / Consultation	<p>Meaningful stakeholder engagement or consultation refers here to an ongoing process of interaction and dialogue between the company and stakeholders who may be affected by its impacts. The purpose is to understand stakeholders' interests and concerns, and to seek to respond to them, for example through collaboration.</p>
Vulnerable Stakeholder Group	<p>A group that is particularly at risk of human rights abuses, for example due to their social position, employment conditions, or dependency relationships.</p>
OECD Guidelines for Multinational Enterprises on Responsible Business Conduct	<p>Recommendations from governments to enterprises, providing principles and standards for responsible business conduct. The Guidelines aim to enhance the contribution of businesses to sustainable development and to address</p>

	adverse impacts of business activities on people, society and the environment.
UN Guiding Principles on Business and Human Rights (UNGPs)	One of the most important international frameworks on business and human rights, setting out the state duty to protect, the corporate responsibility to respect, and the need for access to remedy.
Double Materiality Assessment (DMA)	A corporate sustainability reporting tool. It considers both the impacts of sustainability matters on the company's financial performance and the company's impacts on the environment and human rights.
Human Rights Assessments	Human rights assessments are broader in scope than double materiality analyses. They examine both potential and actual human rights impacts, including those on workers, communities, and vulnerable groups.
The Relationship between DMA and HRIAs	Human rights assessments support double materiality analysis by helping to identify external impacts. In turn, the DMA ensures that human rights are integrated into corporate strategy and reporting.
Supply chain, Tier 1	Direct suppliers of the company
Supply chain, Tier 2	The suppliers of Tier 1 suppliers.
Supply chain, Tier 3+	Deeper tiers of the supply chain, such as raw material production.

Introduction

The aim of this study has been to assess the level of human rights work among Finnish companies at a time when tightening EU sustainability regulation is setting clearer obligations. However, some elements of the regulatory framework are still taking shape. Whereas human rights due diligence processes previously relied mainly on voluntary frameworks – such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) – they are now embedded in several EU instruments, including the Corporate Sustainability Reporting Directive (CSRD) and the forthcoming Corporate Sustainability Due Diligence Directive (CSDDD).

The study focuses on the practical implementation of companies' human rights due diligence work, including meaningful stakeholder engagement. The results show that companies are still far from the desired level: implementation is often only at an early stage. Long and multi-tiered supply chains make the identification, prioritisation and management of risks especially difficult.

At the same time, the study highlights encouraging developments. Driven by regulatory requirements, human rights work is no longer seen as the sole responsibility of sustainability professionals but is increasingly being integrated into the work of, for example, legal and procurement functions. Cross-functional collaboration within companies has grown, and additional resources are being allocated. This signals a shift towards viewing human rights as an issue for the entire organisation, which can, in the long run, strengthen the effectiveness of the work.

The study consists of three parts: an overall situation analysis based on a survey, an examination of the agriculture and food sector based on interviews with nine companies, and a section showcasing practices from nine large companies. Together, these components provide a comprehensive picture of how companies in Finland currently comply with the due diligence requirements, the challenges they face, and the types of solutions they are already applying.

Content and implementation of the study

Background of the Study

The study consists of three complementary parts: a broad survey and two sets of thematic interviews. Each part is presented separately.

The online survey was conducted between 27 March and 30 April 2025, and the thematic interviews between 13 March and 9 May 2025.

Respondents included sustainability directors and managers from companies across various sectors.

PART I: Survey

The online survey was distributed via the Survio platform to 245 companies operating in Finland. A total of 61 companies responded: 52 large enterprises and 8 medium-sized companies.

PART II: Interviews: High-risk raw materials

The study included thematic interviews with 9 Finnish companies that either use or sell coffee and/or cocoa as raw materials.

The interviews involved 5 food manufacturers, 3 retail chains and 1 wholesale company. Coffee and cocoa were chosen because they are associated with significant human rights risks and there is substantial information available on those risks.

PART III: Interviews – Human rights due diligence in practice

Representatives from 9 large Finnish multinational companies from different sectors were interviewed about their experiences with the practical implementation of human rights due diligence (HRDD) programmes.

The aim of these interviews was to collect experiences, insights and practical tips on how companies can initiate and advance HRDD work within their organisations.

PART 1: Survey

The survey provides a broad overview of the current state of Finnish companies' human rights work. The focus was on large multinationals, other large companies and medium-sized enterprises, as practical experience indicates that smaller firms rarely have well-structured human rights programmes.

In particular, the survey examined the influence of corporate sustainability regulation on companies' human rights work; the extent to which human rights due diligence processes have been implemented; corporate practices and partnerships in human rights work and the types of support companies need to strengthen their human rights efforts.

Respondents

Most respondents (52) represented large multinational or large companies, while eight (8) came from medium-sized enterprises. One respondent did not disclose company size.

Just under half of the respondents (44%) reported having thousands of suppliers, while around one third (30%) had hundreds. A small minority reported more than 10,000 suppliers (3%) or fewer than 10 (2%).

Respondents' supply chains spanned multiple regions: Finland (90%), Europe (85%), Asia and Oceania (69%), the Americas (43%), and Africa (33%). Respondents were able to select multiple regions.

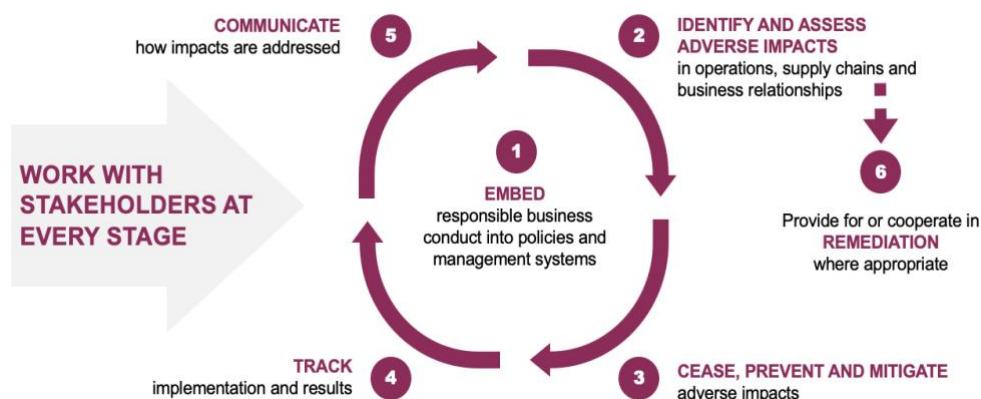
The sample covered a broad range of industries, including agriculture and food (n=8), forestry (n=1), mining (n=1), apparel and textiles (n=1), information and communications technology (n=3), construction (n=4), wholesale and retail trade (n=9), real estate and cleaning services (n=2), tourism and hospitality (n=3), and other sectors (n=29). Due to the uneven distribution across sectors, sector-specific results were not analysed separately.

Implementation of human rights due diligence processes

At the core of corporate human rights work is the human rights due diligence (HRDD) process. This is embedded in voluntary international frameworks such as the **UN Guiding Principles on Business and Human Rights (UNGPs)** and the **OECD Guidelines for Multinational Enterprises**, and increasingly also in binding corporate sustainability regulation.

The HRDD process consists of six interlinked steps, understood as a continuous cycle:

- 1) Embed responsible business conduct into policies and management systems.
- 2) Identify and assess actual and potential adverse impacts in operations, supply chains and business relationships.
- 3) Cease, prevent and mitigate adverse impacts.
- 4) Track implementation and results.
- 5) Communicate how impacts are addressed.
- 6) Provide for or cooperate in remediation where appropriate.



Adapted from: The Ministry of Economic Affairs and Employment's Finnish translation of the OECD Due Diligence Guidelines

More than 90% of surveyed companies reported having made a commitment to respecting human rights in their own operations. Furthermore, over three-quarters of the respondents said they have extended this commitment to their supply and production chains. Approximately 70% said they have done this across their entire value chains. Around 5% indicated that a

commitment was underway. None of the respondents reported that they do not have any commitment. No respondents were unaware of whether such a commitment existed.

The ways in which commitments are expressed vary. Among the companies providing further detail in open-text comments (n=12), three out of four referenced alignment with relevant frameworks and models. At the same time, several respondents questioned the practical value of written commitments alone, demonstrating a moderate awareness of the inherent challenges in advancing human rights work.

Additional open-text comments (n=14) indicate that human rights commitments are generally considered important and are often embedded in guiding corporate documents such as a Code of Conduct (CoC), Supplier Code of Conduct (SCoC), human rights policies or broader sustainability programmes. Some companies have published stand-alone human rights policies and joined international initiatives. Nonetheless, many comments acknowledged shortcomings in implementation and process integration: commitments are not always public and are not systematically embedded in business operations or supply chain management. Specific concerns were raised regarding high-risk countries, supplier oversight, and the difficulty of translating broad human rights language into practical measures.

Selected Open-Text Comments

“The issue is defined in our Code of Conduct. However, I wonder how such a commitment should actually be translated into processes and actions to ensure that human rights are respected. Of course, the commitment first needs to be extended across the entire value chain.”

“Is compliance with the law enough to guarantee the fulfilment of human rights? In my view, it is essential to identify the specific areas or forms of human rights violations so that the issue is not treated as a vague umbrella concept that everyone agrees with in principle, but that no one knows how to address in practice.”

“It is far too easy to assume that human rights are automatically fulfilled. For those in positions of power, violations are not a problem; they are a problem for those subject to power. This creates a difficult dilemma: what concrete measures should those in power (e.g. company leadership) take to ensure an adequate level of human rights protection?”

“We have committed ourselves in writing, but we do not have a functioning process to ensure, for example, that no human rights violations occur in our supply or production chains.”

“The issue is certainly considered important and is mentioned in our policies, but there is no public commitment. We recognise that more attention may be needed in the supply chain (including imports from so-called high-risk countries), but we do not yet have a plan for this.”

Implementation of human rights due diligence in practice

Companies were also asked about the measures they have taken in practice to implement human rights due diligence, in line with the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Due Diligence Guidance for Responsible Business Conduct.

<i>Table 1</i>	In own operations	In Tier 1 suppliers' operations	In Tier 2 suppliers' operations	In Tier 3+ suppliers' operations	Not yet	Don't know / no response
Identify (point 2): The company identifies and assesses its actual and potential human rights impacts.	92 %	80 %	28 %	20 %	7 %	5 %
Prevent (point 3): The company seeks to avoid, prevent, and mitigate its human rights impacts.	89 %	72 %	20 %	12 %	8 %	2 %
Track (point 4): The company monitors the effectiveness of its measures to prevent and mitigate human rights impacts.	72 %	33 %	8 %	3 %	25 %	7 %
Communicate (point 5): The company reports transparently on the actions taken under points 1–3.	59 %	34 %	12 %	8 %	34 %	5 %

Remediate (point 6): The company provides for or cooperates in remediation of adverse human rights impacts that it has caused or contributed to in its own operations and across its value chain.	62 %	34 %	8 %	2 %	31 %	7 %
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Table 1: Implementation of the human rights due diligence process

The responses indicate that the different stages of the due diligence process are still rarely implemented in full, as only 28% of respondents have assessed human rights impacts at tier 2 of their supply chain and only 20% at tier 3. For example, 25% of companies reported that they do not yet track the effectiveness of measures aimed at preventing and mitigating human rights impacts; 34% stated that they do not yet communicate transparently on actions related to steps 1–3; and 31% acknowledged that they do not yet remediate adverse human rights impacts in their operations or value chains that they have caused or contributed to.

The analysis also examined which stages of the due diligence process companies currently focus on most strongly, and conversely, where implementation remains weakest.

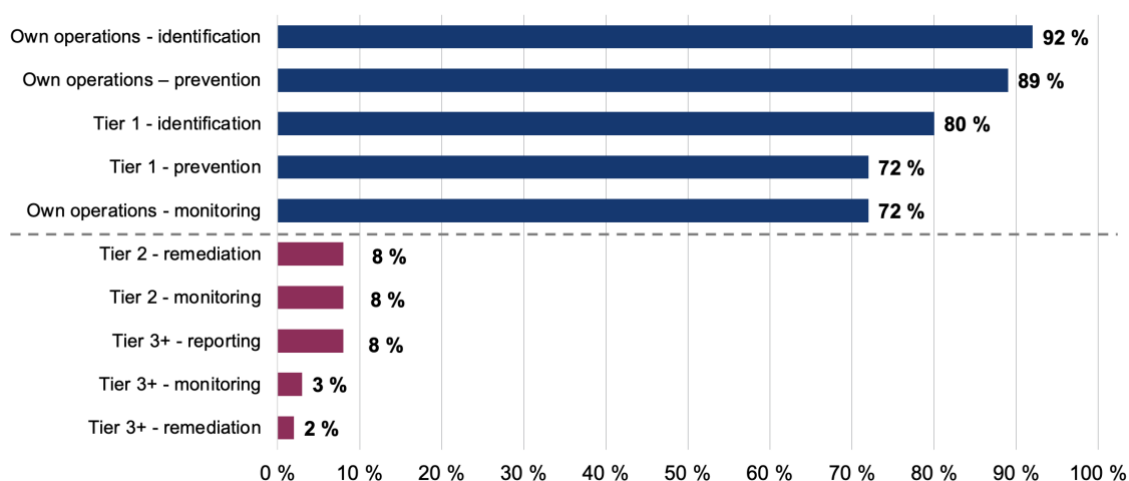


Figure 1: The most and least implemented areas of the HRDD process

Respondents concentrated their work most on the following five areas: 1) Identifying human rights impacts in their own operations (92%), 2) Preventing human rights impacts in their own operations (89%), 3) Identifying human rights impacts at the Tier 1 supplier level (80%), 4) Preventing human rights impacts at the Tier 1 supplier level (72%) and 5) Tracking the effectiveness of actions aimed at preventing and mitigating human rights impacts in their own operations (72%).

This indicates that companies have been able to build basic structures and processes primarily within their own operations. Risk assessment at the Tier 1 supplier level is also relatively strong, which is understandable given that companies typically have direct contractual relationships with their closest suppliers, allowing for better visibility and influence.

The areas receiving the least attention were 1) Tracking the effectiveness of actions aimed at preventing and mitigating human rights impacts at the Tier 2 level (8%), 2) Taking action to remedy or provide remediation for human rights impacts at the Tier 2 level (8%), 3) Reporting on human rights impacts and related measures at the Tier 3+ level (8%), 4) Tracking the effectiveness of actions aimed at preventing and mitigating human rights impacts at the Tier 3+ level (3%) and 5) Taking action to remedy or provide remediation for human rights impacts at the Tier 3+ level (2%).

This is particularly noteworthy, as the survey also shows that companies themselves recognise that their most significant human rights impacts often occur in the upstream parts of their supply chains. At present, however, companies' human rights efforts are not sufficiently targeted where respondents see the greatest risks.

The open-text comments (n=12) emphasised that although some standards are in place, their practical implementation is often fragmented. Companies describe their human rights due diligence processes as still under development in many areas, with a more strategic approach not yet fully established. Development work is nevertheless ongoing, including, for example, participation in international initiatives, audits in high-risk countries, and human rights assessments related to high-risk raw materials. The open comments reinforce that the greatest challenges lie in primary production and the deeper tiers of supply chains. Addressing these requires sustained effort and adequate resourcing to improve transparency.

Selected Open-Text Comments:

“The most significant human rights risks are located upstream in our supply chain, in some cases several tiers away. This means visibility is poor, and it is practically difficult to verify the situation on the ground. We currently have measures underway to improve this. For example, we are exploring different partnerships that could provide us with better visibility into the early stages of our supply chain.”

“We have assessed risks in our own operations but have not yet been able to carry out a comprehensive assessment across our supply chains. The greatest potential risks are likely to be found upstream in multi-tiered supply chains.”

“Our operations resemble those of retail companies, and we do not yet have a clear understanding of our supply chains. Therefore, I do not know whether the human rights risks are

greater at Tier 2, Tier 3 or further upstream in the chain. In any case, the risks lie deeper than the Tier 1 supplier level.”

Meaningful stakeholder engagement at the core of due diligence

A stakeholder is any individual who may influence, or be influenced by, a company’s activities. In this context, the term refers in particular to individuals whose human rights are, or may be, affected by the company’s operations, products or services. Vulnerable stakeholder groups are those especially exposed to human rights risks, for example due to their social position, employment conditions, or dependency on employers or intermediaries.

Stakeholder engagement or consultation refers to an ongoing process of interaction and dialogue between a company and those who may be affected by its impacts. The purpose is to develop a clear understanding of stakeholders’ interests and concerns, and to seek to address them — including, where appropriate, through collaboration.

When asked about engagement with vulnerable stakeholder groups — such as workers in production countries, Indigenous peoples and smallholder farmers — 38% of companies said they conduct such dialogue within their own operations. Among this group, 43% reported that engagement also extends into their supply chains. At the overall sample level, however, supply chain dialogue was clearly the exception: only around one in five companies (21%) reported such practices.

Another 20% of respondents stated that they intend to start this type of engagement, while one-third (34%) said they have no such plans. Five percent were unsure whether their company engages with vulnerable stakeholder groups at all.

Open-text comments (n=9) suggest that where dialogue does occur, it is still ad hoc and fragmented. Most companies noted that interactions happen mainly in the context of audits — for example through worker interviews or supplier assessments — rather than through systematic and sustained engagement. Some companies have begun to identify smallholders or workers at the Tier 1 level, but connections with groups further upstream in the value chain, such as Indigenous peoples, remain rare. Many respondents nevertheless indicated that they plan to strengthen dialogue, for example in response to the forthcoming CSDDD requirements, and some said they are already working towards a more structured approach.

Selected Open-Text Comments:

“Dialogue in the supply chain is limited to worker interviews conducted as part of audits. Engagement with workers employed by suppliers is being planned, but no timeline has yet been set.”

“Farmers and Indigenous peoples are so far upstream in our value chain that we are not able to identify them. However, during audits we do have the opportunity to interview workers.”

Human rights risks in the corporate operating environment

Human rights risks can arise at multiple levels within a company's operating environment. In a company's own operations, risks often relate to working conditions, occupational health and safety, non-discrimination, and respect for freedom of association. In business relationships, risks may concern subcontractors, service providers or other partners, where practices such as underpayment of wages, excessive working hours, or inadequate occupational health and safety measures can occur.

In supply chains, risks typically increase further upstream. Tier 1 suppliers often have more established and monitored processes, but at Tier 2 and especially Tier 3 and beyond, transparency is reduced. This heightens the risk of child labour, forced labour, poor wages and working conditions, as well as violations of land rights.

When asked where they see their most salient human rights risks, companies pointed above all to areas where the due diligence process is weakest.

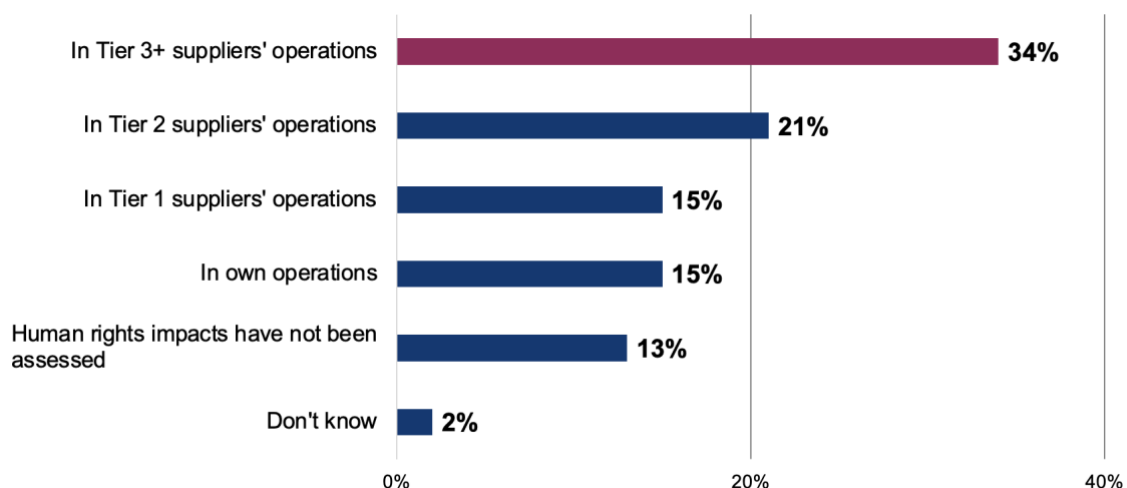


Figure 2: Companies' most salient human rights risks (n=61)

Large and very large companies most often identified their most salient human rights risks in the deeper tiers of their supply chains (Tier 3+).

Medium-sized companies, by contrast, most frequently located their most significant risks among Tier 2 suppliers.

Across all company sizes, respondents less frequently reported that salient human rights risks are found within their own operations.

Open-text comments (n=20) highlighted three recurring themes: 1) supply chain-related risks (n=14); 2) challenges in risk management and visibility (n=8); and 3) issues related to companies' own operations and workforce, such as worker safety, fair treatment, and data protection (n=7).

The open comments support the survey finding that the most salient human rights risks are concentrated in the upstream parts of supply chains, particularly in agriculture and raw material production in developing countries. Many companies emphasized that while Tier 1 suppliers are relatively well known, visibility decreases further upstream, making it more difficult to identify risks. Respondents pointed in particular to the challenges posed by complex and extended supply chains, where risks such as child labour, poor working conditions, and violations of indigenous peoples' rights are most acute. Several companies noted that their risk assessments and mapping exercises are still ongoing or under development, and some acknowledged relying primarily on general information sources or audits. At the same time, many recognized the need to strengthen transparency and systematic processes to ensure that risk assessments cover the full value chain.

Selected Open-Text Comments:

"The most significant human rights risks are concentrated in the upstream parts of our supply chain, sometimes several tiers removed. At those levels, visibility is limited and it is difficult to verify conditions on the ground. We are taking steps to address this, for example by exploring partnerships that could provide better visibility into the upstream supply chain."

"Human rights risks are not yet fully understood. Tier 1 is relatively well mapped, but gaps remain both within our own operations and deeper in the supply chain, where not all risks have yet been identified."

"The most salient risks are likely to be further upstream in the supply chain, but identification has so far relied primarily on publicly available general sources."

Purchasing practices and human rights

A company's purchasing and ordering practices exert a significant influence on respect for human rights across supply chains. Adverse impacts are commonly

associated with: 1) Price pressure on suppliers, 2) Short lead times and compressed production schedules, 3) Irregular or unpredictable order volumes, 4) Contract terms and the allocation of commercial risk between buyers and suppliers and 5) The length and stability of supplier relationships.

Where internal business models reward procurement based on the lowest cost and fastest turnaround, they may create conditions that increase the human rights abuses. By contrast, a company that invests in long-term supplier relationships and pays fair prices for products and raw materials also ensures that human rights and sustainability requirements are not simply pushed down the supply chain. Instead, the costs and responsibilities of meeting these requirements are shared fairly within the business relationship.

When asked whether they had assessed the impact of their purchasing practices on respect for human rights and labour rights in their supply and production chains, 43% of companies reported having conducted such a review. One in four (25%) had identified risks in the process and subsequently adjusted their practices.

Among large companies, the figures were slightly lower than in the overall sample. The difference was modest—only a few percentage points—but nonetheless noteworthy. It indicates that companies of all sizes are engaging in human rights due diligence, and that more advanced practices are not limited to the largest frontrunners. Somewhat unexpectedly, large companies were marginally less likely than average to have modified their purchasing practices in response to identified risks.

Almost half of companies (49%) had not yet assessed the human rights implications of their purchasing practices. In one in five (20%), an assessment was planned, while fewer than one in ten (8%) were not aware whether such a review had been carried out.

Only six companies provided additional detail in open-text comments. These examples included the use of supplier risk classifications and audits, consideration of Uyghur forced labour risks in solar panel sourcing, and identified concerns such as child labour, sexual harassment, and the rights of Indigenous peoples. Some respondents noted that while purchasing practices are not their most immediate challenge, assessing them will be necessary over the medium term.

Companies were also asked whether they had ended relationships with suppliers that had not committed to respecting human rights. Close to four in ten (39%) said the situation had not arisen, while a similar share (38%) reported engaging with such suppliers. One in five (20%) ultimately terminated the relationship when dialogue failed to deliver the necessary improvements. By contrast, 18% indicated that they had successfully strengthened human rights practices in collaboration with their suppliers. Fewer than one in ten (8%) had ended relationships without dialogue, and around one in seven (15%) were not aware whether any terminations had taken place. Both the UNGPs and the OECD Guidelines emphasise that dialogue should be the primary means of addressing human rights challenges before ending a business relationship.

Open-text comments (n=11) provided further context to the survey data. These comments indicate that companies generally seek to resolve challenges through dialogue and cooperation as a first step. In some cases, this approach has led to tangible improvements. However, in

instances of severe or repeated breaches—such as zero-tolerance violations or disregard for the rights of Indigenous peoples—companies reported that they had decided to terminate the relationship.

Selected Open-Text Responses:

“So far, we have not encountered cases where issues could not be advanced through dialogue. This may change as efforts to prevent human rights impacts extend further upstream beyond the first tier.”

“Our starting point is always to resolve challenges through cooperation. In some situations, however, despite repeated attempts the supplier has refused to make progress, and we have therefore decided to end the relationship.”

“In tender processes, suppliers are required to commit either to the company’s code of ethics or to equivalent standards of their own. A well-known international logistics provider chose not to submit a bid because it could not commit to these requirements.”

Living wages and living income

The UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises emphasise that fair and adequate remuneration is a fundamental element of respecting human rights. While the UNGPs do not explicitly define a “living wage,” they require companies to respect internationally recognised human rights, which include the ILO’s articulation of the right to remuneration sufficient for a decent standard of living. The OECD Guidelines further specify that wages should at a minimum meet national legal standards and applicable collective agreements, and preferably enable workers and their families to secure a reasonable livelihood.

Both frameworks confirm that wage issues fall within the scope of corporate human rights due diligence across the entire value chain. Companies are expected not only to comply with local laws but also to work towards ensuring that wages and incomes in their own operations, as well as in the supply chain support a life with dignity. Living wages are therefore understood as an integral part of corporate responsibility to prevent and mitigate adverse human rights impacts in business activities.

When asked about commitments to living wages, just over two-thirds of companies (69%) said they have committed to paying living wages in their own operations. Fewer—38%—had extended this commitment to their supply and production chains. In 15% of companies, work on living wages is underway, while in 13% it has not yet started. Five percent of respondents did not know their organisation’s position. Overall, based on the responses, commitments to living wages are only being developed, and supply chain coverage remains limited.

Companies were also asked what concrete measures and objectives they use to advance living wages and incomes. Based on the responses (n=58), many ground their approach in a policy documents and related company policies—most commonly the Code of Conduct and Supplier Code of Conduct. Respondents noted that calculating and defining living wages remains challenging. Not all companies seemed to fully understand the concept of living wages and income. Some referred to statutory wage levels or minimum wages, which are distinct from living wages and income. In several cases, references were limited to wages in the company’s own operations rather than across business relationships.

Selected Open-Text Responses:

“We require suppliers to commit to standards that include, among other things, ensuring adequate pay in their own operations and supply chains.”

“Living wages have been introduced as a requirement in the Supplier Code of Conduct, which is attached to procurement contracts. Where products are sourced from high-risk countries, a social compliance audit report is required.”

“In our own operations we require subcontractors to pay wages consistent with collective agreements. The supply chain Code does not explicitly cover this, and we recognise that legal minimum wages in many countries are not sufficient.”

“Currently, our approach relies on supplier questionnaires and audits. We do not, however, verify payslips.”

“Sourcing certified raw materials is one approach. Another, still under development, is to verify income levels of different actors in the value chain through dialogue, including supplier self-assessments and site visits.”

“In our own operations we ensure that wages meet the definition of a living wage. For supply chain partners, this requirement is embedded in the Supplier Code of Conduct and related provisions, and compliance is monitored through questionnaires and audits. We also use third-party certification schemes for certain raw materials where living wages are part of the standard.”

Key partners in Human Rights Work

Corporate human rights work cannot be carried out in isolation; its impact depends on collaboration. In line with the UN Guiding Principles and the OECD Guidelines, companies are expected to engage in dialogue with rightsholders—such as workers, local communities and vulnerable groups—who are best placed to identify risks and impacts. Collaboration with supply chain actors, civil society organisations, public authorities and peer companies is also essential, as the most severe risks are often located further upstream in value chains and extend beyond the influence of any single company. In addition, the expectations of investors and lenders reinforce incentives for sustained human rights and sustainability efforts. Together, these partnerships provide the foundation for credible and effective human rights practices.

In implementing their due diligence obligations, companies may draw on various multi-stakeholder initiatives and certification schemes. Ambitious certifications make continuous efforts to identify, prevent, remediate, track and communicate salient issues – while also developing their own systems. However, there are significant differences in the effectiveness of certifications, and their contribution to the ongoing development of due diligence processes may remain limited.

In the survey, companies were asked to prioritise different types of partners involved in supporting their human rights work. The chart presents the average scores: the higher the value, the more consistently respondents placed that stakeholder group among their top priorities.

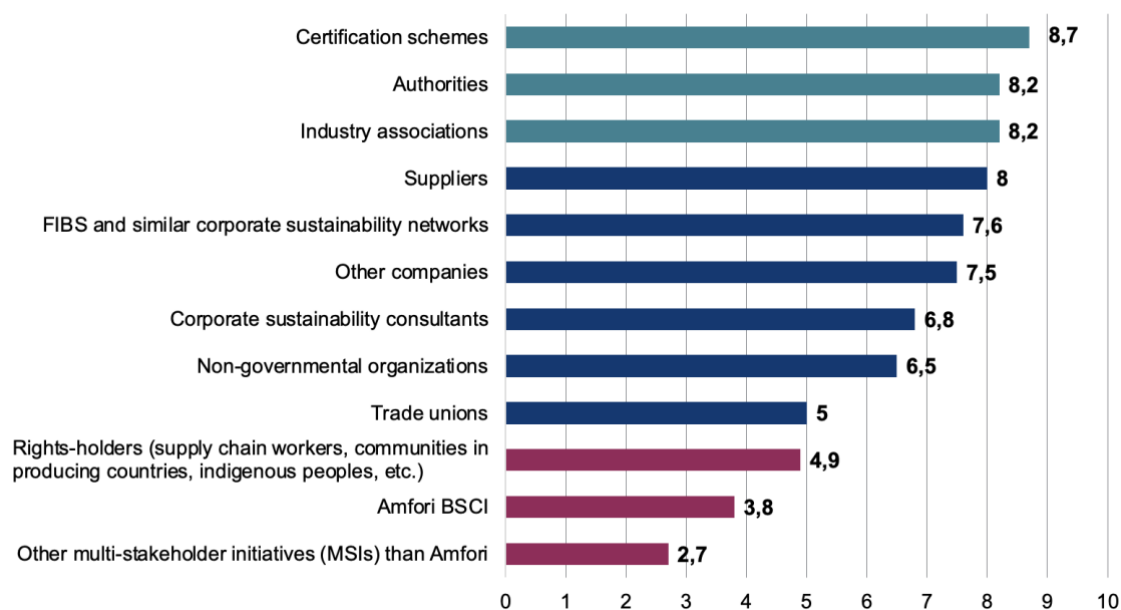


Figure 3: Which collaborations have been most important in advancing human rights work in your organisation in practice? (n=61)

The results show that, in practice, companies regard corporate and institutional actors as their most important collaboration partners in advancing human rights work in practice. Certification schemes, public authorities, and industry associations ranked highest.

Engagement with rightsholders and vulnerable groups was, on average, weaker than with other stakeholder groups. Civil society organisations and independent actors were also among the less frequently engaged collaboration partners. Somewhat unexpectedly, sustainability consultants fell into the middle range. This may suggest that companies' internal expertise has grown, reducing the perceived need for external support. At the same time, it may also indicate that in some companies' human rights work is not yet sufficiently structured to justify investing in external consultancy.

Corporate responsibility networks, such as FIBS, were ranked relatively highly in the responses. Cross-sector peer learning was seen as a valuable way to identify suitable tools and approaches for advancing human rights work within companies. Peer groups were also viewed as an opportunity to foster dialogue more broadly across the business community.

These findings differ from international expectations and from where the main human rights frameworks direct companies to place emphasis.

Only eight companies provided open-text comments to this question. Half of them (n=4) indicated that they found the question difficult to answer or noted that some of the listed partner categories were not yet relevant to their work.

Selected Open-Text Responses:

“Joint supplier audits carried out together with customers are particularly important and help to strengthen corporate sustainability efforts across the value chain.”

“Our work has been driven primarily by regulatory developments and, as a result, by the growing requirements of both suppliers and customers.”

“We are also members of ETI and the UN Global Compact.”

“Some of these [partners] have not been utilised at all—at least not yet.”

Corporate sustainability regulation and Human Rights Work

In recent years, regulatory developments have made corporate human rights work more structured and binding. Measures such as the EU's reporting requirements and the Corporate Sustainability Due Diligence Directive (CSDDD) which came into effect in 2024 are designed to ensure that companies identify and manage the human rights impacts of their operations and supply chains, rather than leaving them unaddressed.

The purpose of the regulation is to shift the emphasis from voluntary responsibility initiatives to a transparent due diligence process that allows for comparisons to be made between different actors. The process requires that risks and impacts are assessed regularly, reported openly, and addressed through dialogue with rightsholders. In doing so, regulation not only strengthens corporate accountability but also levels the playing field: it ensures that all companies are required to assume their share of the responsibility, rather than leaving it to a handful of frontrunners.

In the survey, companies were asked how regulation has affected their human rights work.

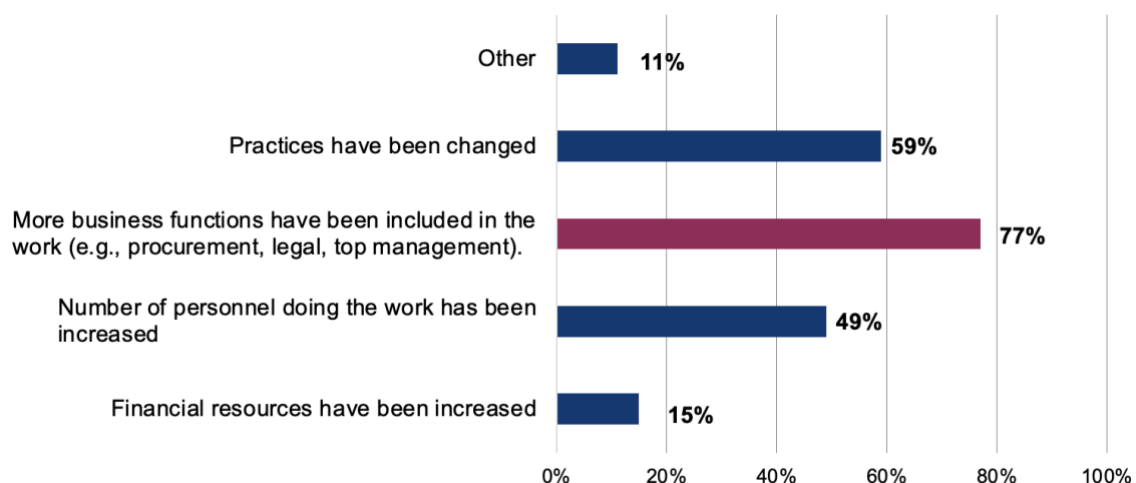


Figure 4: What types of changes have taken place in your organization's human rights work as a result of the increasing sustainability regulation? (n=61)

Over three quarters of companies (77%) said that regulation has broadened the range of functions involved in human rights work, bringing in procurement, legal, and senior management alongside sustainability teams. Additionally, 59% of respondents reported that regulatory developments had prompted changes in their operating practices. Nearly half (49%) had increased staffing in response.

The open-text comments (n=46) reinforced these findings, highlighting several recurring themes. Almost half (n=20) pointed to increased resourcing, while 17 emphasised improvements in processes and ways of working. The influence of regulation on documentation, policies, and guidelines was also frequently mentioned (n=11). In a number of companies (n=8), regulation had prompted greater training and awareness-raising, while seven companies highlighted strengthened internal collaboration.

Selected Open-Text Comments:

“A human rights due diligence process has been established, with human rights risks integrated into the company’s enterprise risk management. Employees and external partners have been trained, operating procedures have been developed, and staffing has been expanded.”

“Regulation is also driving progress effectively. Even though the CS3D has been delayed, we are aiming to move ahead according to the original timeline.”

Tools used in Human Rights Work

Companies draw on a wide range of tools and approaches to support their human rights work, manage risks, and strengthen transparency. Commonly used measures include audits, certification schemes, and sustainability initiatives (such as amfori BSCI or Fairtrade), which are employed to assess supplier practices and establish consistent standards. Companies also make use of risk maps and country- or commodity-specific risk assessments, often complemented by reports from civil society organisations and research institutes. In addition, stakeholder dialogue, grievance mechanisms, and training programmes are typical instruments for identifying risks and ensuring effective due diligence.

At the same time, companies report clear areas where further support is needed. Many observe that regulation is evolving faster than the tools and practices designed to implement it. Practical guidance and opportunities for peer learning are seen as particularly valuable, with examples from other companies offering useful models. Respondents also point to the need for clearer direction and advisory services from public authorities to help them meet legal requirements. Finally, both resources and expertise remain critical: meaningful human rights due diligence requires sufficient staffing and training to enable robust risk assessment and management across the entire supply chain.

In the survey, companies were asked to identify the tools they consider most important for advancing their human rights work. The responses (n=58) indicate that companies employ a wide variety of tools. This suggests, on the one hand, that human rights are being addressed with seriousness and ambition. On the other, it reflects the fact that relevant information and resources are not yet consolidated in a centralised manner.

Several clear categories emerged from the responses. The most frequently mentioned tools were training programmes provided by FIBS and other service providers (n=22). Risk maps, ratings, and indices were the next most cited (n=10). Certification schemes (n=9) and international frameworks and standards—including the ILO, OECD Guidelines, UNGPs, Shift, SAI, and UNEP-FI—were also highlighted (n=9). Peer learning between companies (n=7), initiatives such as amfori and Fairtrade (n=7), and publications and reports from a variety of actors (n=7) were likewise frequently listed. Consultants and external experts (n=6), supplier questionnaires and site visits (n=6), as well as regulation, public authorities, and reporting requirements (n=6) were mentioned in several responses. Finally, five companies underscored the importance of internal expertise and in-house specialists.

Overall, the tools used by companies align well with international recommendations. They are particularly effective in supporting the identification, assessment, and monitoring of risks—the core requirements set out in the UNGPs and the OECD Guidelines. Training programmes and networks, in turn, help companies interpret and operationalise these expectations in practice. At the same time, many companies continue to rely on external actors and peer networks, indicating that regulation and guidance are not yet fully mastered in-house.

Selected Open-Text Comments:

“Different companies and organisations have provided support and information, which has been essential. We have relied on many sources to build knowledge. In the near future, we will also introduce external assessments—such as amfori—for evaluating high-risk countries.”

“We have introduced a supplier risk assessment questionnaire, which we also use in our human rights assessments. We are also considering implementing a tool for ESRS reporting that includes supplier evaluations.”

“It is difficult to single out specific tools, as this is such a vast area. We continuously draw on a wide range of sources for information.”

Support needs in corporate Human Rights Work

At the most fundamental level, companies’ support needs in advancing human rights relate to expertise, practical tools, and collaboration. International frameworks—including the UN Guiding Principles, the OECD Guidelines, and ILO conventions—require risk-based processes and the engagement of rightsholders, yet translating these requirements into day-to-day practice is often challenging. Companies are looking for clear guidance and concrete tools to identify and assess risks, particularly further upstream in supply chains where visibility is limited.

There is also a need for greater capacity and resources so that responsibility for human rights does not rest solely with a handful of specialists within organisations. Firms seek support through networks and peer learning, while from public authorities they expect clearer guidance and advisory services.

Although survey responses indicate that companies have allocated more resources to human rights work in response to growing regulation, they still report a range of internal and external support needs.

When asked what types of support they most require, and from whom, respondents (n=56) highlighted the following priorities: 1) The need for expertise and practical guidance (n=27); 2) Learning from networks and collaboration (n=16); 3) Support from public authorities in advancing human rights and meeting regulatory requirements (n=14); 4) Senior management backing and sufficient resourcing for human rights work (n=12); and 5) Support for conducting human rights risk and impact assessments, gaining access to adequate supply chain data to improve visibility, and ensuring meaningful stakeholder engagement.

Selected Open-Text Responses:

“Practical examples of how other companies have implemented requirements and recommendations that often remain somewhat abstract. FIBS plays an important role in sharing this kind of support.”

“Support in defining practical measures, identifying the specific characteristics of human rights and vulnerable operations, and responding to them. It is important to translate commitments into concrete actions so that respect for human rights does not remain just another rhetorical statement among other sustainability slogans.”

“Legislation that compels more companies to engage in human rights work. As a single customer, it is particularly difficult to drive change in the supply chain, whereas coordinated demands from multiple companies would have far greater impact.”

“Guidance is especially needed from public authorities—or a similar body—on how sustainability legislation interacts with competition law. Advancing social and human rights responsibility is neither effective nor sensible if pursued by individual companies in isolation; systemic and structural issues require collective responses. However, this is often hindered by overly restrictive interpretations of competition law, which are used to argue that information sharing and supply chain transparency are not possible. It would be valuable to highlight examples of corporate collaboration where transparency has been achieved—or where producer prices have been agreed for the purpose of ensuring a living wage—without conflicting with competition law.”

What companies expect from policymakers

In the survey, companies highlighted a range of expectations directed at policymakers and public authorities to strengthen corporate human rights practices. Three themes stood out in particular:

1) Clarify and harmonise regulation—do not dilute it.

Respondents called for legislation that is applied consistently and fairly across all companies.

They also emphasised the need for clearer guidance on the implementation of corporate sustainability regulation and competition law.

2) Public authorities should establish and maintain support services.

Companies expressed a clear need for more guidance and advice on human rights due diligence, for example through a dedicated consultation channel. Respondents also highlighted the importance of access to reliable information and data—primarily from public authorities, but also from industry associations.

Firms further called for stronger cooperation between different authorities. For instance, in relation to monitoring undeclared work and the use of posted workers, more comprehensive inter-agency collaboration was seen as necessary.

Finally, companies suggested that public authorities should provide centralised risk assessments for different materials and commodities. This would reduce the need for companies to allocate their own resources to gathering and consolidating such information.

3) Public debate and decision-making should be grounded in evidence.

Companies emphasised the importance of basing public discussion first and foremost on researched and reliable information. This would help ensure that the foundations and practices of corporate human rights work are developed in a systematic and long-term manner.

Selected Open-Text Comments:

“There is a particular need for public authorities—or another relevant body—to provide clear guidance on how sustainability legislation interacts with competition law. Advancing social and human rights responsibility is neither effective nor sensible if pursued by individual companies in isolation; systemic and structural issues require collective responses. This, however, is often hindered by restrictive interpretations of competition law, which are used to argue that information-sharing and supply chain transparency are not possible. It would be valuable to highlight examples of corporate collaboration where transparency has been achieved, or where

producer prices have been agreed to ensure a living wage, without conflicting with competition law.”

“Public debate should be based on science rather than opinion.”

“Legislation that compels more companies to engage in human rights work. As a single customer, it is particularly difficult to achieve change in supply chains; far greater impact could be achieved if multiple companies demanded the same standards.”

“...In raw material supply chains in particular, there is a need for broad yet credible risk assessments covering different materials. This would enable companies to move forward more quickly and focus their efforts on those parts of the supply chain where the highest risks have been verified.”

PART II: Human Rights Work in High-Risk Sectors

Human rights practices in Finnish companies' coffee and cocoa supply chains

The study conducted by Fairtrade Finland examined how companies operating in Finland are implementing human rights and environmental due diligence in their coffee and cocoa supply chains originating in developing countries. The focus was on food industry and retail companies that use or place these commodities on the market. Coffee and cocoa were selected because their cultivation is associated with severe human rights risks. These risks have been known for over a century and have been systematically documented from the 1990s. These raw materials are also subject to due-diligence-related requirements, such as under the EU Deforestation Regulation (EUDR).

The study was conducted through online interviews (via Teams) between 13 March and 9 May 2025. Nine companies took part: five food manufacturers, three retail chains, and one wholesaler. While most were large enterprises, smaller actors were also represented. The interviewees were sustainability and procurement managers and specialists.

The interviews explored companies' human rights due diligence processes in coffee and cocoa supply chains, focusing in particular on the identification, assessment and prioritisation of risks, as well as measures to prevent and mitigate risks and adverse impacts. Separate questions addressed actions to manage risks related to living incomes and wages, dialogue with supply chain workers, smallholder farmers and vulnerable groups, and the impacts of purchasing practices.

All responses are presented anonymously. Selected quotations from the interviews are included in this report, some of which have been edited for brevity and clarity.

1 Background: Poverty, child labour and the climate crisis in coffee and cocoa production

The Finns are among the world's heaviest consumers of coffee. Yet this consumption is often not sustainable: it can contribute to poverty among farmers, encourage the use of child labour, and is linked to deforestation and climate pressures in the Global South.

Around 25 million smallholder farmers produce the vast majority of the world's coffee, living at the mercy of highly volatile global prices. Poverty remains a pervasive challenge, as the prices farmers receive often fail to cover even production costs—let alone the basic needs of their families. Child labour has been reported in coffee production across 17 countries.

Most of the cocoa used in chocolate, ice cream, and other cocoa-based products sold in Finland originates from West Africa, which accounts for over 70% of global cocoa production. In the two largest producing countries, Côte d'Ivoire and Ghana, 1.5 million children are engaged in cocoa farming, jeopardising their education, development, and health. On average, one in two children in farming communities performs harmful work, and forced labour is also widespread. The root cause lies in adult poverty: farmers earn too little from cocoa to support their families. Climate change is further exacerbating these pressures.

European consumption has a significant impact on tropical forests. For Finns, coffee is among the most critical driver of tropical deforestation—greater even than beef. The cultivation of both cocoa and coffee faces threats not only from climate change but also from declining interest among younger generations. Many young people, themselves the children of poor farmers, aspire to provide their children with a better future and are therefore reluctant to continue farming.

Tip: Ensuring the economic and environmental viability of coffee and cocoa production requires action across the entire value chain. Farmers must be guaranteed a living income for their work and supported in meeting sustainability requirements.

2 Companies recognize coffee and cocoa as high-risk commodities

The interviews made clear that companies identify coffee and cocoa as high-risk commodities.

“When considering the severity of human rights impacts, coffee and cocoa pose such serious risks that they have been prioritized in our impact assessment,” says a retail industry interviewee.

Interviews highlighted a wide range of human rights risks associated with coffee and cocoa. These include farmer poverty, child labour, inadequate living incomes and wages, land rights concerns, lack of access to clean water, environmental degradation, climate change, reliance on migrant labour, forced labour, gender inequality, poor working conditions, and corruption.

Nearly all companies reported having carried out a human rights risk assessment related to the coffee or cocoa they source, purchase, or sell. Many of these assessments draw on tools such as the Amfori BSCI and Sedex risk maps, as well as Fairtrade risk assessments. However, in most cases the assessments remain relatively broad, focusing on commodity-level categorizations rather than more detailed, context-specific analysis.

One interviewee described how their company assesses risks in its supply chain and in countries of origin:

“We have carried out a risk mapping across our entire supply chain. Forced labour, living wages, and adequate incomes emerged as the three most salient risks. Other inherent risks were also identified, but we concluded that these three are the most critical and should be prioritised,” explained a representative from a food company.

Deeper assessments of how company practices affect respect for human rights in supply chains are still largely missing. Some companies are planning to undertake such impact assessments. One company, for instance, is initiating an assessment to examine how its existing practices and processes—such as purchasing practices—may negatively affect conditions in countries of origin.

Many companies have also conducted double materiality analyses as part of sustainability reporting. These assessments often draw on risk mappings and have confirmed that human rights risks in countries of origin are significant.

“The challenge with double materiality analysis is that it remains high-level. We can input our risk assessments and related data, but if the granularity isn’t strong to begin with, the output inevitably remains at the same level of abstraction.”

Sustainability professionals generally recognise that this work is still at an early stage.

“So far, our focus has been at a fairly high level, with an emphasis on high-risk countries. We are now moving towards a more risk-based approach. At this stage, our objective is to improve the identification of human rights risks and then design measures to address them accordingly.”

Tip: Companies should move beyond broad categorizations to identify and analyse risks and concrete adverse impacts within their own operations and supply chains, as well as their own role in contributing to these impacts. In line with due diligence requirements, companies should assess the severity and likelihood of impacts in order to prioritise the human rights risks that require the most urgent action for prevention, mitigation, and remediation.

3 Measures to mitigate risks remain limited

The majority of interviewed companies reported paying particular attention to sourcing products identified as high-risk raw materials and have developed commodity-specific procurement policies and guidelines.

“Where raw materials are associated with particularly severe impacts, we try to focus on those first. We have identified coffee and cocoa as commodities that require more stringent procurement requirements.”

In most cases, companies require their business partners to comply with the company's supplier code of conduct as well as with the provisions of the Amfori auditing framework. With respect to coffee and cocoa, the majority of companies stipulate that these raw materials must be sourced from certified or independently audited suppliers. Among retailers, such requirements generally apply only to their private-label products.

Procurement policies often set more specific requirements. For instance, some companies mandate that all own-brand products in which cocoa is the primary ingredient must be sourced exclusively from Fairtrade- or Rainforest Alliance-certified supply chains. For own-brand products that include cocoa as an ingredient, companies reported targets to achieve 100% certified content within the coming years.

“When purchasing for our own brands, we use suppliers who can demonstrate that they have a third-party certified sustainability label. Direct purchases from high-risk countries must have an approved social responsibility audit... .. We have not reached the level where we would fully understand specific risks in our supply chain. The idea is that suppliers commit to these third-party sustainability labels – without taking a detailed position on what kinds of risks there may be.”

A representative of a Finnish company with global operations noted that they had identified 45 raw materials or categories classified as high-risk. To date, procurement policies and detailed guidance have been developed for only five of these. *“Formulating risk-specific procurement policies is a slow process, as they carry wide-ranging global implications and must also take commercial considerations into account.”*

Tip: Human rights due diligence requires companies to take preventive, proactive measures that address root causes of harm. Procurement policies and supplier requirements can provide a foundation, but they do not in themselves demonstrate that adverse impacts have been effectively addressed.

In the coffee and cocoa supply chains, the most salient risks lie in primary production, which is dominated by smallholder farmers. These challenges are complex and often deeply embedded in structural conditions. If a company has not conducted a context-specific impact assessment — including the participation of farmers — and developed actions based on that assessment, there is a risk that its procurement practices may perpetuate or even exacerbate existing human rights harms.

4 Certifications as a tool

Based on the interviews, at least some Finnish companies are aware of the limitations of audits and certification schemes:

“It is somewhat unfortunate that amfori and similar audits do not always provide a realistic picture of the situation. The image can be overly positive.”

One interviewee noted how, during audits or trader-organised visits, companies are sometimes presented with a carefully curated showcase in which everything appears to be in order and farmers express only gratitude for being accepted as suppliers.

Despite these shortcomings, all of the interviewed companies continue to rely heavily on certifications and audits.

“We require amfori audits from our direct suppliers, which means human rights are at least identified at the first-tier level. But I don’t think the procurement or quality departments have had much time to consider what happens further upstream in the coffee or cocoa supply chains.”

“Overall, the fact that our private-label coffee carries a sustainability label has kept us on safe ground.”

One interviewee also referred to certification when asked about concrete measures to address risks related to living wages:

“If it is required by a certification scheme, then it is included.”

Some companies reported that they had considered ways to promote living incomes but found this particularly challenging. One approach mentioned was the use of amfori BSCI audits, in which *“living wages are referred to at some level, but of course this is not sufficient.”*

Tip: Certification schemes can be a valuable instrument for managing risks, but they never replace a company’s own responsibility to conduct human rights due diligence. When relying on a certification, companies should carefully evaluate the scheme’s credibility, scope, effectiveness, and limitations.

Certification systems vary considerably in their design and impact. For example, they differ in the extent to which they involve rightsholders in decision-making, advance gender equality, require the payment of minimum or guaranteed prices, and provide farmers with training and support to meet certification criteria.

5 Driving impact through collaborative initiatives

Some of the interviewed companies indicated that they are planning to strengthen their human rights work through project-based partnerships with different stakeholders.

A representative from a food company described their strategy for addressing human rights impacts across 10–15 sourcing countries in collaboration with a project partner:

“We need reliable information that allows us to prioritise effectively. Instead of trying to advance evenly across all countries, we focus on one area where we expect the greatest challenges and

engage more deeply there. Once we have gained sufficient insights, we can use those lessons to inform our approach in other regions.”

Another food company reported working in close cooperation with coffee traders and monitoring salient human rights issues through trader-led programmes that are independently verified by third parties. These programmes set out clear objectives and indicators, enabling progress to be tracked over time.

Tip: Several European chocolate manufacturers and retailers have advanced further than Finnish companies in implementing human rights due diligence. They have reviewed and improved their purchasing and contracting practices, supported farmers in achieving living incomes and in developing sustainable farming methods, and invested in training, awareness-raising, and efforts to reduce child labour. The frontrunners know their supply chains in detail and are also actively involved in remediating adverse human rights impacts. Notable examples include the human rights programmes of Aldi, Albert Heijn, Lidl, Coop Switzerland, Tony’s Chocolonely, and Ritter Sport.

Advancing human rights is often most effective when done in partnership with organisations active in producing countries, such as civil society groups, trade unions, and multi-stakeholder initiatives. Structural and systemic change is also strengthened through collaboration and joint initiatives with other companies in the sector.

6 Meaningful engagement with rights-holders remains rare

Interviews indicate that Finnish companies’ engagement with rightsholders—such as farmers in the coffee and cocoa supply chains—remains very limited. Where dialogue with farmers or workers does occur, it typically takes place in the context of audits. Some companies even consider engagement to be handled through certification schemes.

Yet genuine engagement must be two-way and continuous, and the audit setting is rarely conducive to meaningful dialogue.

Retail companies reported that they are exploring new ways of engaging directly with workers and producers in their supply chains. The findings highlight a growing need for scalable models and for collaboration among companies to establish structured and effective rights-holder engagement across supply chains.

“Large Finnish retail companies would be willing to collaborate on this. It would be far easier if everyone operated under consistent guidelines. However, competition law may act as a barrier to exactly the kind of critical dialogue that is needed.”

Finnish coffee manufacturers, by contrast, emphasised the importance of visiting producing countries and engaging directly with farmers: *“Through dialogue we gain invaluable hands-on understanding of the country of origin. These conversations have been indispensable, enabling us to grasp many issues in a completely different way than by reading reports.”*

Coffee manufacturers stressed that long-term partnerships are the cornerstone of effective human rights due diligence.

One company in describing its sourcing model: *“The journey from farm to consumer is long, but the number of intermediaries is relatively limited. Because coffee production is so dominated by smallholders, green coffee is aggregated in small streams. Purchases are not made from individual farms but through trading houses, which maintain subsidiaries or export companies in producing countries that source coffee from farming communities or cooperatives. Business relationships are long-term, and in some cases farming communities are aware of—and even familiar with—the Finnish end customer to whom their coffee is ultimately sold.”*

“We strive for continuity, sourcing from the same communities over the long term. This strengthens traceability, even though the number of small farms is vast.”

Employees of the company visit producing countries regularly, sometimes for extended periods. These visits are seen as instrumental in promoting responsible practices. *“The dialogue is genuine, and conversations on sustainability issues are ongoing. This approach has enabled us to jointly develop and influence our suppliers’ own sustainability programmes.”*

Tip: Stakeholder consultation and participation are a core element of the UN Guiding Principles on Business and Human Rights (UNGPs). The Corporate Sustainability Due Diligence Directive (CSDDD) likewise will require companies to establish and maintain documented stakeholder engagement appropriate to the risks at relevant stages of the due diligence process: in identifying risks, designing preventive measures, defining remediation, and monitoring outcomes. Engagement must be meaningful, inclusive, and proportionate to the severity of the risks involved.

7 Strengthening human rights training and expertise

In most of the companies interviewed, the past few years have marked a turning point in building knowledge of human rights due diligence and developing the associated procedures. Sustainability professionals noted that gaps have been identified, and several companies are now planning more comprehensive measures to identify salient risks and mitigate adverse impacts.

Regulation has been a key driver, providing both pressure and structure to advance corporate human rights practices. In addition to the requirements of the Corporate Sustainability Reporting Directive (CSRD), the EU Deforestation Regulation is directly shaping the way companies manage their coffee and cocoa supply chains.

Interviewees emphasized the close interconnection between climate, environmental issues, and human rights. As one noted, *“Climate considerations are very closely linked to livelihoods and other social indicators.”* More broadly, companies expressed concern about the long-term availability of coffee and cocoa.

They also reported that human rights and sustainability work now engages a wider range of corporate functions. Responsibility no longer rests solely with the sustainability team; procurement, legal, product development, and production are increasingly involved. In some companies, human rights expertise has been successfully embedded across key functions, while in others internal training is still at an early stage. All interviewees, however, stressed the necessity and benefits of building staff capacity through continuous training.

Many companies continue to face challenges when introducing human rights due diligence to business functions, as the topic is often perceived as abstract. Using concrete cases and practical examples can make the issues more accessible and easier to relate to. Interviewees emphasised that a clear understanding of the company’s own supply chain is essential for addressing its impacts on people in a meaningful and practical way.

Taken together, the interviews indicate that corporate understanding of human rights responsibilities has advanced in recent years.

Conclusion: Companies have taken the first steps in advancing their human rights responsibilities and have identified serious impacts on people in their supply chains. The next priority is to focus and invest in concrete measures—such as joint development initiatives—that can address poverty among the most vulnerable groups in cocoa and coffee production, strengthen the protection of children’s rights, support adaptation to climate change, and improve living and working conditions.

8 Recommendations for companies

- Establish a risk-based due diligence process in line with the UN Guiding Principles and OECD Guidelines, and ensure that business partners and suppliers do the same.
- Assess the impact of company operations on human rights—particularly children’s rights—in the upstream stages of cocoa and coffee production.
- Prioritise living wages and incomes, as they are a prerequisite for the realisation of other rights and for the adoption of more sustainable farming practices.
- Ensure continuous training and capacity-building for business functions, and translate learning into practice: procurement must integrate human rights expertise into purchasing practices, contracts, and risk management.
- Review purchasing practices: Assess how pricing, payment terms, delivery schedules, and contracts affect farmers’ livelihoods. Avoid practices that shift disproportionate risks onto producers.
- Engage the supply chain in developing and reviewing supplier codes of conduct (CoC): Favour practices defined collaboratively rather than imposing unilateral requirements.
- Establish and maintain dialogue with farmers and other rightsholders throughout all stages of the due diligence process: Ensure that grievance mechanisms are accessible to those in the most vulnerable positions in the supply chain.
- Use certification only as a tool: Certification can complement, but never replace, a company’s own human rights due diligence.
- Assess the actual impact of certification schemes in preventing and mitigating the adverse impacts you have identified and prioritised.

- Work collaboratively to address root causes of human rights challenges: for example, eradicating child labour requires measures that go beyond certification, such as joint action with civil society organisations and local authorities.
- Share responsibility for the costs of compliance with human rights and sustainability requirements so that they are not borne solely by producers.
- Strengthen collaboration and information flow across the entire value chain.
- Monitor and report on outcomes, not just activities: publish clear accounts of your due diligence process and demonstrate the tangible impacts of your measures to prevent, mitigate, and remedy harm—for instance, reductions in child labour or improvements in farmers' incomes.

Further resources on coffee and cocoa risks and solutions:

- [Suomalaisen kahvinjuonnin vaikutukset ihmisiin ja ympäristöön](#) (Reilu kauppa)
- [Fairtrade risk map](#) (Fairtrade International)
- [Chocolate scorecard](#) (Be Slavery Free)
- [Cocoa barometer](#) (Voice Network)

PART III: Human Rights Due Diligence in Practice

Lessons from Finnish Companies

In Q2 2025, Threefold Sustainability interviewed sustainability and human rights representatives from nine Finnish companies about their experiences implementing UN Guiding Principles on Business and Human Rights (UNGP) and OECD Guidelines for Multinational Enterprises aligned human rights due diligence (HRDD) programmes. The companies were all large multinationals, representing a variety of sectors.

The purpose of the interviews was to collect learnings, insights and tips from sustainability and business & human rights practitioners working in FIBS member companies on how to get started and continue to make progress across human rights due diligence - from policy creation to designing risk assessments and due diligence processes to stakeholder engagement and grievance mechanisms.

The advice collected here is useful when companies think about the requirements of the EU Sustainability Due Diligence Directive (CSDDD), but they also apply to the implementation of a company's commitment to the UNGPs and the OECD Guidelines for Multinational Enterprises.

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1 Bring together cross-functional teams

One of the most common and most effective approaches to drive forward due diligence activities raised by the interviewees was forming cross-functional working groups or committees to jointly think about due diligence across the company.

The majority of the companies interviewed have formed internal due diligence working groups that have slightly different compositions depending on the company's operations and focus:

- One company has brought together many functions to consider the whole value chain, with a focus on suppliers, own employees and potential community impacts. Participants are from human rights, supply chain, occupational health & safety, legal, ethics and compliance and internal audit teams;
- Another company has formed two separate working groups, one focused on own employees and operations, and another on up-stream and downstream activities;
- Another has a working group jointly led by compliance and sustainability: compliance leads implementation required to meet up-coming regulatory requirements and the sustainability team inputs to this work with its subject matter expertise.

What all the working groups have in common is that they consider human rights and environmental due diligence together, in line with the scope of CSDDD. Consensus was that the most important allies for sustainability and human rights teams in implementing due diligence processes were procurement / sourcing, human resources and compliance teams. The benefit of multi-function working groups was shared responsibility and nominating active champions in different functions of the company to drive implementation.

Top tip for practitioners: Before starting cross-functional working groups on due diligence, have one-on-one sessions with each function you plan to invite to help them understand how human rights and environmental due diligence links to their work. A full value chain human rights impact assessment can act as a really valuable initial teaching and engagement tool.

**Best friends internally:
Human Resources, Health & Safety, Procurement, Sourcing, Senior
management, Compliance.**

2 Start with top management, if you can

Interviewees agreed that without top management buy-in and understanding of business and human rights, implementing cross-company due diligence processes will be difficult. Top management needs to understand the financial and resource implications of due diligence processes once they are in place – implementation requires time and investments, and when risks and actual impacts are identified, the company must take appropriate action to prevent and mitigate them. At the same time, management must be aware that the primary basis for due diligence is the assessment of risks and impacts on people – not just the management of business risks.

For some companies that have faced public scrutiny in the past for failing to spot risks in time, senior management has a real life understanding of the time, effort and financial resources needed in situations where risks have not been addressed in time or mitigation has been delayed.

The top argument that the interviewed sustainability teams have been using to push the business and human rights agenda has been the upcoming EU regulations and their requirements - CSDDD but also the Corporate Sustainability Reporting Directive and the minimum safeguards of the EU Taxonomy regulation. When building an internal business case, the interviewees also advised looking at any requirements on human rights put forward by important investors or lenders.

Other useful ways of raising human rights with senior management have been policy approval processes and integrating human rights risks into the enterprise risk register that is regularly reviewed by senior management.

Top tip for practitioners: Start by identifying one top management advocate / sponsor for human rights. Pick, for example, someone in the executive team or with direct and regular access to the executive team.

3 Pick the right language for your organisation

Many interviewees likened implementing human rights due diligence processes to change management. HRDD requires a company to adopt a new lens from which to view its business activities, that of impact to people. It requires the involvement of nearly every function and cannot be left only as the job of sustainability teams.

The interviewees emphasised the importance of understanding the role each internal audience plays in the company and adapting language and arguments accordingly. 'Human rights' as a term may come across as too academic or theoretical for many corporate audiences. Colleagues do not have a clear, immediate and shared definition of its scope or meaning in the context of their organisation and role. Some may think that human rights do not apply in the Finnish context and are only relevant in high-risk or conflict contexts.

While it is important that senior management and compliance colleagues in particular understand the relevant business and human rights terminology, interviewees warned against getting caught up in the jargon of business and human rights methodologies or using the language from regulatory frameworks when engaging other teams.

Top tip for practitioners: Most interviewees have found the term 'risks/impacts to people' to be more immediately understandable to a broad range of colleagues. It is a simple way to convey that the company needs to consider risks to people, rather than to the company's value, which is how enterprise risk management traditionally views risks.

4 Just start from somewhere and build from there

The most common recommendation the interviewees gave to anyone who is at the beginning of their human rights due diligence journey was to “just start somewhere.” A full, company-wide, due diligence process may seem like a daunting and paralysing task, but in the experience of interviewees, every and any step taken advances their own and their organisation’s learning.

Common first steps are often related to building understanding of the company’s risks (see risk-based approach) and impacts (see human rights impact assessments). Interviewees emphasised the importance of not trying to set the bar too high or the scope too broad at the beginning. First investigations can focus on just one part of the value chain, like procurement or own employees, or on a specific country or business activity. Many answers can be found inside the company and a lot can be achieved with in-house dialogue and by consulting publicly available resources.

Taking these first steps will give teams the basis from which to reach out to others to ask for engagement and support. Interviewees also emphasised that it is important to accept that mistakes will be made. The best way to learn from them is through transparency and honest dialogue with stakeholders, including sharing how the company has changed its approach as a result.

Top tip for practitioners: Some companies have started with a simple human rights policy commitment to raise the issue internally and to give a mandate for the work to follow. This policy statement can then be updated and strengthened once more information about the company’s specific risks and impacts is known.

5 A full value chain HRIA will give you the big picture

Representatives from companies that had carried out a full value chain human rights impact assessment all felt that the exercise was valuable from many perspectives, and particularly in bringing understanding of the relevance of human rights beyond just the upstream supply chain, in own direct operations, for own employees, and in downstream distribution, marketing, product design and use.

Full HRIAs were seen as a great way to get the full picture of the company's risks and impacts and advance internal learning on business and human rights. They also brought new meaning to the work of colleagues. The experience of interviewees has been that such exercises are almost always met with positive engagement and enthusiasm, with lots of "a-ha moments" as they offer a new perspective to people's daily work.

The results of HRIAs also help focus internal policies to address the most important risks and impacts, prioritise next steps, and form the basis for a risk-based approach.

The value chain HRIAs had either been done fully in-house led by sustainability teams; outsourced to external expert consultants; or as hybrid models where, for example, the impact assessment done in-house was complemented by a gap analysis of current risk management processes by an external consultant.

Top tip for practitioners: *Make sure that HRIAs use the UNGP's clearly defined methodology of assessing severity of impacts brings robustness that can help senior management buy-in to the results.*

6 A risk-based approach helps keep it manageable

Most interviewees emphasised the importance of adopting a risk-based approach to due diligence, to have both more meaningful and significant impact as well as to keep the processes manageable. This approach is also aligned to the UNGPs – focusing on the most severe and likely impacts across the value chain.

Taking a risk-based approach is especially helpful when it comes to the upstream supply chain where most companies will have hundreds, if not thousands, of suppliers and producers. Interviewees recommended focusing on three core indicators of risk:

- **Country risk:** lists of high-risk countries for labour and human rights related risks can be purchased from external providers or compiled in-house based on publicly available risk rankings. For country risk to be an effective indicator, it is important for the company to find out where products are being manufactured, raw materials extracted or services delivered, and not to focus on where the supplier organisation is headquartered.
- **Category / activity risks:** risks will vary between different supplier categories and outsourced activities. Some companies have carried out human rights risk assessments or applied wider ESG materiality assessments of supplier categories to get a full picture

of the risks and their locations. This has been done in-house or with the help of external experts.

- **Commodity / raw material risk:** often the most severe human rights impacts are found further up the supply chain, in the extraction and production of raw materials and commodities, so mapping the most common raw materials the company's products are made of is important. Human rights risks relating to common raw materials are usually well known and a lot of information is publicly available.

Country, category and raw material / commodity risks can then be combined and the results used to prioritise next steps which could include: carrying out targeted human rights impact assessments for high risk countries, categories or commodities; looking deeper to understand the company's specific risk exposure; targeting additional supplier self-assessments or audits; and putting in place dedicated prevention and mitigation activities by country, category or commodity.

Top tip for practitioners: Engage with procurement teams early on in your human rights due diligence work. Procurement colleagues will probably already be aware of many risks, and their involvement will be critical for any successful due diligence process.

Top resources for risk mentioned [this could be a visual / pullout]: [Fair Trade risk map](#); [Walk Free Global Slavery Index](#); [Freedom House](#); [ILO Conventions Ratifications by Country](#); [Verisk Maplecroft](#) (paid service); [WEF Gender Gap Report](#), and reports by local and international human rights organisations

7 External expertise can accelerate action

Making use of external expertise was recommended by interviewees especially when the company is still building internal knowhow on business and human rights or resources are limited.

About half of the interviewed companies had used external expert consultants to carry out impact assessments, gap analyses, and training. External experts were seen to add independence and credibility in particular to assessment results and with senior management, as well as to help develop competencies of the sustainability team itself.

Two companies interviewed had participated in the [UN Global Compact \(UNGP\) Business and Human Rights Accelerator programme](#), which is also offered by the Finnish UNGP Country

Network. The six-month programme involves regular sessions, homework and tools and provided a framework and structure to carry out initial assessments, start conversations and build an initial picture of impacts and risks. FIBS's Business and Human Rights group was also mentioned as a useful source of information and networking forum.

Top tip for practitioners: Using external consultants can make it easier to engage external stakeholders in assessments as some stakeholders may be more open to sharing their views when not speaking directly to the company.

8 Copy, join and learn from peers – in your industry and elsewhere

Interviewees emphasised that for most issues there is no need to reinvent the wheel: if answers cannot be found inside the company, it is likely that some peers will have already thought about them. Peer discussions and networking is likely to lead to finding others with the same challenges - even beyond one's own industry and sector - and learning from their experiences.

There was strong support among interviewees for joining various industry collaborations and taking advantage of the support, knowhow and initiatives, they offer. Collaborative initiatives can also build joint leverage with larger suppliers that may be more difficult to influence (within the same industry any collaboration needs to comply with anti-trust rules).

Even for companies with established systems in place, industry initiatives were found to be helpful in scaling up activities and pooling resources, as well as, through aligned due diligence approaches, easing the pressure on suppliers to respond to questions and audits and participate in training.

Top tip for practitioners: Reach out to a company from a different sector that has a more mature approach – they will likely be happy to share their experiences.

9 Tap into the stakeholder engagement already happening

For most companies interviewed, dedicated stakeholder engagement relating to human rights remains challenging. Engagement to date has been fairly limited and has involved interviews mostly with representatives of rightsholders, such as unions and non-governmental organisations.

At the same time, interviewees recognised that there is a lot of stakeholder engagement that is already being done by companies as part of normal everyday business. Some companies have been able to utilise some inputs from these engagements in their HRIAs and due diligence processes including from: employee engagement surveys; frontline customer surveys or market research; worker interviews as part of supplier labour standards audits; supply chain worker surveys; and various engagement with non-governmental organisations.

In addition, many companies consult regularly with communities at work sites and operational facilities – stakeholders include local elected representatives, educational bodies or grassroots organisations and in some cases indigenous communities.

Just as is the case with engagement mentioned in the previous paragraph, the results of these engagements are often not recorded and captured in a structured way and in a format that would allow them to be utilised as direct input for human rights due diligence.

Interviewees also highlighted that many stakeholder groups are not familiar with ‘stakeholder engagement’ as a concept and are unsure of how to respond to questions from a large corporate entity. Given that meaningful stakeholder and rights-holder engagement is a requirement of UNGP and EU-legislation, there is a lot of room for improvement and innovation, including in how existing engagement could be modified and channeled as an input for human rights due diligence.

Top tip for practitioners: Talk to different parts of the organisation – such as HR, marketing and operations - to understand how various stakeholders from employees and customers to communities are being engaged now and how you might integrate collection of relevant human rights related feedback and dialogue into existing processes.

10 Tailor grievance mechanisms to the rights-holder's needs

Most companies interviewed rely on third-party whistleblower mechanisms – such as web forms where people can submit a report - for anonymous reporting of grievances. Most frequent users of these channels are the companies' own employees.

Companies with larger work sites utilise a mix of methods to signpost these channels as well as collect feedback from workers and local communities. This was seen as especially important for any workforce that sits outside of the company's own HR systems, such as contractors. Methods at sites include posters, leaflets, suggestion boxes, QR codes to online feedback forms and regular surveys of local communities. Companies with more mature approaches are using audio-visual surveys to ask workers questions about their everyday life and situation to better understand worker expectations, challenges and needs.

Interviewees raised that it is important to consider the cultural and social context of different stakeholders when establishing grievance and remedy mechanisms and seek to mimic methods that different groups usually use to deal with grievances and challenges. This can mean for example implementing more relationship-based mechanisms rather than relying on formal hotlines.

One challenge with grievance mechanisms can be with regards to which function should handle the incoming reports, since reports can relate to many different topics. The advice from interviewees is not to get stuck on this question but to bring together relevant functions - such as operations, sourcing, HR and compliance – to jointly decide on one function to trial being the main contact and then distributing the reports depending on the topic among the group. Like with all due diligence activities, grievance mechanism should evolve over time through trial and error.

Tip for practitioners: Grievance mechanisms will not be effective, if they are not adequately advertised and promoted - and accessible. When designing them it's important to think about challenges relating to, among others, literacy, language, devices, technical skills, internet access and the type of phone plan the worker is on.

+ 1 Human rights impact assessments (HRIAs) & enterprise risk management (ERM) can feed into double materiality assessments (DMAs) - but not really the other way around

Human rights impact assessments (HRIAs) and double materiality assessments (DMA) – that are required by the CSRD - share the same assessment methodology of ‘severity and likelihood’, as defined in the UNGPs. However, the companies interviewed that had completed their DMA prior to an HRIA were not able to utilise the DMA assessment results in the HRIA – mainly because impacts, risks and opportunities are considered at a higher level in DMAs than in HRIAs. Hence, there was not enough granularity in the materiality assessment to be useful. However, companies that had completed HRIAs utilising the UNGP methodology prior to their double materiality assessments were able to plug these into their DMA. Therefore, there is synergy this way around: an HRIA can act as an important timesaver and input into a DMA.

In most companies interviewed, the sustainability team had collaborated with internal risk teams to integrate human rights risks into enterprise risk management (ERM) systems and risk registers. There has been mixed success doing so, namely because of the difference in risk methodology: ERM is focused on financial and operational *risks to business*, whilst human rights impact assessments (and DMA) consider severity of *impact to people*, not the company.

Some companies have included human rights topics, such as health and safety or more severe labour risks such as modern slavery, in ERM systems because of their potential for financial impacts and operational disruptions. In short, ERM cannot be used to substitute human rights impact assessments. However, because ERM considers potential financial impacts to business, interviewees had found that its analysis can be used as an input to determine financial materiality of human rights risks and impacts in a DMA.

Concluding remarks

Based on the report, two simultaneous trends can be seen in Finnish companies' human rights work. On the one hand, regulation has brought clarity to companies and forced them to systematise their human rights work. This is particularly evident in the fact that human rights issues have moved from sustainability teams to the agendas of procurement, legal departments, and senior management. On the other hand, the study shows that the work continues to focus on areas where risks are manageable and visibility is good – the company's own operations and its closest suppliers. It is precisely where the most serious human rights risks occur that action remains weak.

This imbalance cannot be explained solely by a lack of resources or information. It is also a question of the control mechanisms available to companies – such as certifications and audits – being ill-suited to solving complex, structural problems. This points to the need to move from administrative processes towards impact assessment: what are the real consequences of actions on people's lives?

Another key finding is the low level of stakeholder engagement. Companies recognise the need for engagement, but practical dialogue with rightsholders is still sporadic and superficial. This weakens the ability to understand risks and find solutions that address root causes. At the same time, it is clear that there is still little trust between companies and stakeholders. Building trust takes time and requires new ways of working.

The report also sends a message to decision-makers: regulation has been a decisive driving force, but it is not enough on its own. Companies need consistent guidance, interpretation assistance, and mechanisms that also support cooperation and information exchange between companies without competition law barriers. Without clear support structures, there is a risk that the duty of care will remain an administrative exercise and will not lead to changes in supply chains.

In summary, Finnish companies have moved from rhetoric to process in human rights issues. The next step is to move from process to impact: the ability to prevent, reduce, and remedy adverse impacts where they are most serious. This requires long-term commitment, but also the courage to change purchasing and business models and to build genuine cooperation with rightsholders and other actors. This is a prerequisite for ensuring that respect for human rights does not remain a mere regulatory requirement, but becomes an integral part of companies' competitiveness and sustainable operations.