

Business and Human Rights in Finland Survey 2025

Report

IN PARTNERSHIP WITH



To the reader: Turning today's lessons into tomorrow's solutions

The expanding body of EU corporate sustainability regulation has accelerated companies' human rights work and helped integrate voluntary frameworks into more systematic human rights impact management.

At the same time, companies are still seeking support for this work—especially in the form of examples and experiences from their peers. Public authorities, in turn, need a deeper understanding of companies' day-to-day challenges in order to develop relevant guidance and advisory services.

The human rights due diligence process emphasises collaboration with affected stakeholders. While regulation has strengthened both the implementation of due diligence processes and internal cooperation, human rights work remains at an early stage in many companies and still relies too heavily on certification schemes.

The most severe impacts on human rights are typically found deeper in the supply chain. Addressing these impacts is difficult without sufficient expertise, resources, and clear operating

models. Frontrunners continue to push the work forward even as regulatory requirements are still taking shape. They recognise that investing in human rights supports long-term stability.

In this work, it is important to remember to be patient and resilient. Human rights work is a continuously evolving—there will never be a point where the work is truly “finished,” at least not as long as inequality remains structural. What matters most is to begin and to keep going.

This study provides context and practical tools that all companies can use. Even today's beginner can grow into tomorrow's expert.

Greta Andersson
Senior Corporate Sustainability
Specialist, FIBS



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 that their most salient human rights risks are found in the deeper tiers of their supply chain, where risks are often most severe and visibility the weakest. It is an encouraging sign that companies are increasingly able to pinpoint risks. At the same time, the results show that concrete action and 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 – in identifying, preventing, monitoring, remediating and reporting adverse impacts. For example, this study shows that beyond Tier 3, 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.

Heidi Hautala, corporate accountability expert, Heidi Hautala Consulting Oy
Juho Saloranta, LL.D., chair, Yritysvastuuoikeuden yhdistys ry
Nikodemus Solitander, researcher, Hanken School of Economics
Susan Villa, expert and deputy director, Human Rights Centre

Contents

PART I: Survey

1. Respondent profile
 2. Implementation of human rights due diligence processes
 3. Human rights risks in the corporate operating environment
 4. Purchasing and ordering practices and human rights
 5. Living wages and living income
 6. Key partners in human rights work
 7. Corporate sustainability regulation and human rights work
 8. Tools and support needs in human rights work
- + Key takeaways for policymakers and public authorities

PART II: Interviews: High-risk raw materials

Part II explores the impact assessments and measures of Finnish food and retail sector companies aimed at reducing harmful impacts on people in coffee and cocoa supply chains.

The section also includes tips on effective actions in sourcing high-risk raw materials.

PART III: Interviews: Human rights due diligence in practice

Part III includes 10 + 1 recommendations and several practical tips on how to initiate and advance HRDD work within organisations.

The content is based on interviews with nine large Finnish companies.



Content from the publication may be quoted provided that the publishers – FIBS, Fairtrade Finland and Threefold Sustainability – are acknowledged. The publication may not be copied, distributed or sold in full or in part, in its current form or adapted, without the permission of the publishers.

Authors

FIBS

FIBS (Finnish Business & Society) is the largest corporate responsibility network in the Nordics, a driver of sustainable business and a developer of corporate expertise. We help companies integrate responsibility into business in practice.

Fairtrade Finland

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

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.

The work was supported by a steering group consisting of external experts, including Heidi Hautala (Heidi Hautala Consulting), Juho Saloranta (Association for Corporate Responsibility Law), Nikodemus Solitander (Hanken School of Economics) ja Susan Villa (Human Rights Centre).

Content and implementation of the study

PART I: **Survey**

The electronic survey was distributed via the Survio platform to 245 companies operating in Finland. A total of 61 companies responded, including 52 large or very large companies and 8 medium-sized companies.

Conducted by: FIBS



The electronic 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 II: **Interviews: High-risk raw materials**

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

The interviews involved five food manufacturers, three retail chains, and one wholesale company.

Coffee and cocoa were selected because they are associated with significant human rights risks and there is substantial information available on those risks.

Conducted by: Fairtrade Finland

PART III: **Interviews: Human rights work in practice**

Representatives from nine 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 the interviews was to gather experiences, insights, and practical tips on how to initiate and advance HRDD work within organisations.

Conducted by: Threefold Sustainability

Four key findings of the study

1

INCREASING REGULATION has been a decisive factor in making companies' human rights work more structured.

2

HUMAN RIGHTS WORK is least developed in the areas where the most significant risks are found.

Often, both impact assessments and effective measures to prevent and remedy adverse impacts are still missing.

3

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

4

A RISK-BASED DUE DILIGENCE PROCESS is regarded by frontrunner companies as the most sensible approach also from a business perspective.

Key concepts



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 and measure the company's impacts on rights. In turn, the DMA ensures that material human rights are integrated into corporate strategy and reporting.



Stakeholder

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.



Meaningful Stakeholder Engagement / Consultation

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.



Vulnerable Stakeholder Group

A group that is particularly at risk of human rights abuses, for example due to their social position, employment conditions, or dependency relationships.



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.

PART I

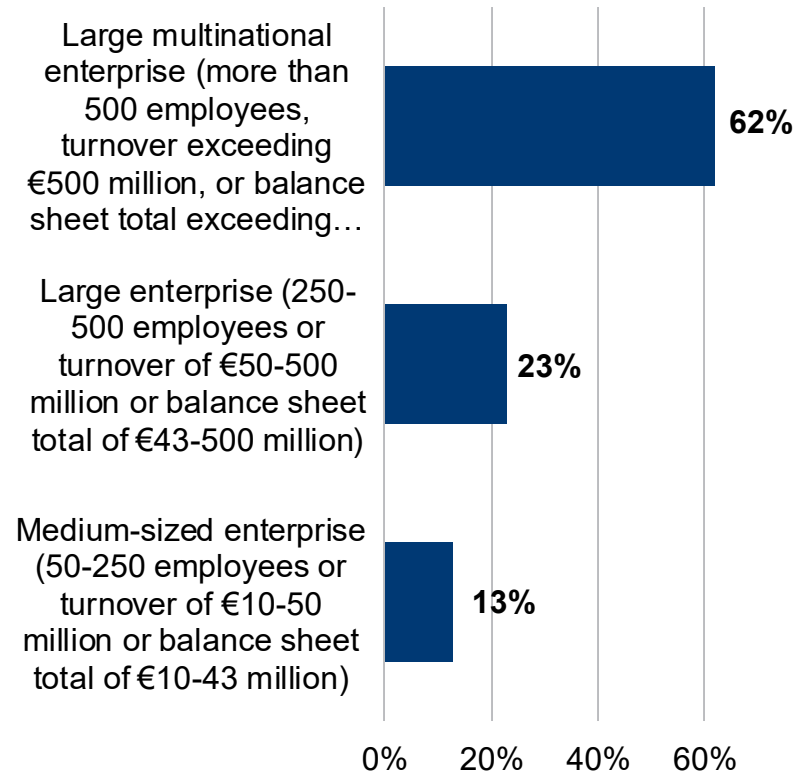
Survey: Current state of human rights work



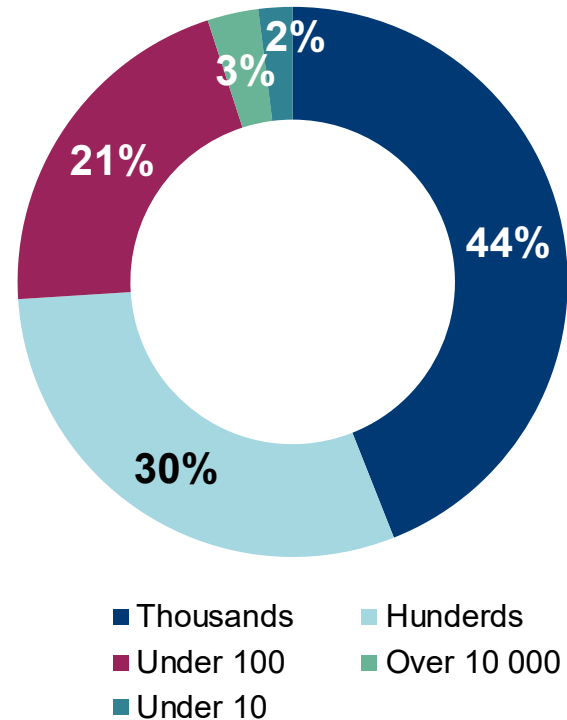
Respondents

Respondents

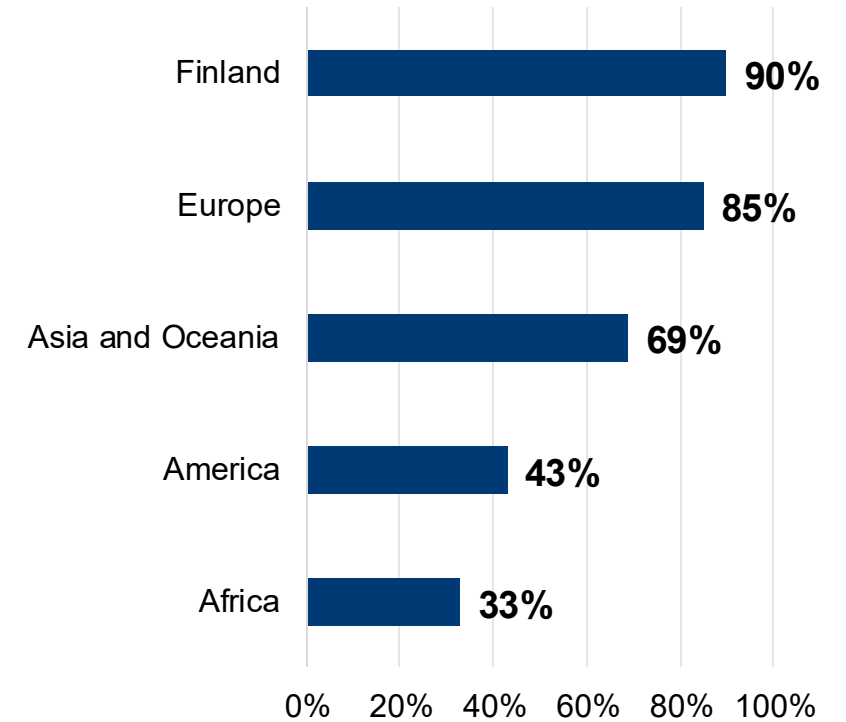
Company Size



Number of suppliers* (n=61)



Location of Supply Chains* (n=61)

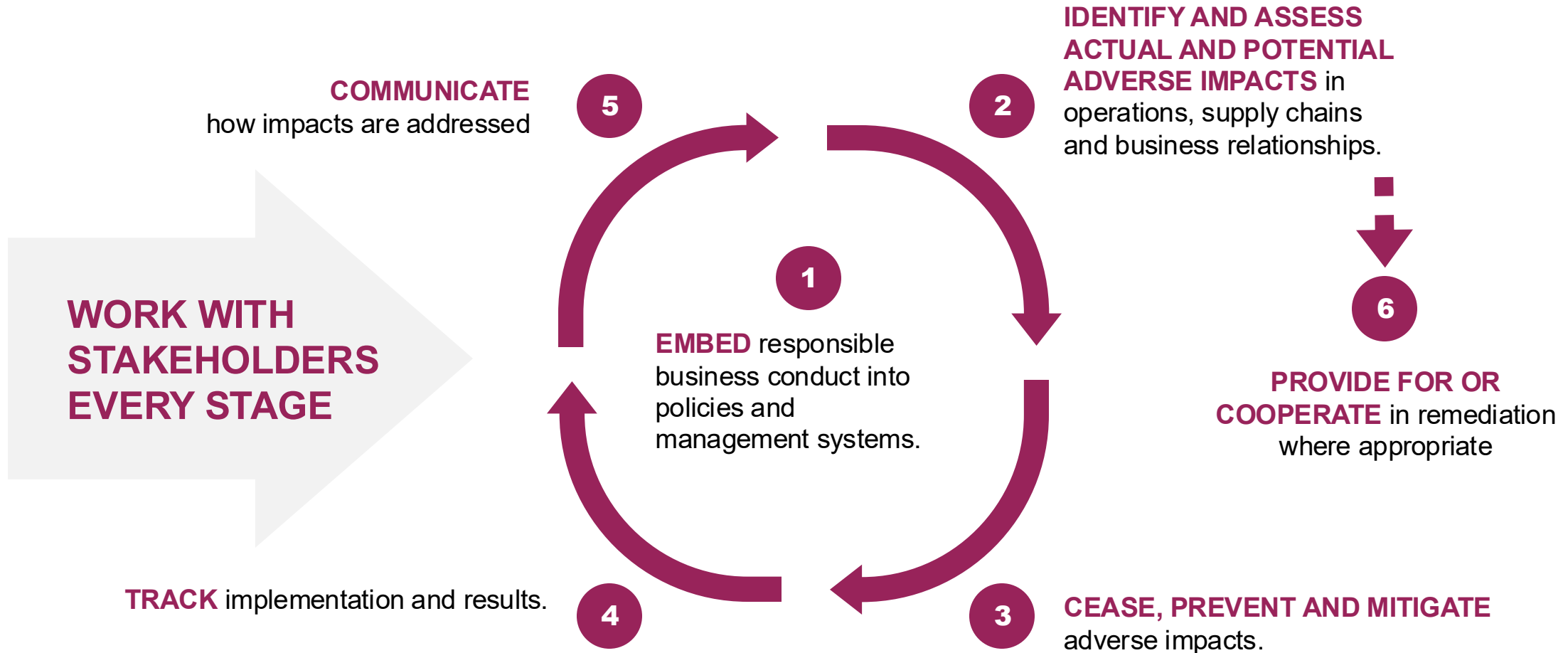


* Choose one or more options

2

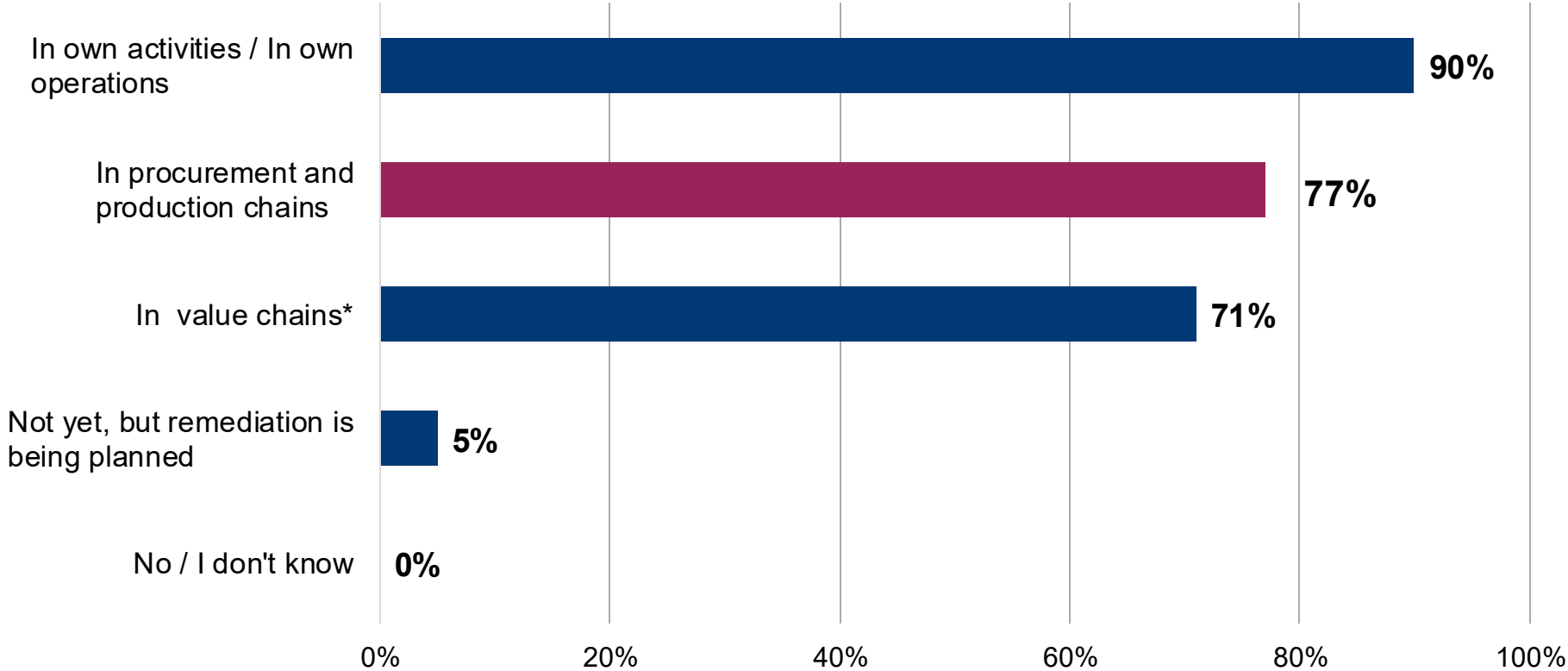
**Implementation of human rights
due diligence processes**

Human Rights Due Diligence Process



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

Most respondents report a commitment to respecting human rights across their supply and production chains



***Select one or more options*

**Full response option: "Across the value chain, including supply and production chains, customers, communities, and business relationships."*

Question: "Has the company committed to respecting human rights?" (n=61)

Implementation of human rights due diligence in practice

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

Question: "Implementation of the company's due diligence process in line with the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Due Diligence Guidance." (n=61)

The different stages of the due diligence process are still rarely implemented in full

25%

25% of companies report that they do not yet track the effectiveness of measures aimed at preventing and mitigating adverse human rights impacts.

34%

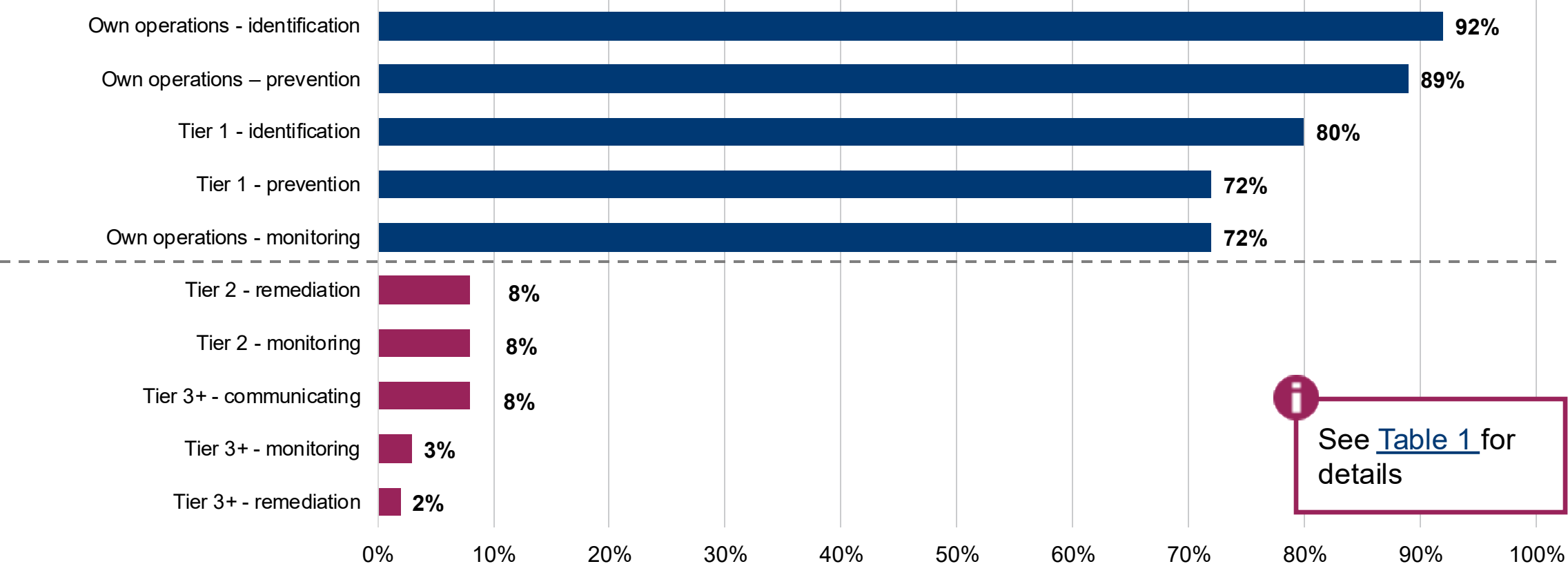
of companies state that they do not yet report transparently on actions related to points 1–3.

31%

of companies state that they do not yet remediate adverse human rights impacts in their operations or value chains that they have caused or contributed to.

i See [Table 1](#) for details

The two ends of human rights due diligence implementation



Which areas of the due diligence process show the strongest performance, and where are the biggest gaps?

Strongest areas

A clear majority of companies responding to the survey appear to have developed their due diligence processes 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 greater visibility and influence.

Weakest areas

The responses show that companies monitor human rights impacts at the Tier 2 and Tier 3+ levels far less frequently than in their own operations or among Tier 1 suppliers. This reveals a significant gap precisely where the most severe human rights risks often occur (see p. [23](#)).

In summary

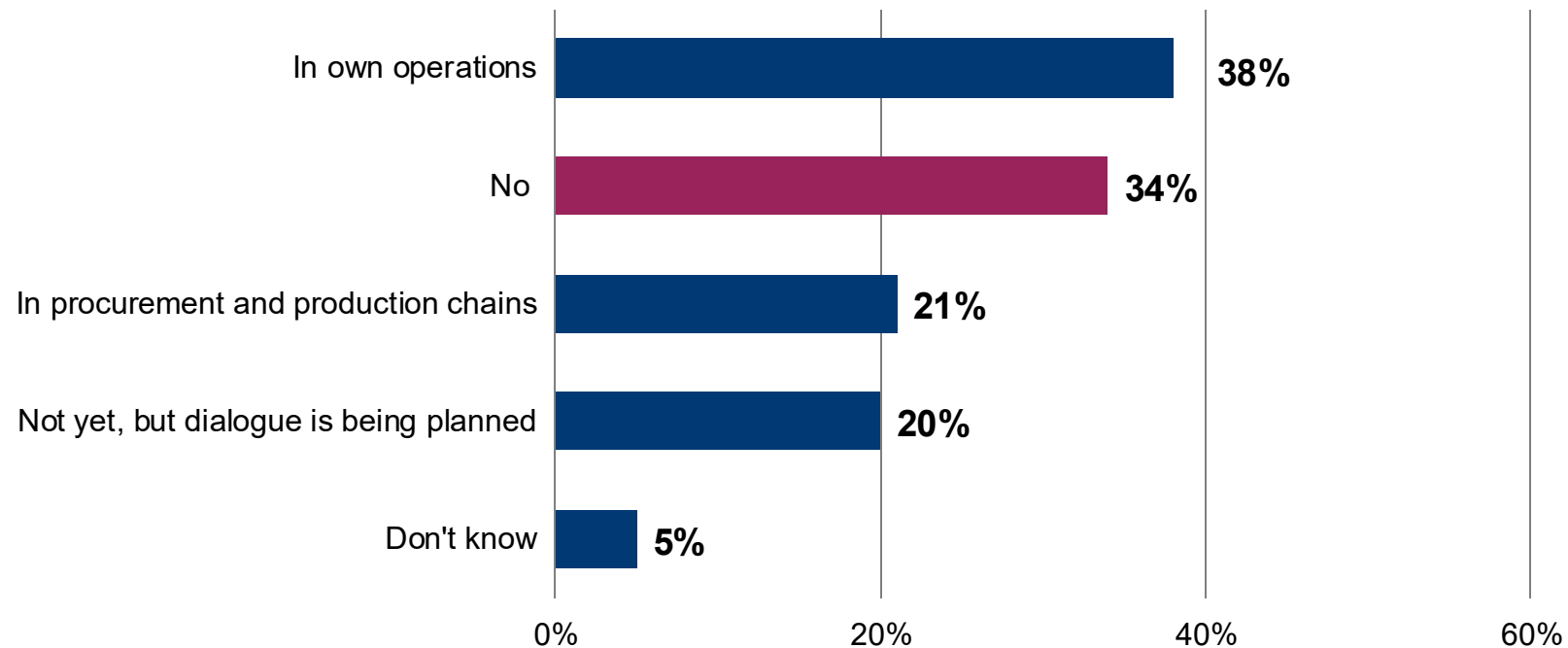
For many companies, the human rights due diligence process is still compliance-driven rather than genuinely focused on managing impacts on people. Companies are not yet exercising sufficient due diligence regarding human rights impacts occurring deeper in their supply chains.



See graph on [page 17](#) for details

Dialogue with vulnerable stakeholder groups is often lacking

Does your company engage in dialogue on human rights impacts with **vulnerable stakeholder groups**, such as workers in production countries, Indigenous peoples, and smallholder farmers?*



* Select one or more responses

(n=61)

Selected Open-Text Responses: Stakeholder Dialogue



“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.”

“Dialogue is being planned in response to the forthcoming CSDDD.”

Examples of open responses from the online survey

Majority of respondents have completed a double materiality assessment, including assessing human rights impacts

80%

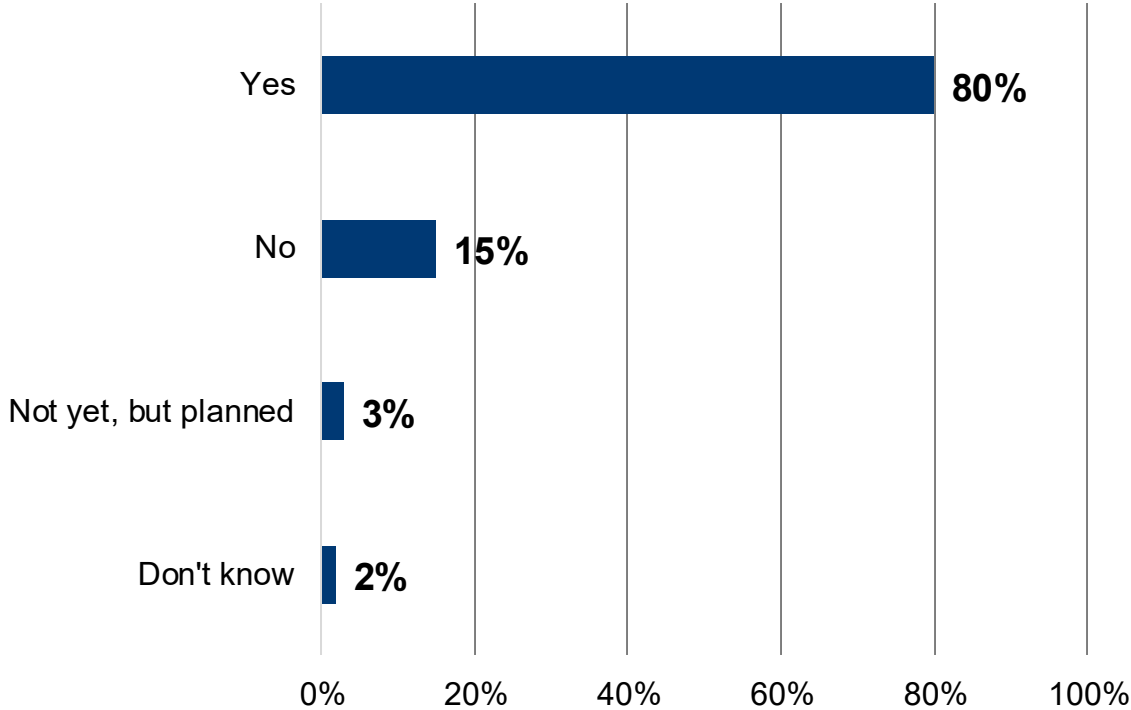
of respondents report having conducted a double materiality analysis covering human rights impacts.

15%

of companies have not conducted a double materiality analysis.

3%

of companies state that they plan to carry out a double materiality analysis.

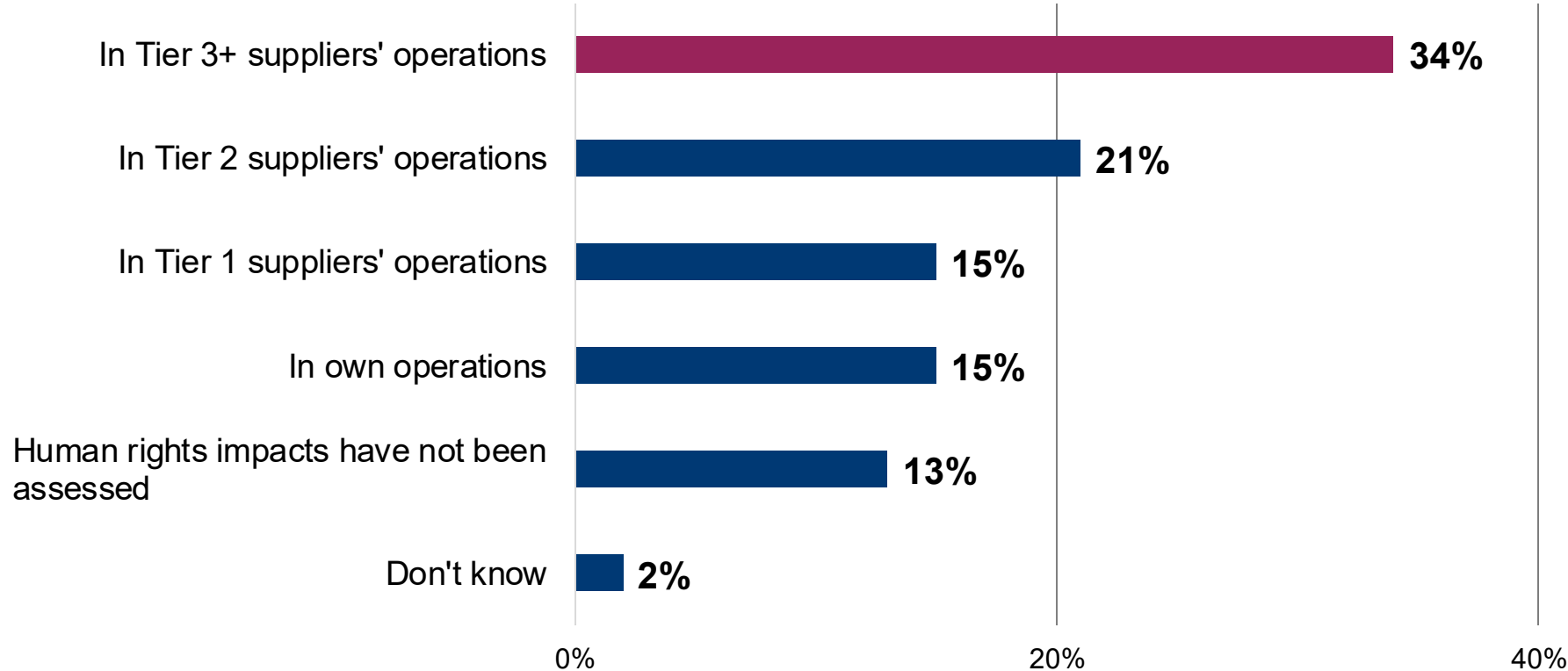


Question: Has your company conducted a double materiality analysis covering human rights impacts? (n=61)

3

Human rights risks in companies' operating environment

Companies report that most severe human rights risks are found at the Tier 3+ level of the supply chain.



Respondents have assessed that the most severe human rights risks are found beyond tier 3 of the supply chain, where the due diligence process is weakest ([see page 15](#)).

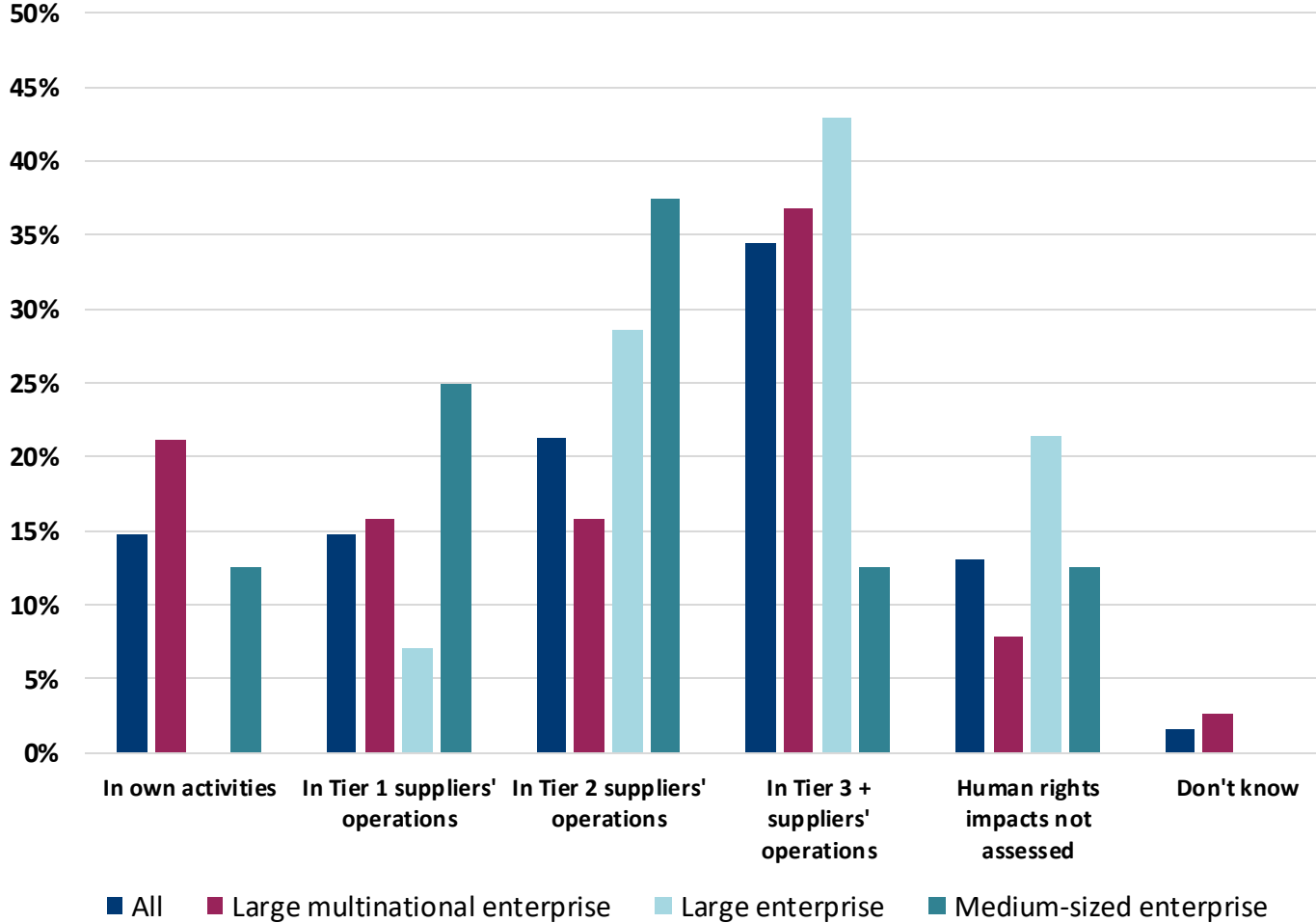
Question: "Where are the company's most salient human rights risks?" (n=61)

Company size affects where the most significant supply chain risks are located

Large and very large companies most often report that their most significant human rights risks are located in the deeper tiers of their supply chains (Tier 3+).

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

Across all company sizes, human rights risks are less often seen as occurring within the companies' own operations.



Question: "The most salient human rights risks in the company's operations are in..."

Selected Open-Text Responses: Human rights risks in the corporate operating environment



“The most significant human rights risks are concentrated further upstream in our supply chain, in some cases several tiers away. This means that visibility is poor, and it is 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 our multi-tiered supply chains.”

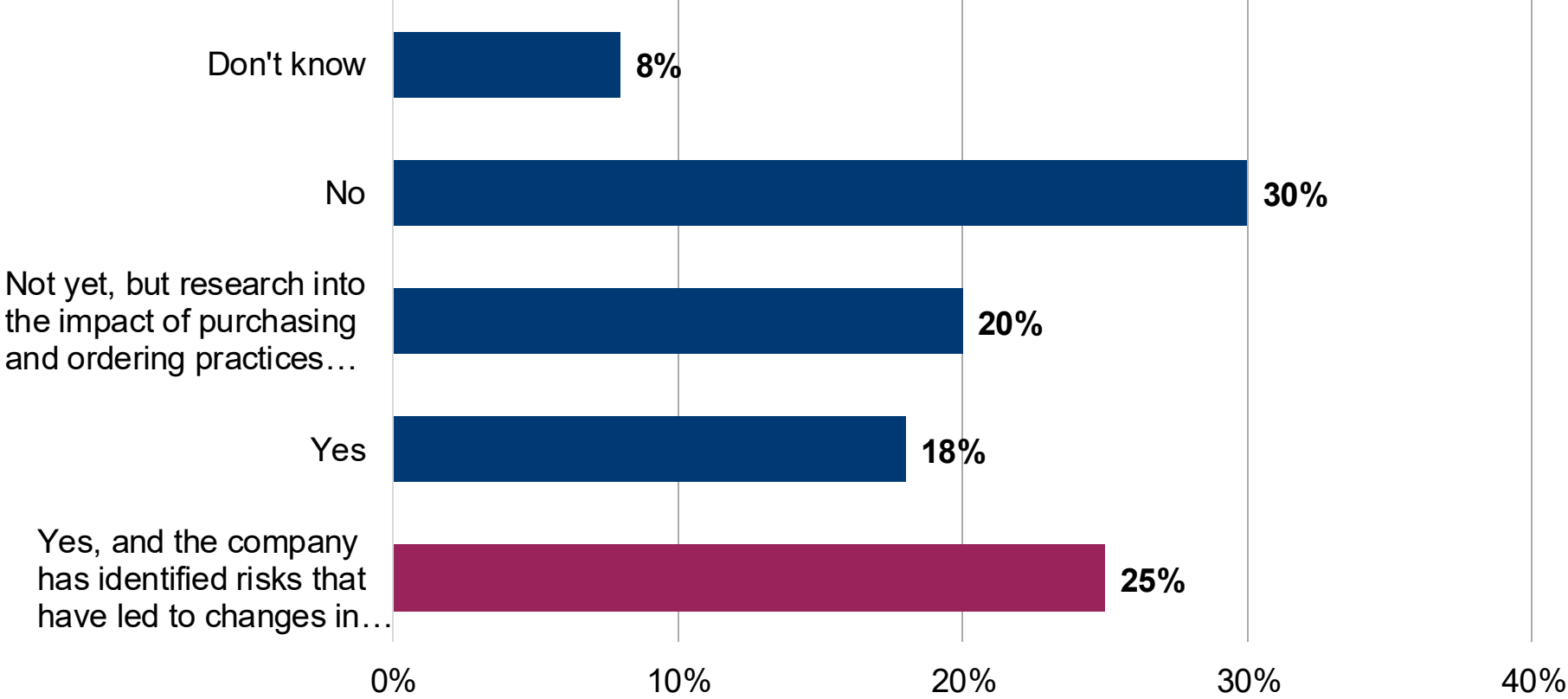
“Human rights risks are not yet fully understood. Tier 1 is relatively well mapped, but gaps remain both within our own operations and deeper in the supply chain, where not all risks have yet been identified.”

Examples of open responses from the online survey

4

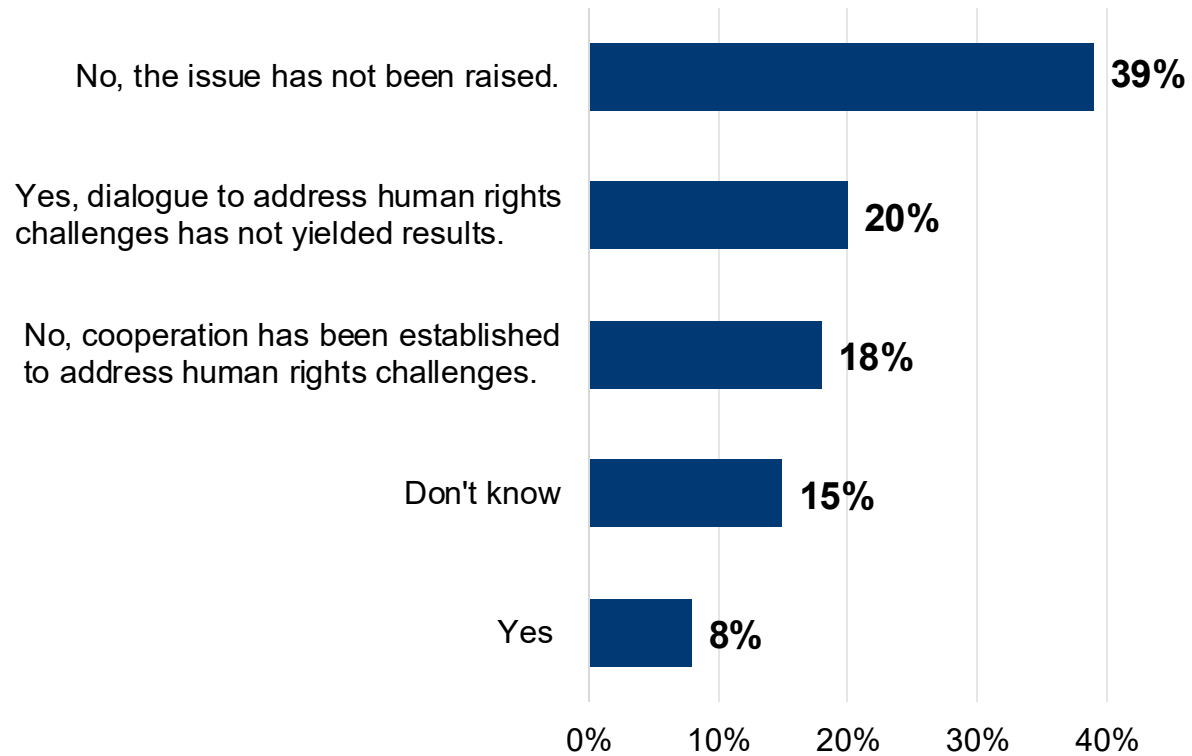
**Purchasing practices
and human rights**

One in four companies report having adjusted their purchasing and ordering practices after identifying human rights risks in their supply and production chains



Question: "Has the company examined the impact of its own purchasing or ordering practices on the realisation of human rights and labour rights in its supply and production chains?" (n=61)

Many are only starting collaboration with suppliers on human rights



20% of companies report having terminated a business relationship when dialogue to address challenges has failed to produce results.

18% report that instead of ending cooperation with suppliers, they have worked together to address human rights challenges.

i
The [UNGPs](#) and the [OECD](#) Guidelines emphasise that dialogue should be the primary means of addressing human rights challenges before ending a business relationship.

Question: "Has the company ended cooperation with suppliers that have not committed to respecting human rights in their operations?" (n=61)

Selected Open-Text Responses: suppliers and human rights work



“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 cooperation.”

Examples of open responses from the online survey

5

Living wage and income

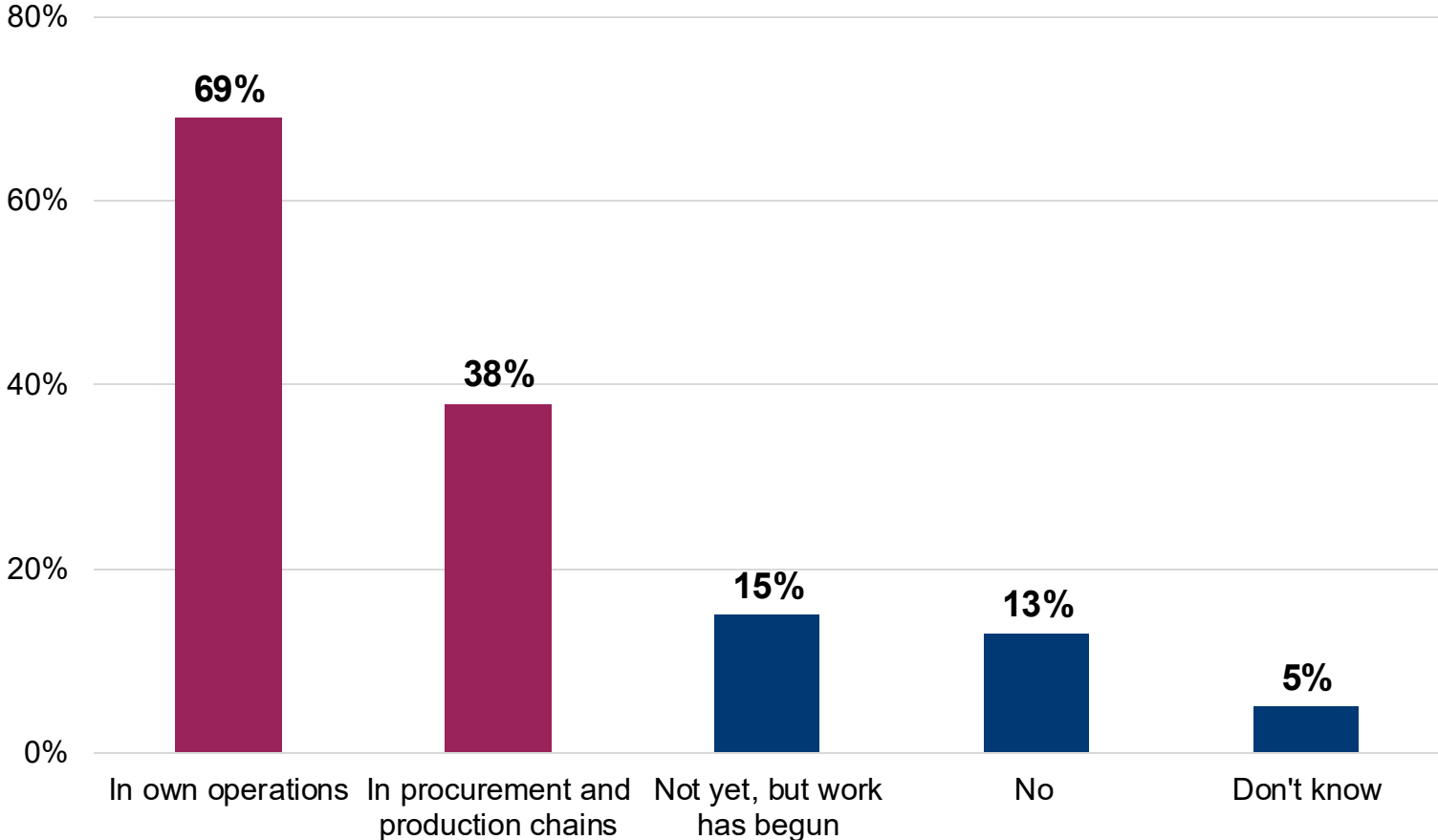
Companies commit to paying living wages primarily in their own operations

69%

of companies report having committed to paying living wages **in their own operations**.

38%

of companies report having committed to paying living wages **in their supply and production chains**.



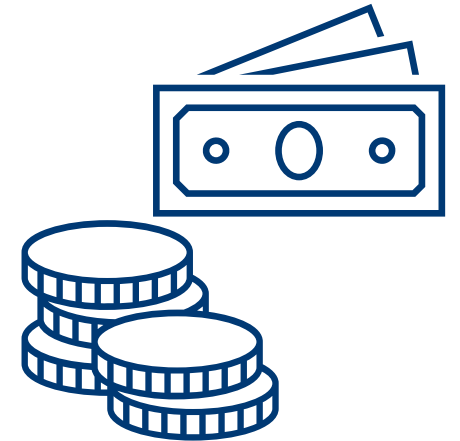
Select one or more responses

Question: "Has the company committed to paying living wages?" (n=61)

Practical measures and objectives on living wage remain unclear for many

The following key approaches were identified from the open-text responses:

- Commitments are often based on principle documents such as the Code of Conduct.
- Measuring and defining living wages is considered challenging.
- The concept of a living wage is understood differently depending on the respondent.
 - Many refer to statutory minimum wages rather than living wages.
 - Commitment is stronger in companies' own operations than in their supply chains.
- For many, the work is still at the consideration or planning stage.



Question: "With what practical measures and targets do you promote the realisation of living wages and incomes?" (n=61)

Selected Open-Text Responses: Practical measures to promote living wages



“We require subcontractors in our operating countries to pay wages in line with collective agreements. This may not be explicitly stated for the subcontracting chain. We are aware that around the world, ‘minimum wages’ or ‘legal minimums’ are often not truly sufficient.”

“As a first step, the requirement for a living wage has been included in the supplier code of ethics, which is attached to procurement contracts. If the product is manufactured in a country considered high-risk from a social responsibility perspective, a social compliance audit report is required.”

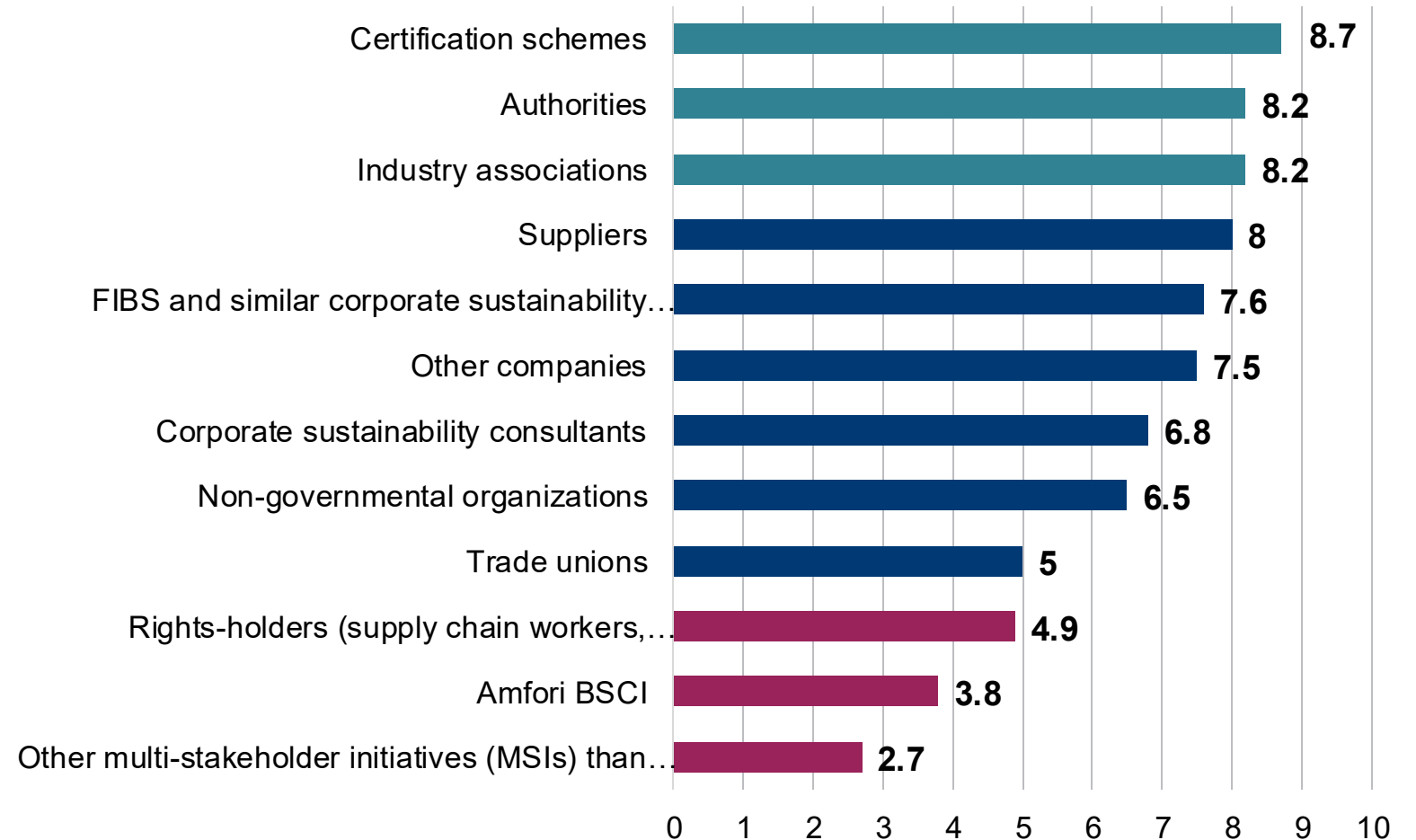
Examples of open responses from the online survey

6

Key partners in human rights work

Key partners in advancing human rights work in practice

Respondents were asked to rank 12 different stakeholder groups in order of importance. The figures in the chart represent the average of these rankings: the higher the value, the more frequently the stakeholder group was placed at the top of respondents' lists.



Question: "Which partners have been the most important in advancing your organisation's human rights work in practice?" (n=61)

Partnerships remain in a comfort zone

1. **Corporate and institutional actors rank highest -**
Stakeholders within companies' "comfort zones" are emphasised
2. **Weaker engagement with rightsholders and vulnerable groups**
3. **Civil society and independent actors undervalued**
4. **A gap compared to international framework guidance**

[The list on the previous page](#) shows that companies primarily advance human rights work through **corporate and institutional collaboration**, but not yet systematically with rightsholders — such as workers, communities, and civil society organisations. **From the perspective of international frameworks, this represents a key area for development.**

Selected Open-Text Responses: Key partners in human rights work



“Joint supplier audits carried out together with customers are particularly important and help to strengthen corporate responsibility throughout the supply chain.”

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

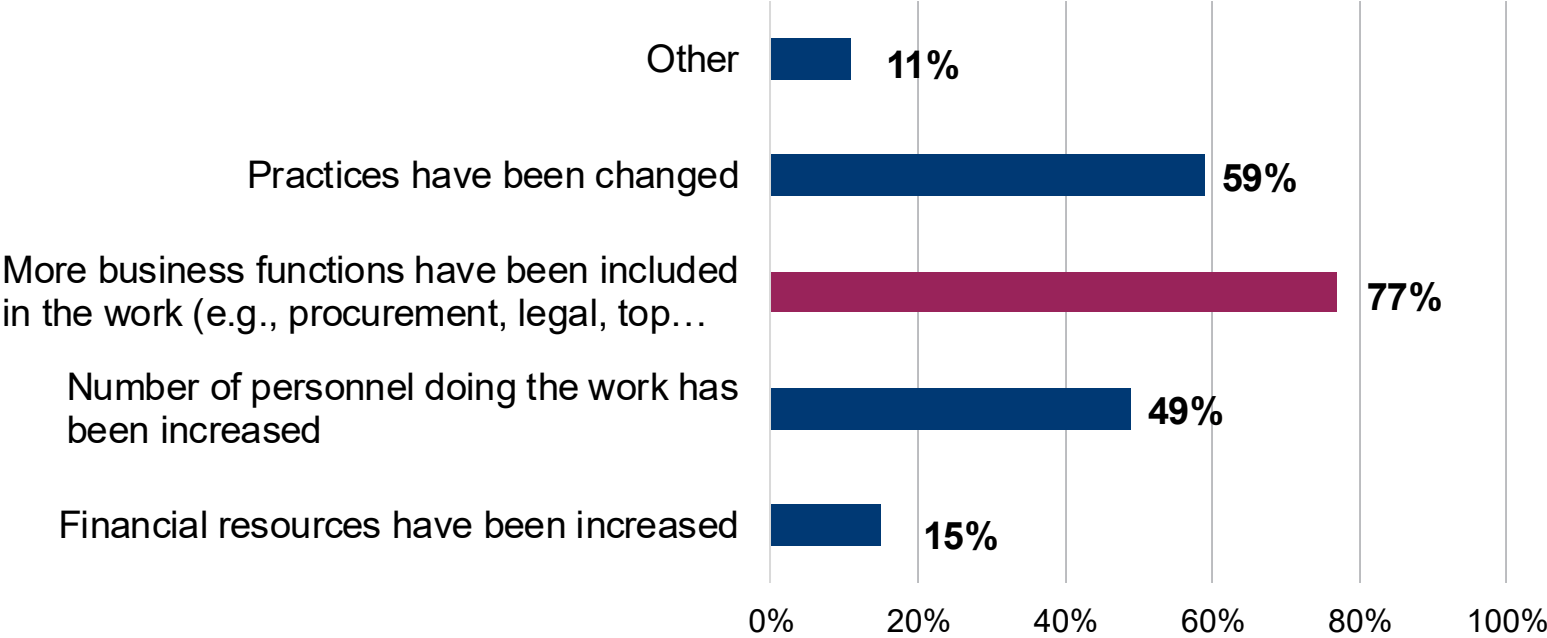
“Some of these [partners] have not been utilised at all — at least not yet.”

Examples of open responses from the online survey

7

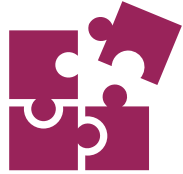
**Corporate sustainability
regulation and human rights
work**

While regulation has increased staff involvement and the development of practices, only a few companies report that financial resources have increased over the past two years



Question: "What changes have been made in your organisation's human rights work as a result of increasing regulation over the past two years?" (n=61)

Regulation has had a significant impact on making human rights work within companies more structured



77%

of companies report that increasing regulation has broadened the range of functions involved in human rights work (e.g. procurement, legal affairs, and senior management)



59%

of companies report having changed their operating practices as a result of increasing regulation



49%

of companies report that staff resources for human rights work have been increased as a result of regulation.

Question: "What changes have been made in your organisation's human rights work as a result of increasing regulation over the past two years?" (n=61)

Selected Open-Text Responses: What changes have been made in your organisation's human rights work as a result of increasing regulation over the past two years?



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

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

“There has been broader internal collaboration within the company, for example involving a larger group from the HR department. New functions, such as the quality department, have also become involved in the ‘remedy’ phase to address health and safety impacts to product users.”

Examples of open responses from the online survey



Tools and support needs in human rights work

Key tools and information sources in human rights work

International frameworks and standards

- UN Guiding Principles on Business and Human Rights (UNGPs)
- ILO conventions, OECD Guidelines for Multinational Enterprises

Tools for risk assessment and mapping

- Risk indices and risk maps (e.g. Verisk Maplecroft, World Bank WGI, public and free indices)
- Sector-specific risk analyses and reports

Support from companies and networks

- Peer learning and benchmarking between companies
- Dialogue, networks and collaboration platforms (including sectoral and international initiatives)

Public authorities and organisations

- Official sources, reporting requirements, laws and regulations, public studies, examples and societal discussion
- Reports and research by civil society organisations (e.g. Amnesty, Finnwatch, Shift)



The list has been compiled from open-text responses to the question: “What are the most useful tools or sources of information for your company’s human rights work?”

Companies' support needs 1/2

Increasing internal understanding and expertise

- Management awareness, support and resourcing
- Practical, hands-on training

Concrete tools and examples

- Practical cases and examples of solutions from other companies
- Model clauses, contract terms and audit questions
- Tools for risk assessment, information systems, data and data reliability

Role of public authorities and regulation

- Clearer guidance and interpretation of regulation (e.g. CSDDD, CSRD, competition law)
- Collaboration with authorities, strengthening supervision and advisory services
- Clarifying and enforcing legislation (binding regulation increases pressure across the value chain)



The list has been compiled from open-text responses to the question: “What kind of support would your company welcome on human rights and from whom?”

Companies' support needs 2/2

Supply chain transparency

- Support extending deeper into supply chains
- Reliable data from suppliers and industries
- Collaboration with value chain actors and third parties (NGOs, certification schemes)

Stakeholder engagement

- Building dialogue, particularly with vulnerable groups
- Practical support on how to carry out engagement in practice

Resources and prioritisation

- Support for prioritisation: where to start and what is most critical
- Lighter, more accessible solutions for small companies



The list has been compiled from open-text responses to the question: “What kind of support would your company welcome on human rights and from whom?”

Selected Open-Text Responses: Tools and support needs



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

Examples of open responses from the online survey

PART II

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

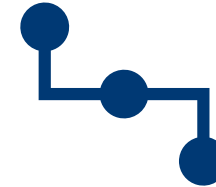
Background: Poverty, child labour and the climate crisis overshadow coffee and cocoa production



Around 25 million smallholder farmers produce the majority of the world's **coffee**, living at the mercy of highly volatile global prices. Poverty remains a pervasive challenge, as the price farmers receive often fails to cover even production costs—let alone support their families. Child labour has been reported in coffee production across 17 countries. Climate change is further exacerbating the situation.



More than 70% of the world's **cocoa** is grown in West Africa. In the two largest producing countries, Côte d'Ivoire and Ghana, on average one in two children is engaged in child labour. Forced labour is also common. The root cause of these problems lies in adult poverty. Climate change is further worsening the situation.



Ensuring the economic and environmental sustainability of coffee and cocoa production requires commitment across the entire **production chain** so that farmers receive a living income and support in meeting sustainability requirements.

Coffee and cocoa are recognised by companies as high-risk commodities

- In nearly all companies, a human rights risk assessment has been conducted in which cocoa and/or coffee have been identified as high-risk commodities.
- However, more in-depth assessments of how a company's own activities affect the realisation of human rights within its supply chain have been carried out only rarely.
- Some companies are planning to conduct such impact assessments.

Retail sector: “When considering the severity of human rights impacts, coffee and cocoa pose such serious risks that they have been prioritised in our impact assessment and are subject to closer monitoring.”

Food manufacturer: “We have carried out a risk mapping across our entire supply chain. Forced labour, living wages, and living income 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.”

Thematic interviews with food and retail sector companies, spring 2025

Procurement policies and certifications as key tools

- Companies have established procurement policies and guidelines for high-risk raw materials.
- The majority of companies require that raw materials come from certified or responsibly audited suppliers. In retail companies, this requirement applies to private-label products.

“Formulating risk-specific procurement policies is a slow process, as they carry wide-ranging global implications and must also take commercial considerations into account.”

“When purchasing, we use suppliers who can demonstrate that they have a third-party sustainability label, or who have passed an audit if we are sourcing directly from a high-risk country. We have not reached the level where we would fully understand the specific risks; 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 in each case.”

Thematic interviews with food and retail sector companies, spring 2025

Responsibility is outsourced to certification schemes

- Commonly used certifications include Rainforest Alliance and Fairtrade, as well as amfori audits.
- Responsibility for managing human rights impacts is often outsourced to certification and audit systems, including aspects such as dialogue with rightsholders.
- No comparisons of the effectiveness of different certification schemes were mentioned. One company reported assessing certifications based on whether they meet regulatory requirements, such as those set out in the Deforestation Regulation or the Forced Labour Regulation.

When asked about measures to prevent risks related to living incomes: “If it is required by a certification scheme, then it is included.”

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

“We require amfori audits from our direct suppliers, which means human rights are at least identified at the first-tier level. 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.”

Thematic interviews with food and retail sector companies, spring 2025

Dialogue with people affected in the supply chains remains very limited

- Dialogue with rightsholders, such as primary producers and workers, in coffee and cocoa supply chains remains very rare. When discussions with farmers or workers do take place, they usually occur in the context of audits.
- Retail companies expressed a desire to find new ways to engage in dialogue with workers and producers in their supply chains. The need for a scalable model and collaboration among companies to build such dialogue across supply chains was highlighted.
- Coffee manufacturers reported 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.”

Thematic interviews with food and retail sector companies, spring 2025

Internal human rights training and expertise have increased

- A wider range of units within companies are now involved in sustainability work. The sustainability team collaborates with functions such as procurement, legal, product development, and production.
- In some companies, human rights expertise has been successfully strengthened in key functions, while in others internal training is still at a very early stage.
- All interviewees emphasised the necessity and benefits of training.
- They also stressed that understanding one's own supply chain is essential in order to address its impacts on people in a concrete and meaningful way.

“Feedback from procurement staff on the trainings has been very positive: as a result, they now see suppliers in a completely different light. The discussions are no longer only about price and delivery terms but also delve deeper into human rights and environmental issues.”

Thematic interviews with food and retail sector companies, spring 2025

The due diligence process is still at an early stage

- In most cases, assessments of the human rights impacts of companies' own purchasing activities, as well as analyses of the measures needed to mitigate adverse impacts, are still missing.
- On a positive note, a few frontrunner companies have established long-term partnerships within their supply chains.
- Practical measures to reduce adverse impacts are largely lacking. However, some companies have plans to examine and address these impacts through project-based collaboration.
- Information and action concerning how raw material sourcing affects primary producers' ability to earn a living income are also missing.
- Regulation has, however, accelerated progress in corporate human rights responsibility work.

“At times I’ve thought, thank God for regulation. There are issues that would be very difficult for me to advance within our company without the pressure that regulation brings.”

“If the proposed weakening of the Corporate Sustainability Due Diligence Directive goes through, the whole effort will stall. That would be truly unfortunate, as the directive represents exactly the right and most effective direction.”

Thematic interviews with food and retail sector companies, spring 2025

Recommendations for companies 1/2

- **Establish a risk-based due diligence process in line with the UN and OECD Guidelines.** Ensure that your business partners and suppliers do the same.
- **Assess how your company's operations affect the realisation of human rights—such as children's rights—in the primary production of cocoa and coffee.**
- **Pay particular attention to living wages and incomes,** as they are a prerequisite for the fulfilment of other rights and for the adoption of more sustainable production practices.
- **Ensure continuous training for staff and put learning into practice:** Make sure that procurement applies human rights expertise in purchasing practices, contracts, and risk management.
- **Review purchasing practices:** Assess how pricing, payment terms, delivery schedules, and contracts affect farmers' livelihoods, and 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.

Recommendations for companies 2/2

- **Engage in dialogue with farmers and other rightsholders** at all stages of the due diligence process. Ensure that grievance mechanisms are accessible to those in the most vulnerable positions within supply chains.
- **Use certification only as a tool** — certification does not replace a company's own due diligence process.
- **Assess the actual impact of different certification schemes** in preventing and mitigating the adverse impacts you have identified and prioritised.
- **Work collaboratively to address the 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 a clear description of your due diligence process and demonstrate the tangible impacts of your measures to prevent, mitigate, and remedy harm — for example, reductions in child labour or improvements in farmers' incomes.

PART III

Human rights work in practice

Recommendations from large Finnish companies

The insights from the interviews can be summarised into 10 + 1 key recommendations.

1. Bring together a cross-functional team.
 2. Seek top management commitment from the start, if possible.
 3. Choose the language and communication approach that best fits your organisation.
 4. Start somewhere and build from there.
 5. A full value chain human rights impact assessment provides the big picture.
 6. A risk-based approach helps keep the work manageable.
 7. External expertise can accelerate progress.
 8. Learn from the solutions and experiences of other companies — both within and beyond your own sector.
 9. Tap into the stakeholder engagement already happening
 10. Make use of stakeholder engagement that is already taking place.
- +1 Human rights impact assessments (HRIAs) and enterprise risk management (ERM) can feed into double materiality assessments (DMAs) — but not really the other way around.

1. Bring together cross-functional teams

- Cross-functional working groups are seen as one of the most effective ways to advance due diligence.
- The benefits include shared responsibility and having nominated champions to drive implementation in their functions.
- Human rights and environmental due diligence are considered together, in line with the CSDDD framework.

Participants in cross-functional teams are generally from compliance, sustainability / human rights, supply chain, occupational health & safety / HR, legal and internal audit teams.



Top tip from practitioners

- Before launching the working group, hold one-on-one discussions with representatives from each function to help them understand how human rights and environmental due diligence relate to their work.
- A full value chain human rights impact assessment can serve as a valuable learning and engagement tool.

2. Start with top management engagement, if you can

- Top management needs to understand:
 - the financial and resource implications of due diligence processes;
 - that the premise of DD (and CSDDD) is consideration of risks to people, not just risks to the business; and
 - that once risks and impacts are known and identified, the company must act on them.
- Upcoming regulations (CSDDD and beyond) have been the top business case argument used by sustainability teams to push the agenda, followed by requirements from investors or lenders.

Seeking approval for policies and integrating human rights risks into the enterprise risk registers have been used to engage senior management.



Top tip from practitioners

Start by identifying one top management representative who can act as an advocate and sponsor for human rights issues.

3. Pick the right language for your organisation

- Implementing human rights DD is seen similar to change management: it requires a company to adopt a new lens from which to view its business activities - impact to people, not to business.
- It is important to understand the role of each internal audience and to adapt language and arguments accordingly.
- While senior management and compliance need to understand the relevant 'business and human rights' terminology, for other internal audiences 'human rights' may come across as too academic or theoretical and colleagues do not automatically have a clear, shared definition of its scope or meaning in the context of their organisation and role.

Some may also think that human rights do not apply in the Finnish context and are only relevant in high-risk or conflict contexts.



Top tip from practitioners

Most interviewees have found the term 'risks/impacts to people' to be most immediately understandable to a broad range of colleagues.

4. Just start from somewhere and build from there

- Any and every step taken to understand risks and impacts advances organisational learning.
- Many answers can be found inside the company and a lot can be achieved in-house and by consulting publicly available resources.
- A start can be focusing on just one part of the value chain, like procurement or own employees, or on a specific country or business activity.
- Mistakes and missteps will be made - the best way to learn and move forward from them is through transparency and honest dialogue with stakeholders, including demonstrating changes made as a result.



Top tip from practitioners

Some start with a simple human rights policy commitment to give a mandate for further work – this can then be updated and strengthened over time.

5. A full value chain human rights impact assessment will give you the big picture

A full value chain human rights impact assessment (HRIA) has been a valuable tool to:

- bring understanding of the relevance of human rights beyond supply chain - in own operations, for employees, and in downstream distribution, marketing, product design and use;
- advance internal learning and bring new perspectives to colleagues' work;
- help focus on the most important risks and impacts and prioritise next steps.

Human rights impact assessments are either done by in-house sustainability teams; or using external expert consultants; or as a hybrid.



Top tip from practitioners

Use the UNGP's clearly defined methodology for assessing severity of impacts to bring robustness and buy-in to the results of your human rights impact assessment.

6. A risk-based approach helps keep it manageable

- A risk-based approach to due diligence makes it more impactful and manageable - by focusing on the most severe and likely impacts across the value chain.
- For upstream risks, a common approach is to prioritise suppliers based on 3 core indicators of risks:
 - **Country risk:** find out where products are manufactured, raw materials extracted or services delivered rather than assessing risk based on where a supplier's headquarters are located.
 - **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.
 - **Category / activity risks:** risks will vary between different supplier categories and outsourced activities and some companies have carried out human rights risk assessments of supplier categories.



Top tip from practitioners

Engage with procurement teams early as they will probably already be aware of many risks and will be crucial for any successful due diligence process.

7. External expertise can accelerate action

- Using external expertise is helpful especially if the company is still building internal knowhow and/or resources are limited, with about half of the interviewed companies having used external consultants to carry out impact assessments, gap analyses and training.
- External experts can add independence and credibility in particular to assessment results and with senior management, as well as helping develop the sustainability team's competencies.

Other valuable options include FIBS's Business and Human Rights group and the UN Global Compact's Business and Human Rights Accelerator programme. Both provide support for conducting initial assessments, initiating discussions, and building an overall picture of impacts and risks.



Top tip from practitioners

Using external consultants can make it easier to engage external stakeholders as some 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

- Engagement with peers – in and beyond one's own sector - is likely to lead to finding others with similar challenges and learning from each others' experiences.
- There is strong support for joining industry collaborations, taking advantage of their support, knowhow and initiatives.
- 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, industry initiatives are helpful in scaling up activities, pooling resources and easing the pressure on suppliers.



Top tip from 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, dedicated stakeholder engagement on human rights has been fairly limited and remains challenging.
- Some companies have been able to utilise inputs from stakeholder engagement already done as part of everyday business e.g., employee and customer surveys; market research; worker interviews done as part of supplier labour standards audits; and consultations with communities local to work sites and operational facilities.
- But insights from these engagements are often not recorded in a structured way that would allow them to be utilised as input for human rights DD.
- Many stakeholders are not familiar with ‘stakeholder engagement’ as a concept and are unsure of how to respond to questions from a large company.



Top tip from practitioners

Talk to HR, marketing and operations to understand how various stakeholders incl. employees, customers and communities are engaged now and how you might integrate dialogue into existing processes.

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

- Most companies rely on off-the-shelf third-party whistleblower mechanisms with employees being the most frequent users.
- Companies with larger work sites use e.g., posters, leaflets, suggestion boxes, QR codes, regular surveys, etc. to sign-post these channels and collect feedback - especially important for any workers who sit outside of the company's own HR systems, such as contractors.
- It is important to consider the cultural and social context of different stakeholders and seek to mimic methods that different groups usually use to deal with grievances and challenges.

One challenge can be identifying which function should handle incoming reports, since reports can relate to many different topics and it's important to bring together relevant functions - such as operations, sourcing, HR and compliance.



Top tip from practitioners

When designing grievance mechanisms, it's important to think about challenges relating to literacy, language, devices, technical skills, internet access and the type of phone plan.

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

- Human rights impact assessments (HRIA) and double materiality assessments (DMA) share the same assessment methodology of ‘severity and likelihood’, as defined in the UNGPs. Impacts, risks and opportunities are considered at a higher level in DMAs than in HRIAs which means a HRIA can act as an important timesaver and input into a DMA.
- Enterprise risk management (ERM) is focused on financial and operational risks to business, whilst HRIA consider severity of impact to people. There has been mixed success with integrating human rights risks into ERM systems and risk registers.
- ERM cannot be used to substitute HRIAs. 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.



In conclusion: key takeaways for policymakers and public authorities

What companies expect from policymakers and public authorities



Regulation should be clarified and made more consistent – not weakened

- Legislation should be developed to be clearer and more equitable.
- Binding regulation should be strengthened to ensure a level playing field for companies.
- Consistent interpretation is needed particularly between sustainability and competition law.



Public authorities should establish and maintain support services for companies

- Companies would welcome a clear consultation channel with public authorities.
- They also call for open and up-to-date risk assessments for raw materials and production countries.



Decision-makers should ensure that policymaking and communication are fit for purpose

- External communication from policymakers should be based on research and evidence, not opinion.
- Policy decisions and guidance should support companies' long-term sustainability efforts.

Based on open-text responses from the electronic survey.

Selected Open-Text Responses: Expectations for policymakers and public authorities



“Support would be especially needed in the form of an official interpretation from an authority or similar body on how sustainability legislation relates to competition law. Promoting social responsibility and human rights is neither effective nor sensible if pursued by individual companies in isolation — systemic and structural issues should be addressed through collaborative structures. However, interpretations of competition law often seem to unjustifiably hinder this, with arguments that information sharing and supply chain transparency are not possible. It would also 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.”

“Legislation that would compel 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.”

Examples of open responses from the online survey



Find out more about the Human Rights Survey:

fibs@fibsry.fi

info@fairtrade.fi

threefoldsustainability.com/contact