INTRODUCTION

In 2019, twelve companies from Germany and Italy participated in the Human Rights Peer Learning Group, convened by the Global Compact Network Germany. Members represented the chemical, banking, logistics, textile, pharmaceutical, extractive, infrastructure, technology and ICT sectors.

Two webinars and two workshops were held in 2019, including an exchange with companies and representatives from six other European Global Compact Networks. Group members presented good practices, joint analyses and lessons learned. International experts from civil society, business and policy contexts contributed to the discussions.

ACTIVITIES AND KEY LESSONS LEARNED

In 2019 the group explored the linkages between human rights due diligence and broader trends such as digitalisation and sustainable finance. Members also discussed the opportunities for using a human rights lens in more ‘traditional’ corporate activities such as HR and mergers and acquisitions. These discussions took place against a background of the ongoing National Action Plan (NAP) monitoring in Germany and increasing international movements towards mandatory due diligence. Key insights included:

- **HUMAN RIGHTS IN M&A DUE DILIGENCE**
  Webinar, March 2019
  When acquiring a business, a company inherits its responsibility to respect human rights—including responsibility for impacts caused, contributions to impacts and outstanding remedy.
  Human rights due diligence can help avoid post-transaction rights-related risks and liabilities by applying a broader view to the information assessed during M&A due diligence.

- **HR & HUMAN RIGHTS DUE DILIGENCE: EXPLORING SYNERGIES**
  Workshop, May 2019
  HR processes identify and manage a range of human rights issues. However, there are still untapped opportunities for synergies between the activities of human rights / corporate responsibility and HR functions. These include strengthening HR processes to function as effective human rights grievance mechanisms, working together to improve recruitment processes or using existing communication / training channels to raise awareness of human rights.

- **TECHNOLOGY AND HUMAN RIGHTS DUE DILIGENCE**
  Webinar, December 2019
  While a number of tech solutions exist to support supplier and worker engagement or supply chain transparency there is no one ‘silver bullet’ to radically transform human rights due diligence.
  A clear view of their benefits, risks and limitations can guide companies to find a good mix of processes, data and technology for impactful approaches.

- **INVESTORS’ AND BANKS’ PERSPECTIVES ON HUMAN RIGHTS: EVOLVING EXTERNAL LANDSCAPE**
  European-level workshop, September 2019
  Strengthened human rights are a basis for stable societies and sustainable economies, while global inequality and financial instability have serious impacts on human rights.
  Financial institutions putting an emphasis on the human rights dimensions of ESG has important implications for their clients. Also, regulatory requirements are growing and legal concepts are being challenged (e.g. not incorporating ESG issues into investment decisions may be seen as a failure of fiduciary duty).

OUTLOOK

Activities in 2020 will focus on increasing the active exchange on members’ implementation activities through the use of peer coaching and other innovative formats. Group participants will jointly prepare sessions on human rights implications of new technologies; grievance mechanisms in supply chains and business relationships; and smart KPIs, monitoring and impact assessments.