25 Insights, 25 Years

Sharing 25 insights informed by 25 years in the field of just and sustainable business.

Dunstan Allison-Hope

March 2024

Purpose

This paper sets out 25 insights informed by my 25 years in the field of just and sustainable business. This has included 5 years in the sustainability team at BT and 20 years in various roles at BSR (Business for Social Responsibility).

The field has experienced tremendous change during these 25 years, and I have been fortunate enough to experience a lot of that change firsthand.

I have led the creation of multi-stakeholder and multi-company initiatives such as the Global Network Initiative (GNI), the Responsible Business Alliance (RBA), and BSR's Future of Reporting Working Group.

I have written many sustainability reports and have been involved in several disclosure standards setting processes like the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and International Integrated Reporting Council (IIRC).

I have undertaken over 120 human rights assessments based on the UN Guiding Principles on Business and Human Rights (UNGPs), primarily for technology companies (such as Google, Meta, and Amazon) and initiatives (such as the Tech Coalition and the Global Internet Forum to Counter Terrorism). I played a role, via a human rights assessment, in the creation of the Meta Oversight Board.

I have listed my main milestones in the annex to this paper. As you will see, my experience has cut across many different parts of the just and sustainable business field, and I have often played the role of connecting insights across disciplines.

In this context I have chosen to record my insights based on experience alone, rather than drawing upon research, interviews, or dialogue. These 25 insights are my reflections based solely on what I have seen, heard, and learned.

Nothing has Changed; Everything has Changed

Reflecting on my 25 years, I realize that some of my world view has not changed at all.

I entered the field holding the two-part view that (1) companies need to "do a lot more" to address their impacts on people and the environment and (2) companies have an essential role to play in fulfilling rights and ensuring just and sustainable development. I entered the field to both change business and to harness it, and that remains true today.

I also entered the field believing in both voluntary action and regulation by governments. I still believe in that combination today and find myself optimistic about recent efforts to regulate key elements of just and sustainable business.

However, some things have changed over the past 25 years.

I am an internationalist by nature and have been optimistic about the potential of business to facilitate international collaboration, exchange, and dialogue. While this core belief remains, it is

2

much harder to maintain in today's context of international conflict, diplomatic fragmentation, and global governance crisis.

I also like to joke that "hope" is both in my name and in my nature. However, my outlook has taken on both a more pessimistic and more urgent character recently. Climate change, authoritarianism, and technology-enabled surveillance seemed like distant prospects in the late 1990s, but they feel more real than distant today. We have entered the era where bold action now rather than distant commitments for later is needed.

My Point of View

I have increasingly come to appreciate a creative tension in the field of just and sustainable business between innovation and standards.

When I entered the field there were very few standards, so we had to adopt an entrepreneurial approach and create things that did not exist before. Even as late as 2006 – 2008 we wrote the GNI principles without the UNGPs to guide us.

Today the field is full of well-established standards, and a top priority is to implement them in practice. In ever-changing industries like technology, having timeliness standards to work from is a terrific aid.

Innovation and standards can re-reinforce each other very well. I have become a strong believer in design constraints—in this case, standards—enhancing innovation by forcing us to think differently. However, sometimes I fear that standards can constrain our thinking and direct us to neglect pathways that we may otherwise pursue.

I find myself caught in the middle of this tension. Sometimes I fear that those with an entrepreneurial approach may find my focus on applying global standards to be stifling; other times I fear that those who are steeped in standards may find my desire to innovate troubling.

On reflection this is a natural feeling for someone who has had to innovate to create standards in the first place. I appreciate the importance of standards, but also remember the empowering feeling of having to create them from scratch.

In this paper I share my own authentic point of view on the future of just and sustainable business, rather than seeking to represent one school of thought or another. There are times where I propose ideas (like a fourth pillar for the UNGPs) that those with a standards orientation will probably object to. There are other times where I emphasize standards (such as formal annual reporting) that those with an entrepreneurial spirit may find uninteresting.

This is deliberate. I am sharing my point of view, based on my experience, and leaving it to you to agree or disagree. My main hope this paper sparks discussion and puts forward ideas and priorities that increase the impact of the field of just and sustainable business.

Format

I have limited my reflections to no more than one page for each of the 25 insights. I believe that design constraints encourage innovation and focus, and that succinctness makes key ideas digestible and accessible.

Throughout I have used the term "we" to mean those of us in the field of just and sustainable business, including those working in companies, civil society organizations, governments, investors, research, academia, and consulting. We may not agree on everything, but we know who we are, and we are all pushing in similar directions. Our roles are becoming more relevant, not less.

These 25 insights reflect my point of view in early 2024 at the time of publication. I am sure my views will evolve over time with new experiences, but I hope this document provides practical value for you when planning and is something you can refer to from time to time.

Finally, I have distributed my 25 insights evenly across five themes that represent those areas of greatest familiarity to me: business and human rights; technology and human rights; reporting and disclosure; public policy; and the field of just and sustainable business. However, I am a strong believer in collaboration across professional boundaries, and hope this content is informative for everyone.

Disclaimer

The views expressed in this document are my own and do not necessarily reflect those of BSR or BSR member companies.

Acknowledgments

Thank you to Jamie Allison-Hope, Hannah Darnton, and David Korngold for reading drafts of this paper and for providing encouragement.

SECTION 1 | BUSINESS AND HUMAN RIGHTS

- Ongoing human rights due diligence is more important than a "single moment in time" assessment.

- Companies should maintain and report a formal register of risks to people and the environment, alongside the formal register of risks to the enterprise.

- Meaningful engagement with directly impacted [or "host country"] stakeholders can reveal very different priorities than engagement constrained to "expert" [or "home country"] stakeholders.

- Human rights-based approaches define "how" business should be done, but don't always determine "what" business should be done.

- The UN Guiding Principles on Business and Human Rights should have a fourth pillar called "the opportunity to promote".

SECTION 2 | TECHNOLOGY AND HUMAN RIGHTS

- Companies deploying technology have as much influence over human rights impacts as companies developing technology.

- Focusing on near-term harm will position us better in the long-term.

- We should focus on "little tech", not just "big tech".

- We need a greater emphasis on systemwide approaches to human rights due diligence to complement company-specific human rights due diligence.

- We should emphasize both risks and opportunities.

SECTION 3 | REPORTING AND DISCLOSURE

- Reporting and disclosure are necessary but not sufficient.

- Materiality and salience assessments should be combined.

- Who prepares, approves, and reads the report is more important than how many people read the report.

- We need an equivalent of the Form 10-K for sustainability reporting.

- Apples and oranges should be compared.

SECTION 4 | PUBLIC POLICY

- Companies should comply with both the spirit and letter of law.

- Sustained and responsible public policy engagement is essential for long-term risk mitigation.

- We need a stronger vision of what it means to "remain responsibly" and provide space for companies seeking to do this well.

- Understanding how change really happens inside companies should have a bigger influence on public policy creation.

- We should celebrate not diminish compliance efforts.

SECTION 5 | THE FIELD OF JUST AND SUSTAINABLE BUSINESS

- Great things can happen when different professional communities collaborate.

- Don't confuse accountability with complexity.

- Changing company culture is more impactful than auditing.

- Advocates working in civil society organizations should be celebrated.

- Practitioners of just and sustainable business inside companies should be celebrated.

SECTION ONE | BUSINESS AND HUMAN RIGHTS

I do not think I fully appreciated how important every word, sentence, and paragraph in the UNGPs would become when I first read them. Back in 2011 it was not unusual for new standards to be established, so I embarked on my typical approach of seeking to identify where my approach was already sufficient and where it needed to change.

However, it was not long before I comprehended the significance of the UNGPs and how they would transform almost everything I worked on. The UNGPs have since become my most read document, and thirteen years later I am still opening the UNGPs to remind myself of key concepts and to quote core passages.
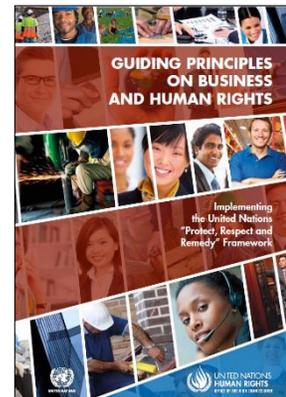
In this section I set out five insights from applying the UNGPs in practice and "learning from doing" human rights work with companies. These insights raise two key themes.

First, it is urgent to secure a mainstreaming of the UNGPs across more companies and more functions inside companies. While it is impressive to say that I have "undertaken over 120 human rights assessments", this has only made me even more aware of all the companies, products, and services that do not adhere to expected practice in human rights due diligence. While signature cases with high profile companies are important to scrutinize, I fear that they take our attention away from others and that most companies and business decisions go untouched by business and human rights methodology. Various business and human rights research showing the limits of UNGPs adoption—notably the Corporate Human Rights Benchmark—reinforce this concern.

Here I am somewhat optimistic, with the various new due diligence and reporting laws and regulations well placed to ensure that business practices based on the UNGPs are far more broadly understood and applied.

Second, I think we need a conscious effort to recall what the terms "business" and "human" in "business and human rights" are referring to.

On "business" we would benefit from a more deliberate orientation towards the emphasis companies place on perusing opportunities to create value, on the rapid pace of company decision making, and on the importance of products, services, and customers in determining company priorities. By "human" we would benefit from more emphasis on the perspectives of stakeholders most directly affected by business decision making, rather than any pre-conceived notion of what "the right path of action" should be or the results of an out-of-date assessment.

I am less optimistic on this "business" and "human" theme, and believe we need to invest more time in dialogue with everyone involved making or impacted by business decisions, rather than discussions among the "usual suspects" inside or outside companies. As the next five insights reveal, adhering to every word, sentence, and paragraph in the UNGPs is very often the answer—but not always.

Ongoing human rights due diligence is more important than a "single moment in time" assessment.

I have undertaken over 120 human rights assessments over the past decade, including of entire companies (e.g., corporate level salience assessments), products (e.g., end-to-end encryption, facial recognition), markets (e.g., whether and how to enter, exit, or remain in a market), policies (e.g., social media content policies), governance (e.g., Meta's Oversight Board), and multi-company / multi-stakeholder efforts (e.g., Global Internet Forum to Counter Terrorism, Tech Coalition).

These assessments have been highly valuable. Depending on the context, these assessments have provided an essential foundation for how companies address adverse impacts, raised considerable awareness inside and outside companies, enhanced understanding of impacts, and facilitated greater accountability via transparency.

However, despite these considerable benefits, I have been struck by two shortcomings of these "single moment in time" human rights assessments.

First, impressive though the list of 120 human rights assessments is, I am aware of the much greater range of companies, products, markets, policies, and governance mechanisms that have not been assessed.

Second, while I have confidence in the robustness of every assessment, I have noticed how quickly they can become dated over time as technology evolves (e.g., new capabilities and functionalities), social context changes (e.g., a coup or conflict), and our understanding grows (e.g., about how a product is used in practice rather than theory).

This can set off unintended consequences, such as well-intended review of progress against human rights assessment recommendations, when many of them may no longer be fit for purpose.

For these reasons I have concluded that investing in ongoing human rights due diligence is a more likely pathway towards rights-respecting business. I certainly believe that "single moment in time assessments" can be an excellent starting point for establishing ongoing human rights due diligence, but we risk framing them as a "timeless truth", when they are no such thing.

In practice this means investing in ongoing human rights due diligence structures, such as risk registers that are reviewed annually, meaningful engagement with stakeholders, and building the capacity of functions other than human rights to undertake human rights due diligence.

Indeed, while the notion of delivering human rights training can appear to be a "soft" approach when compared to "hard" measures, I sometimes reflect on how some of the most sustained impact I have had may have occurred through the delivery of human rights training.

At the time of writing generative AI offers the perfect illustration of how ongoing due diligence is better suited, given how the technology itself, its use cases, and the context in which it is deployed, are constantly changing.

Companies should maintain and report a formal register of risks to people and the environment, alongside the formal register of risks to the enterprise.

When creating new approaches to just and sustainable business I find it useful to ask how methods that are well established in the field of "mainstream" enterprise management can be replicated in our more nascent field. While the purpose is clearly different, there are lessons that can be learned from established methods and good reasons for why things are the way they are. The management and disclosure of enterprise risk is a great example.

One of the most encouraging recent developments is the concensus that companies should identify and disclose risk to people and the environment to the same level of quality, robustness, and precision that risk to the enterprise has traditionally been identified and reported. This expectation is well expressed in the new EU Corporate Sustainability Reporting Directive and proposed EU Corporate Sustainability Due Diligence Directive, and builds on efforts such as the GRI, UNGPs, and OECD Guidelines on Multinational Enterprises.

However, while these new regulations will transform how risks to people and the environment are identified and disclosed, they remain light on important details. How precisely is this to be done?

My hope is that within a decade companies will be disclosing "risks to people" (i.e., human rights risks) and "risks to the environment" (i.e., sustainability risks) using precisely same format as used today for "risk to the enterprise" in Item 1A "Risk Factors of a Form 10-K", or similar disclosures required in the UK and EU.

There will be a lengthy list of risk statements, such as "terrorist and violent extremist content may be available on our social media platforms" or "water use required by our operations may exacerbate conflicts with other users, such as agriculture and local communities." Each would be accompanied with an explanatory paragraph or two describing the potential impact of the risk, how it may evolve over time, and its long-term implications for people and the environment.

When reviewing practice today I am struck by how often companies disclose their human rights policies, commitments, and actions, but rarely their human rights risks. I assume companies are reluctant to disclose what their competitors do not and are understandably afraid of unfavorable media coverage.

This stands in stark contrast to the Form 10-K where all manner of risks are disclosed with barely any media coverage at all. It is just considered to be a standard best practice that every company is required to do.

I appreciate reading Form 10-K risk factors, welcome their consistent form and balanced tone, and make good use of them in my work. They result from a serious, robust, and formal process, which makes them credible, reliable, and useful for those reading them. I believe logic points in that same direction for risks to people and the environment.

Meaningful engagement with directly impacted [or "host country"] stakeholders can reveal very different priorities than engagement constrained to "expert" [or "home country"] stakeholders.

It is well established that the process of ongoing human rights due diligence—assessing, addressing, tracking, and reporting human rights risks—should be shaped by meaningful engagement with stakeholders.

Much of my time over the past two decades has been spent seeking to achieve meaningful stakeholder engagement in practice, such as ensuring two-way communication based on the good faith of participants on both sides and conducting engagement before decisions are made.

Tensions abound, such as whether we have enough money in the budget to engage effectively, what we can share with stakeholders about the analysis we are conducting, and whether the company is willing to listen to the results. Our ability to address these tensions has improved significantly over time.

However, one tension has caused me more concern than most, and that is the potential for the priorities of Global North organizations—typically based in the US, UK, or EU—to differ from the views of individuals or groups who are much more directly impacted by business activities, products, or services.

This tension is most stark on the question of whether companies should enter, remain in, or exit conflict-affected or high-risk areas. Here I have been repeatedly struck by the same contrast: those outside the country often emphasizing the risks of doing business and creating a narrative that leans towards exiting or not entering, and those inside the country often emphasizing the value of well-run companies and creating a narrative that leans towards remaining or entering. The risks of entering or remaining are emphasized by the former and the risks of exiting are emphasized by the latter.

Principle 18 of the UNGPs is clear that companies should first seek to understand the concerns of directly affected stakeholders, and only move on to alternatives where that is not possible. While the reality is often nuanced, I think the field would benefit from paying more attention to those whose lives are directly impacted and less attention to those whose lives are not.

This means accepting that companies will find themselves in difficult situations with few easy answers (such as the providing technology in the context of authoritarian regimes) and requires us to accept that decision making is not as black-and-white as we would like it to be. It will also require that companies choosing to enter or remain establish robust plans to address their human rights risks. However, the rush to exit Russia and Myanmar—often (though not always) presenting exit as the only responsible option—is a prime example of where this narrative may have led to worse outcomes for those directly impacted.

Human rights-based approaches define "how" business should be done, but don't always determine "what" business should be done.

A key theme of my work since the UNGPs were unanimously endorsed by the UN Human Rights Council in 2011 has been to encourage companies to "take a human rights-based approach" to risk assessment and decision making. I have found the discipline of a human rights-based approach to provide significant benefits:

- By using well-established international human rights instruments as a reference point, human rights-based approaches ensure completeness and help companies identify risks they may otherwise miss. There are countless times where this approach has revealed "surprises" that we did not have in mind at the start of an assignment.

- By emphasizing the rights, needs, and challenges associated with individuals from populations at heightened risk of becoming vulnerable or marginalized, human rights-based approaches require us to focus on those who are most severely impacted.

- Well established human rights principles, such as participation, accountability, legality, legitimacy, necessity, proportionality, transparency, and non-discrimination can be deployed to determine the appropriate course of action for a company when rights may be in tension. I have been very impressed by the way the Meta Oversight Board applies many of these principles to real-life case decisions, and we found them very practical during our human rights assessment of end-to-end encryption for Meta.

I advocate for a human rights-first approach to risk assessment and decision-making, and especially appreciate its grounding in international law and standards. However, there are times where decisions and dilemmas cannot be solved by a human rights-based approach alone, and other considerations are needed.

For example, in the debate about whether to pursue "open" or "closed" approaches generative AI, there is a shared understanding about the human rights risks and opportunities of "open" approaches (more researchers and stakeholders can spot risks, but bad actors have easier access to technology) and "closed" approaches (easier to stop bad actors using technology, but risks are less likely to be identified), but no concensus on which option is "best" for human rights. Other factors come into play when deciding which path to take.

There are several other real dilemmas faced by companies (shall we enter or leave this market; shall we sell products to law enforcement or the military) where a human rights-based approach leaves things hanging in the balance.

A human rights-based approach can inform *how* companies do should business in each scenario but does not always determine *what* choice to make. The reality is more nuanced than I have presented here (for example, "we will pursue this scenario, but only under these conditions") but this insight has important implications for how human rights assessments should be conducted and what guidance may be derived from them.

The UN Guiding Principles on Business and Human Rights should have a fourth pillar called "the shared opportunity to promote".

The endorsement of the UNGPs in 2011 has enabled a substantial improvement in company human rights practice. I have been struck by how often referring to the precise text of the UNGPs helps define the approach that companies—of all industries, sizes, and locations—should take to human rights, no matter the context. The integration of the UNGPs into all the main international standards and regulations (such as the OECD Guidelines, GRI Standards, and European Sustainability Reporting Standards, among others) is a testament to their utility.

In particular, the three UNGP pillars of "state duty to protect," "corporate responsibility to respect," and "access to remedy" have provided much-needed clarity for companies, offering clear direction for company action to address adverse human rights impacts.

However, I have come to believe that the business and human rights field will benefit from a framework for the enjoyment, realization, and fulfillment of human rights that moves beyond a perception that the UNGPs three pillars are solely about avoiding harm. I believe this can be achieved via a fourth pillar for the UNGPs called "the shared opportunity to promote human rights" that sets out how companies—often working in partnership with states and other stakeholders—can proactively support a positive human rights agenda.

Examples of actions include designing products and services that support the realization of human rights, engaging in public policy advocacy, and empowering rightsholders by raising awareness of how their human rights may be impacted. A robust framework for the realization, enjoyment, and fulfillment of rights would provide more discipline for how these actions are pursued by companies and provide an important counterweight the risk that companies pursue human rights opportunities as "rights-washing."

I have previously proposed the concept of "shared opportunity to promote" as a priority for the second decade of the UNGPs but framed it as a step change in the interpretation of the existing three pillars, rather than adding a brand-new pillar. I positioned the "shared opportunity to promote" as an extension of risk management by asserting that "the absence of action to promote human rights presents very severe risks to their fulfillment."

However, I have come to believe that a new fourth pillar, rather than simply interpreting the three existing pillars, would be far more impactful. The reality is that far more traction can be gained inside companies when emphasizing opportunities as well as risk, especially among the many business leaders do not have the time or inclination to read the UNGPs sufficiently to appreciate the nuance of "promoting human rights is good risk management."

For the avoidance of doubt, I view this as a strengthening of the UNGPs and not a weakening, and there should be no "trading off" benefits against harms or risks against opportunities. The existing three pillars would endure as today but would be enhanced by additional principles designed to activate businesses more than would otherwise occur and focus effort on all the many ways that companies can support the realization, enjoyment, and fulfillment of human rights.

SECTION TWO | TECHNOLOGY AND HUMAN RIGHTS

One of my most enjoyable moments in the past 25 years took place at BSR's 2010 annual conference. I projected the famous photo of Eleanor Roosevelt holding a very large copy of the Universal Declaration of Human Rights (UDHR) in 1948 and then asked "what if Eleanor Roosevelt had an iPad" while clicking a button to turn the UDHR into a rather very large iPad. Laughter followed, allowing me to relax into the persona of entertaining conference facilitator.

In hindsight I probably should have also asked about her Facebook account and whether her communications were end-to-end encrypted, but the point was clear: given how long before the explosion of the internet and modern communications infrastructure the UDHR was written, how could it possibly be relevant today?

Remarkably relevant is the answer. In the time since the UNGPs were published I have had the opportunity to develop and test human rights-based approaches with technology companies from across the sector, including social media, telecommunications, cloud computing, enterprise IT services, private messaging, and artificial intelligence. In every case I have found that key features of a human rights-based approach have been tremendously well suited for the technology industry.

When assessing the impacts of a new technology, international human rights instruments have provided the ultimate taxonomy and checklist for a complete assessment, far outperforming newly created ethics-based approaches and frameworks.

When addressing the challenge of rights that are in tension with each other (such as privacy and child safety, or freedom of expression and bodily integrity) international human rights principles such as participation, legality, legitimacy, necessity, proportionality, and non-discrimination have provided a useful and robust basis for defining a practical path forward.

When seeking to ensure that technology benefits as many people as possible, the emphasis placed by a human rights-based approach on individuals from groups or populations at heightened risk of becoming vulnerable or marginalized has provided a strong basis for ensuring that we do not only focus on privileged communities and "first-adopters" of technology.

Applying human rights-based approaches to the technology industry has not been without its challenges. Identifying a single company's connection to harm when products are not used as intended or defining responsibility to address human rights impacts held by different companies across a complex industry value chain can result reasonable minds reaching different conclusions.

However, my overriding conclusion has been that we do not need to create a new framework for the era of modern technology because the existing standards work very well. This section sets out my five main reflections and areas meriting greater attention.

Companies deploying technology have as much influence over human rights impacts as companies developing technology.

A large portion of the human rights assessments I have been engaged in have been for technology companies *developing* products and services that will be *deployed* by companies in other industries, such as retail, entertainment, logistics, financial services, and the public sector—in other words, the business-to-business (B2B) or business-to-government (B2G) context.

These human rights assessments have made many important recommendations for actions technology companies can take to avoid, prevent, or mitigate the adverse human rights impacts associated with the use of their products and services. These recommendations have covered aspects such as acceptable use policies, sales due diligence, technology-based approaches (e.g., AI model training or feature limitations), public policy engagement, and collaboration with other entities to address systemic challenges.

However, in almost every case, I cannot help but notice that the key decision makers influencing the adverse human rights impacts of technology are not just the technology companies developing the technology but the retailers, banks, car manufacturers, and governments deploying the technology. Technology companies hold a lot of responsibility for the adverse human rights impacts of their products (don't quote me as saying otherwise!) but I often wonder if I am engaging with the wrong company entirely. There are four main implications arising from this insight.

First, we need to subject the deployers of technology to far greater scrutiny and build their capacity to better understand the human rights risks of technology. These deployers are making vital decisions in important risk areas such as employee surveillance, customer data use, and access to essential products and services that have real human rights impacts now. Developers often lack insight into or leverage over these impacts—typically for good reasons, such as privacy controls.

Second, the human rights impact of technology can vary significantly by industry use case, and we need to become much more familiar with the wide variety of different risks associated with each industry. Using international human rights instruments as the main reference point will help ensure that industry-specific risks are not missed; BSR colleagues have been [publishing an excellent series on this](#) focused on the use of AI in different sectors.

Third, we need to develop a better understanding of the role of technology resellers, distributers, systems integrators in determining human rights impacts. These intermediary companies are often uniquely positioned to understand both the development of the technology and its deployment, but it remains (with [some notable exceptions](#)) a largely under-studied industry segment.

Fourth, regulating technology should mean a lot more than regulating technology companies; it should also mean regulating how technology is deployed.

If I had one hundred units of effort available to deploy improving the human rights impacts of technology in a B2B or B2G context I would assign about 50 to the developers and 50 to the deployers; in the technology and human rights field today, the reality seems to be about 90 to 10.

Focusing on near-term harm will position us better in the long-term.

The growth of interest in generative AI systems has sparked a debate about the relative merits of paying attention to near-term or long-term risks to people.

For some it is essential to consider the long-term risks of AI before we develop the technology too rapidly. This school emphasizes very existential questions about artificial general intelligence[1] and the future of humanity, such as the notion that AI not fully aligned with human values might one day destroy or enslave humanity.

For others there is a far more urgent need to consider the real adverse impacts on people that AI is having today. This school emphasizes the real-world risks of bias, surveillance, and discrimination when AI is used in contexts such as workplaces, the criminal legal system, and social media.

The former school tends to emphasize the power of AI while the latter school tends to emphasize the power structures into which AI is deployed; the former school tends to prioritize the need for societies to adapt to machines and cope with technological disruption, while the latter school tends to prioritize the need for technology to work for humans.

My own instincts are firmly towards the latter near-term school, and I believe it is especially important to consider the wide variety of impacts that will soon occur (or are already occurring) across different use cases, industries, and contexts.[2] However, I think there are two importance nuances to acknowledge.

First, there are many assessment methodologies used by those in the long-term school that can be very usefully applied in the near-term. For example, scenario planning and strategic foresight methodologies can significantly enhance human rights due diligence by helping us identify risks across a range of plausible futures and preparing a variety of approaches to mitigate them. Even in the near-term there are plenty of uncertainties about how AI may impact people in practice, and futures methodologies can help us identify and address them.[3]

Second, by identifying and addressing near-term risks, we will be learning lessons, gaining new insights, and preparing ourselves for the emergence of long-term risks over time. Far from being at odds, a focus on the near-term can enhance our ability to address long-term risks by developing and testing mitigations, establishing guardrails, and improving the effectiveness of regulations.

Indeed, planning for uncertainty, considering impacts on people, and preparing mitigations that help ensure respect for human rights seem central whether we are looking into the long-term or short-term. The differences between these two schools of thought are real, but they share common features too.

---

[1] Artificial General Intelligence is a hypothetical intelligent agent capable of accomplishing any tasks that humans can perform, with self-awareness, consciousness, and the ability to adapt to the world around it.
[2] See also "companies deploying technology have more influence over human rights impacts than companies developing technology".
[3] Inspired by this tweet thread from Lindsey Andersen

Dunstan Allison-Hope | 25 Insights, 25 Years

We should focus on "little tech", not just "big tech".

Most of my work in recent years has focused on the world's largest technology companies, such as Google, Meta, and Amazon. Technology is a highly consolidated industry, and so it is quite natural to focus on the largest companies when seeking to have systemwide impact and establish new industry norms and expectations.

The increasing scrutiny of "big tech" has created many reputational, regulatory, and commercial reasons for large companies to invest in their approach to just and sustainable business. We can criticize shortcomings—and there are many—but it is undeniable that "big tech" has created increasingly sophisticated approaches to complex challenges such as content moderation, product design, and relations with authoritarian governments. They have become increasingly mindful of the products and services they make available to users and customers.

The same cannot be said of "little tech".

One of my biggest worries now is that "little tech" companies can get away with egregious harms outside the spotlight, and that gains with "big tech" companies get easily undermined elsewhere in the technology ecosystem. And unlike small companies in many other industries, "little tech" companies can have global reach and significance very quickly.

In the workplace, it is typically smaller tech companies that establish worker surveillance, performance management, and data collection methods—such as productivity tracking, communications monitoring, and hiring—that threaten worker rights and employee wellbeing. Coworker.org has done an excellent job summarizing this threat in Little Tech is Coming for Workers.

In the cybersecurity field, it is typically smaller companies that provide surveillance for hire services, sell biometric technologies, market spyware, and enable illegal hacking. Law enforcement agencies are buying surveillance services from companies banned by Meta and products that "big tech" won't sell. What is the point, I have often wondered, of successfully convincing a "big tech" company not to make a sale when a "little tech" company just provides the same product anyway, but with less oversight and scrutiny? What impact have I made on human rights when this happens?

The struggles of NSO Group provides an example of what excellent research can achieve with "little tech" companies. Not only did the company become out of bounds for most investors, but the spotlight prompted the Biden-Harris administration to issue an executive order barring federal agencies from using commercial spyware that could be employed by foreign governments to violate human rights. However, countless other NSO Groups remain, and illustrate the need for systemwide approaches to just and sustainable business.

None of this is to say that I don't believe "big tech" have responsibilities—they clearly do, and I have spent most of my career addressing them—but it is to say that we would be wise to beware of "little tech" companies too.

We need a greater emphasis on systemwide approaches to human rights due diligence to complement company-specific human rights due diligence.

Almost all the human rights assessments I have undertaken have been for a single company, rather than for a group of companies acting together. These human rights assessments have focused on identifying how the specific company can meet its responsibility to respect human rights through actions it can take to avoid, prevent, mitigate, and remedy adverse impacts.

However, in the technology industry, I have been struck by how often focusing on a single company alone comes at the expense of understanding the overall system. The technology industry is an interconnected, interdependent, and interrelated ecosystem of diverse companies and stakeholders, and many technology and human rights challenges are system-wide or geography-wide, not company-specific. Decisions made in one part of the ecosystem can have impacts elsewhere in the system, and companies may need to take coordinated action to address risk.

This has caused me to conclude that, while company-specific human rights assessment will always be essential, there is significant potential for collaborative and system wide approaches to enhance the effectiveness of human rights due diligence in the technology industry. I have reached this conclusion for three reasons.

First, technology companies have a shared interest in an internet that is free from overbroad government surveillance and a social media ecosystem free from "bad" content. All technology companies suffer when coups, conflict, and bad policies hinder rights-respecting decisions.

Second, companies at different points in the technology value chain have very complementary insights to offer. For example, a telecommunications services provider will typically have hundreds of staff "in-country" and be very familiar with the operating context, but lack insight into online content; by contrast, a social media company will have excellent insight into online content trends, but typically have few or no staff "in-country".

Third, there are many circumstances where an action to address a human rights risk is appropriate at one part of the technology value chain but would create new risks if the same action was taken at a different part of the value chain—removing harmful content is more appropriately taken by a social media company than an app store, telecoms company, or content delivery network, for example. Whole value chain approaches to human rights due diligence are more likely to address these nuances effectively, and less likely to put pressure on a single company to act in ways that may be counterproductive.

Indeed, these systemwide approaches need not be limited to the technology industry, as there are several ways in which technology companies face similar challenges to companies in other industries. Risks associated with licensing and permitting in the telecommunications industry are faced by retailers, manufacturers, and exporters, too.

It was my pleasure to participate in the GNI "Across the Stack" effort to address these issues, and I hope the GNI's recommendations gain traction.

We should emphasize both risks and opportunities.

In the first decade of the 2000s the narrative around the social and environmental impacts of technology was almost uniformly positive. Initiatives promoting technology "for good" abounded and the naive assumption that the internet would "open up closed societies" was dominant. I found this one-dimensional context rather constraining, and I was so desperate for something more challenging that I almost quit technology for the energy industry.

The same cannot be said for the late 2010s and early 2020s, where the narrative has almost completely reversed. Whether it is election interference, communal conflict, or omnipresent surveillance, there is almost always an emphasis on how technology companies have caused or contributed to the harm.

My own view during this time has remained remarkably constant at somewhere between these two extremes. I am in awe of the way private messaging services have helped deepen relationships with friends and family in meaningful ways, and I am terrified of the impact surveillance infrastructure will have on human autonomy.

It is easy to say that companies should pursue the opportunities and address the risks in a balanced manner. However, my concern is that we are experiencing a schism in the field of just and sustainable business in the technology industry where these two dimensions are far too disconnected from one another to achieve either goal effectively.

On the one hand, there are efforts to develop products and services "for good" and address some of society's biggest challenges. However, too often this happens without human rights or sustainability professions at the table, and informed efforts to explore how technology such as AI can support the realization of human rights are too rare. They often also fail to identify risks.

On the other hand, there are increasingly sophisticated efforts to establish risk and compliance processes to address some of the biggest adverse impacts of technology. However, too often this happens disconnected from product and service development, with human rights teams often brought in too late or left playing a game of "catch up".

There are no easy solutions to this divide, but I do believe that just and sustainable business leaders having a mandate to express a vision and direction for both risks and opportunities in an integrated and joined up manner must be part of the answer.

Several changes need to occur to make this a reality. Legal, audit, and finance teams taking more responsibility for compliance and disclosure will free up human rights and sustainability teams to focus more on strategy and ambition. Attempts to explore the potential of technology to address social challenges need to be based on meaningful engagement with impacted stakeholders globally. Companies need to show up more often at venues in global majority countries.

I hope we can all become more comfortable getting excited about the potential of technology, but also safe in the knowledge that this does not and should not detract from efforts to address risk. As I write elsewhere, an increased emphasis on opportunity will increase traction in the sector.

SECTION THREE | REPORTING AND DISCLOSURE

Today it is easy to take sustainability reporting for granted as something every company will do every year, but it was not always that way.

I was fortunate to be hired by BT in 1999, which by that time was already a pioneer in social and environmental reporting. I was soon tasked with writing the first integrated sustainability report (i.e., covering social, economic, and environmental impacts in the same publication, rather than separately—see right) and this provided a tremendous insight into how to both implement international guidelines (the GRI Guidelines were in their first iteration) and experiment with new approaches at the same time.
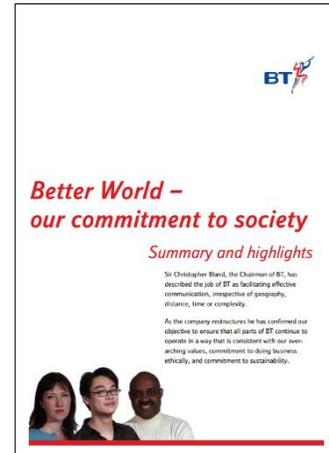
I helped GE write their first every first sustainability report a few years later in 2005. Back then GE was known as "America's business school" and I recall that this milestone became an important validation for other US-based companies, who felt that "if it is OK for GE, it must be OK for us." It was around this time that I undertook my first materiality assessment, also with GE.

During that time, I relied a lot on a talking point that "no company had decided not to publish a second report", demonstrating that there should be nothing to fear from publishing the first.

Looking back at this era I am struck by three points.

First, everything that seems to be mainstream part of the just and sustainable business field today was once done for the first time. This demonstrates the value of innovation and experimentation, and often leads me to wonder what else we should be doing for the first time.

Second, sustainability reporting today is one of the most mature parts of the field, with new international reporting standards being developed with more concensus and less debate than other parts of the field. It is noteworthy that the EU European Sustainability Reporting Standards (ESRS) track the GRI Standards much more closely than the proposed EU Corporate Sustainability Due Diligence Directive tracks the UNGPs.

Third, despite progress, there is still a long way to go in reporting and disclosure. Greater attention to context and thresholds, more industry-specific standards, and a greater methodological and cultural alignment with the human rights and social justice fields is needed.

Reporting and disclosure are necessary but insufficient.

Sustainability reporting was my entry point into the field of just and sustainable business. It was the mid-1990s in the UK and, as a student activist, I sent letters to around twenty global brands with a variety of concerns about climate change, human rights, and labor conditions. Most ignored me, though a surprising number sent me public relations material by physical mail.

But then B&Q[4] sent me their very first sustainability report, called "How Green is My Hammer", and it changed my life. The report described B&Q's efforts to establish industry wide sustainable forestry standards, and that is when I realized there were opportunities to pursue my activism by working with business.

In the thirty years since then I have channeled a lot of energy into the world of reporting and disclosure. I have written or partnered in the creation of dozens of reports, participated in standards setting processes, and championed new innovations in transparency, such as the "transparency reports" published by technology companies about user data and content moderation.

I have been surprised by the criticism levelled at reporting and disclosure during this time. The most prominent critique has been that reporting does not achieve the performance improvements we need to achieve just and sustainable development—a surprising critique, because no one involved in the origins of the reporting and disclosure field ever said that it would. It has been frustrating for a false proposition to be attributed to us ("reporting will save the world") and then be knocked down for something that we the champions of reporting never proposed it would achieve in the first place.

For me reporting and disclosure have always been a necessary but insufficient feature of just and sustainable business. It is necessary, because stakeholders (and student activists!) should be able to make informed decisions based on a company's performance and practices; it is insufficient, because reporting is not performance improvement.

Sustainability reporting done well can contribute to performance improvement, and I have witnessed firsthand how the prioritization, goal setting, and scrutiny that accompanies reporting can support transformation in companies, industries, and whole value chains. However, this has always been a secondary and positive side-effect of reporting, never its main purpose.

The values of transparency, disclosure, and reporting stand on their own merits when defining what constitutes just and sustainable business in practice. They bring intrinsic value in and of themselves, not instrumental value because of their relationship with something else.

My experience as a student activist in the 1990s taught me the importance of this intrinsic value because I experienced its absence. We would do well to remember that there are many contexts remaining today—industries, countries, issues—that also lack transparency, disclosure, and reporting, and where a basic lack of access to information constrains progress.

---

[4] B&Q is a home improvement store, like Home Depot

Materiality and salience assessments should be combined.

Materiality is a foundational concept underpinning corporate disclosure. The concept of materiality has its origins in the field of financial reporting, where it has referred to the disclosure of financial and non-financial information that is useful to the decision making of investors, lenders, and other creditors.

The term "materiality" was subsequently adopted by the field of sustainability reporting, where it has referred to the disclosure of information that is useful to the decision making of a wider range of stakeholders, such as civil society organizations, policy makers, and communities.

Salience is a foundational concept underpinning how a company should prioritize action to avoid, prevent, and mitigate adverse human rights impacts. The term "salience" has its origins in the field of human rights due diligence and the UNGPs.

Salience refers to identifying, prioritizing, and addressing the company's most important adverse human rights impacts, with salience defined by the scale (how grave), scope (how widespread), irremediable character (how hard to make good) and likelihood of an adverse human rights impact.

Historically there have been two very important differences to note between materiality and salience: materiality is about disclosure, while salience is about management; materiality covers all issues, whereas salience has been limited to human rights impacts.

However, the integration of scale, scope, and remediability criteria into both the GRI Sustainability Reporting Standards and the European Sustainability Reporting Standards (ESRS) definitions of materiality have brought the concepts of salience and materiality much closer together. Indeed, my favorite sentence in the ESRS (3.4 in ESRS 1) simply states that "the materiality assessment of a negative impact is informed by the due diligence process defined in the international instruments of the UNGPs and the OECD Guidelines for Multinational Enterprises."

Now that the concept of salience is being utilized for disclosure (not just management) and for a comprehensive range of economic, environmental, and social issues (not just human rights), should companies seek to combine previously separate materiality and salience assessments into one?

My instinct is that combining the two assessments would be both more efficient and more effective. I believe that it would result in more joined up approaches to just and sustainable business (see "we should emphasize both risks and opportunities", above) and increase the connection between assessment, disclosure, and performance improvement.

It will be important that all the expectations of a salience assessment are maintained, such as assessing impacts on all potentially relevant human rights and engaging meaningfully with stakeholders, but this must be possible. I believe both logic and the spirit of improved collaboration across functions and professions point in this direction.

Who prepares, approves, and reads the report is more important than how many people read the report.

One of the most common critiques of reporting that I have heard over the years is that formal company reports lack value because few people read them. Why put so much effort into the reporting cycle, the critique goes, if few people are going to read the final version?

I think this critique misses the point about how the value of reporting is derived. Reports matter not because of how many people read them, but because they inform the work of a small number of readers who use the content to undertake important functions far more effectively.

Examples include analysts undertaking due diligence of potential investments or seeking to understand climate risk in their portfolios, civil society organizations running campaigns based on robust information, and academics undertaking important research into the impact of business on society.

These examples are not limited to external audiences. The process of preparing the report can substantially improve the capacity of important company staff across functions to see a bigger picture, while senior executives and Board members can rely on formal reports to inform their decision making.

These factors illustrate that the relevance of reporting is not limited to how many people read the report but extends to what the small number of people reading the reports do with the information.

Indeed, important features of formal annual reporting—such as audit and assurance, the use of structured standards, and disciplines executive sign-off processes—will become more important in the age of dis- and misinformation, synthetic media, and constant real-time communication. The quality of information contained in formal reports and the robust process by which they are created will increasingly stand in stark contrast to the more uncertain information ecosystem that surrounds it.

This insight brings important implications for how companies prepare reports and where effort is focused. While it is important for companies to set out their vision, business model, and strategy in their own authentic voice, they should spend less time "creating the story" every year and more time focused on the quality, comparability, and usefulness of the information being reported. Reports can just be published without fanfare, not "launched".

Just as no one would propose a world without formal financial reports just because not many people read an annual Form 10-K, so I believe we should not propose a world without formal sustainability reports because they are read in the dozens or hundreds, not in the thousands or tens of thousands. It is the quality of the reader, not the quantity of readers, that determines the impact of formal reporting.

We need an equivalent of the Form 10-K for sustainability reporting.

The Form 10-K and sustainability reports serve very similar purposes. The Form 10-K is required to contain the information necessary for informed decision-making by investors, while the sustainability report is expected to contain the information necessary for informed decision-making by a wider range of stakeholders. However, the Form 10-K and the sustainability report have evolved to achieve these outcomes in very different ways.

Every company's Form 10-K has an identical structure, and this makes it easy for analysts to know where to find the information they need. As someone one said to me, "we all know our way around a Form 10-K." By contrast, sustainability reports come in many different shapes and sizes, and this makes the work of sustainability analysts assessing company performance on these issues much more difficult. We don't all know our way around a sustainability report.

For example, every company's Form 10-K contains a description of the business strategy, an analysis of the organization's financial conditions and results of operations, material risk factors, financial statements, and executive compensation information. The information is numbered consistently, located in the same place, and presented the same way, which makes it relatively straightforward to compare companies.

I believe that the usefulness of the sustainability report would be greatly enhanced by a similarly consistent structure. For example, every report could contain a list of sustainability impacts, risks, and opportunities, a description of sustainability governance and management approach, an analysis of the company's sustainability performance, and a sustainability results statement. Comparability would be much easier if this information were always presented in the same way, with the same structure, sequence, and numbering.

Similarly, analysis of just and sustainable business would be greatly enhanced if it became standard practice for companies to disclose "risks to people and the environment" using precisely the same format as used today for "risk to the enterprise" in Item 1A "Risk Factors of a Form 10-K" (or similar disclosures required in the UK/EU). When reading reports today I am struck by how often companies disclose their human rights policies, commitments, and actions, but not their human rights risks. This stands in stark contrast to the Form 10-K where all manner of risks are disclosed.

The emergence of the European Sustainability Reporting Standards (ESRS) and the ongoing development of the international Sustainability Standards Board (ISSB), SASB, and GRI Standards take us some way in this direction, with each bringing their disciplined numbering system and use of content indexes to aid with navigation. However, the reality is we still live in a world of reports in different shapes and sizes and GRI and SASB indexes[5] that are often nothing more than a lengthy list of links. These do not provide the same level of usefulness or convenience as the consistently structure Form 10-K.

---

[5] It is a fun fact that while working at BT I created the world's first GRI content index. Little did we know what precedent we were setting.

Dunstan Allison-Hope | 25 Insights, 25 Years

Apples and oranges should be compared.

How many times have you heard someone complain, "It's like comparing apples and oranges"? The statement is always definitive and implies that the meeting should move on from an illogical discussion—because everyone knows that an apple cannot be compared to an orange. But have you ever stopped to ask whether an apple can be compared to an orange?

Apples and oranges can be compared. One is green, the other is orange. Both are round. One can be bitten into, the other requires a knife. Both are sweet. Both are good sources of vitamin C, but oranges contain slightly more. One has a core, the other has segments. Both are fruits.

You get the idea—I just compared an apple and an orange.

In the field of reporting and disclosure we fall into the apple and orange trap far too easily. We cannot compare a company doing its own manufacturing with one that outsources its manufacturing, the complaint goes, "because that's comparing apples and oranges." We cannot compare a company holding vast amounts of personal data with one that does not, the complaint goes, "because that's comparing apples and oranges." However, that is precisely what we can and should do.

The example of technology industry "transparency reports" from vastly different companies— telecommunications, social media, and infrastructure companies—illustrates the point well. On its face we cannot compare a telecoms company (which does not moderate content) with a social media company (which moderates vast amounts of content); on its face we cannot compare an infrastructure company (that does not have access to data) with a telecoms company (which can have access to vast amounts of data).

However, making comparisons across these different companies allows for a much more complete understanding of how the overall technology industry works, where risk resides in the technology industry value chain, and what actions are appropriately taken by each company. We are not comparing a telecoms company sharing lots of data with law enforcement with an infrastructure company that isn't and saying one is better than the other; we are reviewing them in combination to enhance our understanding of how the overall system works.

In reporting terms, this means that quantitative key performance indicators (KPIs) only enable effective comparison with other companies when accompanied by key performance narratives (KPNs) setting out the various context, business model, or business strategy factors that may impact the interpretation of the KPI.

It is about the overall fruit salad, not an apple or an orange on their own.

A NASA researcher did compare an apple and an orange and concluded that "the comparing apples and oranges defense should no longer be considered valid." He termed it a "startling revelation" that could have a "dramatic effect on the strategies used in arguments and discussions in the future." So, the next time someone complains that you can't compare an apple and an orange, be bold by asserting that they can be compared—and often are.

SECTION FOUR | PUBLIC POLICY

In the 1990s I was an activist in the UK Labour Party and viewed regulation and public policy as the main lever to create the change I wanted to see in the world. However, I soon discovered the field of just and sustainable business (a very niche concept back then) and became intrigued by company action as a complementary avenue to pursue.

Over the years this led me to the intriguing position of often being more positively disposed towards business than my colleagues in politics yet more positively disposed towards government regulation than my colleagues inside companies. I have always felt that it is possible for two apparently conflicting ideas—that business can make a substantial contribution to sustainable development and social justice, and that business needs to be more assertively regulated—to be true at the same time.

My first trips to Brussels in the early 2000s were to discuss the role of the EU in promoting just and sustainable business, and I remember the first EU Green and White papers in 2001 and 2002 (see right) making the clear distinction between "sustainable development" as a global goal for all of us and "corporate responsibility" as the role of companies in making this happen. I think that distinction still holds true today.

COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 2.7.2002
COM(2002) 347 final

COMMUNICATION FROM THE COMMISSION

concerning

Corporate Social Responsibility:
A business contribution to Sustainable Development

However, unlike 2001, we are now at the point where professional communities inside government, business, and civil society have the insights necessary to design good regulation that achieves the delicate balance required for this theory of change to become real.

In this section I set out some observations about what is needed inside companies and in the realm of policy to make this happen. An underlying theme of these insights is an emphasis on collaboration across professional disciplines, such as companies focusing on the outcomes that laws are seeking to achieve (not simply the words on the page) and policy makers listening closely to those inside companies with insights into what types of regulation really drive change and what types of regulation might appear "tough" on paper but do not achieve our desired outcomes.

I have one cause for optimism and one cause for concern as we this new era of regulations for just and sustainable business.

The optimist in me is encouraged by the coalescing around key concepts of just and sustainable business—such as impact materiality, human rights due diligence, and best practices in responsible business conduct—that have arisen from two decades of soft law creation. We are in a much better position than when the EU first went down this path in 2001.

The pessimist in me is concerned that time, attention, and resources dedicated to complying with (mainly) EU law will take the focus away from Global Majority countries where the greatest needs and impacts can be found.

Companies should comply with both the spirit and letter of law.

The field of just and sustainable business is entering a new era where actions that have previously been voluntary are becoming mandatory. The EU is leading the way with regulations on due diligence, reporting, and responsible use of technology, but other jurisdictions (such as Japan, Korea, Australia, and the UK) are introducing their own requirements.

It is easy to assume that company compliance efforts kick in as soon as a new regulation is introduced and that adherence to the law is achieved almost automatically. However, there is significant flexibility for compliance to be achieved in a variety of different ways.

Far from being passive actors, those in the just and sustainable business profession have a proactive role to play in understanding how regulations should be interpreted. Given their unique subject matter expertise, sustainability and human rights teams have a tremendous opportunity to work alongside finance, legal, and compliance teams to shape how regulatory requirements are met in practice.

At the basic level this does mean helping companies achieve compliance with the "letter of the law", meaning the specific wording and requirements of the law. Most upcoming legal requirements are well drafted, so this alone will lead to improved standards of business conduct. The certainty and predictability of all companies complying with the letter of the law will be highly beneficial.

However, I think the more important role for the just and sustainable business profession is to shape compliance with the "spirit of the law". This involves focusing on what the law is seeking to achieve and keeping the original intent and purpose of the law at the forefront of compliance efforts. Focusing on the "spirit of the law" means brining an outcomes-oriented mindset, not an inputs and outputs-oriented mindset.

For example, when new regulations require that companies engage with external stakeholders, this should mean ensuring adherence of the best practices of meaningful stakeholder engagement, not engaging just to say that it has been done. Similarly, when new regulations require due diligence, this should mean genuinely seeking to identify and address all risks, not simply those that are already known or where the company has a strong track record of addressing them.

The fact that the "spirit" of many new laws is respect for human rights provides plenty of opportunities to connect regulatory compliance with broader company efforts to implement human rights policy and embed human rights commitments into the operations of the company. There are openings for new teams, such as legal, compliance, audit, and finance, to become allies in the pursuit of just and sustainable business.

This optimism may seem naïve. However, I have seen plenty of evidence of this approach emerging already and would not underestimate the massive cultural shift of being held accountable for risks to people and the environment, not simply risks to the business. In this context, being flame keepers for the "spirit of the law" is a very promising role for just and sustainable business professionals to play.

Sustained and responsible public policy engagement is essential for long-term risk mitigation.

The UNGPs are clear that companies should take appropriate action to avoid, prevent, and mitigate adverse human rights impacts. This can include finding ways to increase its leverage, such as collaborating with other actors.

There are plenty of actions companies can take alone to address adverse impacts, such as new policies, processes, and practices. However, there are also significant limits to what can be achieved by a company acting alone when the root cause of the risk is deeply embedded in social, political, and economic contextual factors. In these scenarios it can be important to emphasize engagement in public policy and advocacy in favor of rights-based policy solutions.

But this presents a dilemma. On the one hand, active company engagement with policy makers to address the root causes of human rights risk can bring new attention to issues requiring more systemwide approaches; on the other hand, the notion of "corporate capture" of policy making and business influence over publicly elected officials, especially in countries with weak public institutions, can make me feel uneasy.

However, I have reached the conclusion that it would be quite naïve to assume that companies acting alone, or even in collaboration with others, can appropriately address the systemic risks that tend to be identified in human rights assessments. When it comes to topics such as how technology is used in the criminal legal system, how to do business responsibly in authoritarian countries, or how to prevent social media platforms from being used by bad actors, it seems clear to me that long-term and policy-based approaches are essential.

This is not to absolve the company of its own responsibilities, but it does recognize that real limits do exist to company power and leverage.

Indeed, developing an approach to responsible policy making requires a level of sophistication, investment, and nuance that is often beyond today's efforts. It means identifying features of the policy landscape (such as laws and their enforcement or the existence of conflict) that present barriers to a company's ability to respect human rights, developing rights-based proposals for new regulations, and building coalitions with a diverse range of other actors that have a common cause, such as civil society organizations, investors, opinion formers. The right strategy—and indeed, whether to use the terminology of rights at all—will vary significantly from country to country.

There is also a balance to be struck in what policy engagements companies prioritize. It would be short-sighted to focus on a company's own narrow self-interests, but equally inappropriate for companies to comment on policy outside their own areas of expertise or core business focus. Participation in multi-stakeholder efforts that have a policy-influencing mandate (the GNI is a great example) is one way to strike this balance.

But my premise is simple: sustained and principled engagement with policy over time is essential for the most intractable human rights and sustainability risks to be addressed.

We need a stronger vision of what it means to "remain responsibly" and provide space for companies seeking to do this well.

The question "should we stay or should we go" when operating in a market with high human rights risk has been a constant feature of the past few decades, such as Google's decision to stop offering Search in China in 2006 and Telenor's decision to exit from Myanmar in 2022.

Each case is different and has its own unique mix of risks and factors to consider. A decision by a telecoms company providing essential communications infrastructure with hundreds of staff in country is quite different than an internet company that is largely remote; the risks associated with providing local cloud services are quite different than the risks associated with manufacturing and selling consumer electronics.

However, I have become concerned by how "leave" is increasingly framed as the most responsible option for companies in all these different scenarios.

On its face there is some logic to this instinct. By leaving, a company avoids association with adverse impacts it might otherwise be associated with, its risk profile is lower, and its reputation more secure. And sometimes "exit" is the right decision.

But too often leaving the country is not the best outcome for the realization, enjoyment, and fulfillment of human rights and inconsistent with the wishes of directly affected stakeholders. While it is easy to overstate the power of companies to alter the local conflict or political context, they can be an important ally for those seeking reform locally and preferable to alternative companies less clearly committed to human rights.

This leads me to believe that we need to generate a vision for what it means to "remain responsibly" in a market and provide the ethical space and understanding for companies that decide to pursue this different path.

This vision would include what responsible stakeholder engagement and communications means in conflict settings, such as when to reduce the risk of retaliation by sharing insights with trusted local civil society organizations rather than the broader public.

It would include consideration of how to collaborate with other like-minded companies or diplomatic actors (such as governments and intergovernmental organizations) in pursuit of long-term reform, such as engagement in government relations publicly or behind the scenes.

It would include a consideration of how to respect rights that are in tension in the local context, such as acknowledging and addressing the reality of increased surveillance while continuing to provide infrastructure and services essential to freedom of expression and access to information.

The case for remain will be different for every company and in every case, but the cause of just and sustainable business will be strengthened by a clearer vision for it.

Understanding how change really happens inside companies should have a bigger influence on public policy creation.

I am instinctively in favor of laws and regulations that require minimum standards of conduct in the field of just and sustainable business. Well-drafted laws and regulations mandating good governance, due diligence, and disclosure have an important role to play in enabling the social and environmental outcomes I want to see.[6]

These laws and regulations will be most effective if they are shaped by the views of those leading change inside companies. However, too often those with the best insights into how to change company behavior in real life—the practitioners—are given insufficient attention. This omission leads to badly drafted laws and regulations that are based on ill-informed theories of change and ill-equipped to achieve their desired outcomes.

The most prominent example of a misplaced theory of change is the common emphasis on a "paper chase" of cascading contracts—i.e., companies placing contractual requirements on their suppliers or customers up and down value chains—as a method of securing desired outcomes. We saw this approach in conflict minerals regulation and are seeing it in the realm of mandatory due diligence; in neither case does it get remotely close to the core of the problem being addressed.

Mistakes can also be made when the voices of experts able to identify perverse incentives are ignored. A good example here is the requirement that social media companies remove violating content within an average specified time-period; this sounds reasonable, but in practice can incentivize over-removal of content and a focus on the easiest rather than the most important or challenging cases.

An encouraging development has been the integration of the UNGPs into laws and regulations, but here too there has been inconsistency. The EU Digital Services Act (an otherwise reasonable piece of regulation) includes an erroneous description of the UNGPs[7] and places human rights in a different category than civic discourse and public health, as if those are not also human rights.

These discrepancies may seem technical and trivial, but in practice can result in well-resourced regulatory compliance efforts at odds with best practices in just and sustainable business. The adverse impact of these contradictions on the ability of practitioners inside companies to improve standards of just and sustainable business should not be underestimated.

Speak to most practitioners inside companies and some core elements emerge. Maintain strong alignment with the UNGPs and other relevant international standards. Do not mandate overly complex "paper chase" requirements. Assessments are more impactful than audits. Beware of perverse incentives. Do not stifle voluntary and values-led efforts. Beware of complexity.

---

[6] This section refers to process-oriented regulations. There is also an important role for substance-oriented laws, such as on environmental impacts, labor rights, and community relations.

[7] In Recital 79 the phrase "assess whether the potential negative impact can affect a large number of persons, its potential irreversibility, or how difficult it is to remedy and restore the situation prevailing prior to the potential impact" seems to be an attempt at describing the "scope, scale, remediability" criteria in the UNGPs, but gets it wrong.

We should celebrate not diminish compliance efforts.

In the field of just and sustainable business there has long been a tendency to use the term "compliance" disparagingly. Phrases like "that is mere compliance", "compliance means checking boxes", and "we need to move beyond just compliance" are frequently used.

However, compliance is going take on a very different meaning as new "good laws" in the field of just and sustainable business come into force. Despite some shortcomings, compliance with laws such as the EU Corporate Sustainability Reporting Directive, the EU AI Act, and the EU Digital Services Act will mean significant innovation and substantial improvements in responsible business practices.

Rather than being "mere compliance", observing upcoming laws and regulations is going to require herculean efforts by real people committed to having a positive impact. Compliance sometimes gets described as an automatic and one directional process—that we put a coin in the machine, and compliance comes out the other side—when in fact there are many ways to achieve compliance.

It is important to emphasize that sustainability, human rights, and corporate responsibility teams will play an essential role in shaping how compliance is achieved in practice. These are the experts that will help determine how ambitiously due diligence requirements are fulfilled, how defensible materiality assessments are undertaken, and how useful mandated disclosure becomes. In the many pathways to compliance, it will be important to celebrate and champion this those who pursue the most ambitious vision of it.

Indeed, the term "box checking" has a different meaning when it is the field of just and sustainable business that has created the boxes to check in the first place. If "box checking" means asserting that a human rights assessment has been completed, that stakeholders have been engaged with, and that the full Board has approved a disclosure, then yes, I am in favor of "box checking."

This is not to say that companies should not also go beyond compliance in pursuit of broader strategy and ambition; of course, they should. There is nothing to stop companies going above and beyond new legally required efforts—after all, today's financial disclosure and enterprise risk management requirements do not stop companies creating highly innovative business strategies and product road maps.

This is also not to say that all laws are good and should be implemented with enthusiasm; there remain plenty of bad laws that should be challenged and opposed.

However, I think it will be important to acknowledge these nuances in dialogue about compliance and generate a positive tone around company efforts to comply with good laws. Those doing the hard work of compliance—and seeking to achieve results for just and sustainable business while doing it—deserve the credit.

SECTION FIVE | THE FIELD OF JUST AND SUSTAINBLE BUSINESS

Working in the field of just and sustainable business is a privilege, but also a role that comes with many challenges. The desire to achieve impact "in real life" can lead to many ethical dilemmas, where taking a few steps in the right direction also means not achieving the ultimate ideal. Wanting to be relevant when big decisions are made can mean celebrating small wins while at the same time knowing there is so much more to do.

Indeed, looking back with the benefit of hindsight, I can see how some of my highest impact work—engagements that fell short of the ideal but set in motion a whole new set of activities—has also been some of my most criticized.

However, one constant source of energy has been getting to know all the highly engaged, motivated, and impact-oriented people working in the field. Whether in business, government, civil society, or academia, there are so many people seeking to achieve their own balance between striving for the ideal and making progress in the near term. This human element of achieving impact has always been of interest to me.

I am often asked how we were able to achieve the launch of the GNI (see right) and broker a concensus agreement between companies, investors, civil society, and academics given the high level of mistrust we started with. My answer tends to center on the humans involved; I describe how we all got to know each other as a group and realized how we were much more aligned than our organizational affiliations may suggest. I find myself emphasizing informal conversations during breaks, the bravery needed for individuals to bring their organizations along with them, and even how small moments of humor eased the tension and brought us closer together. I can never quite tell if my

emphasis on the human element—rather than any grand theory based on power, process, or systems—is enlightening or disappointing to the person asking the question.

I recall speaking to one person when writing this paper who observed that "we have a movement of people, but we don't have a movement of organizations." In the field of just and sustainable business there are plenty of individuals who collaborate and have respect for each other's work, but organizational and sectoral dynamics, rivalries, and priorities often get in the way of greater progress. This point has stuck with me.

I joined BSR twenty years ago for the mission of the organization and not for any narrow interest around sales goals or publishing the latest new idea. A certain amount of competition between organizations is healthy, as is a recognition that different sectors are motivated by different interests. However, as I leave an organization for the life of a freelancer, I find myself in hope that all the many great people in the field can find a way beyond organizational constraints to collaborate more productively, find common ground, and advance our shared goals.

Great things can happen when different professional communities collaborate.

This paper is focused on those of us in the just and sustainable business profession, but there are two caveats with this distinction. First, the just and sustainable business professions itself is a mix of sub-professions specializing in themes like human rights, climate change, ethics, social justice, and good governance. Second, the just and sustainable business profession relies extensively upon adjacent professions such as law, accounting, and business strategy.

The mix of sub-professions within just and sustainable business can create tensions. I have participated in many heated discussions about the merits of the term vulnerability, the definition of materiality, and whether human rights-based assessment methodologies should be complemented by ethics-based approaches.

However, despite the tension, I have always found that my approach has been strengthened by collaboration with others, and that we have far more synergy than differences. For the past decade I have been immersed in applying the UNGPs, but my thinking has been enriched by dialogue with those leading with social justice. Similarly, I have gained a huge amount from learning about methodologies—such as strategic foresight, scenarios, and futures—that are far more frequently used in the climate change field and can be usefully deployed in the human rights domain. The emphasis on the UNGPs in the new European Sustainability Reporting Standards (ESRS) provides an essential invitation to collaboration between those that have previously worked on materiality assessments and human rights assessments separately.

The increasing importance of laws, regulations, and standards will boost the significance of those working in finance, enterprise risk, investor relations, audit, legal, and compliance functions to the success of the just and sustainable business agenda. Here too I have seen tension arise, with some expressing concern that "accounting will stifle the purpose of sustainability" or that "compliance will prevent the meaningful stakeholder engagement upon which our field depends."

However, in practice I have found significant benefit from collaboration with professionals bringing new skills, expertise, and resources to just and sustainable business. I have seen human rights assessments be vastly improved by collaboration with professionals' at large law, consulting, and accounting firms who have a lot to offer in how to create risk statements or assess the effectiveness of mitigations. This approach works if the original spirit, purpose, and desired outcomes of a human rights assessment is retained; here it is important to remember that teams in these adjacent professions are often staffed by people with a shared personal commitment to pursuing sustainability and "doing the right thing." They are humans too!

We are entering an important new era in the field of just and sustainable business that will benefit from the mix of expertise, skills, and experience provided by a combination of functions and professions. We should all look forward to collaborating with and learning from each other and to achieving more together than we could alone. Making connections between issues is easy to say, but hard to do in practice; however, this moment demands nothing less in our mission to work with business to create a just and sustainable world.

Don't confuse accountability with complexity.

I have been involved in a variety of accountability-oriented efforts, including multi-stakeholder initiatives, reporting standards, and helping companies prepare for compliance with regulations. Accountability is an essential part of the just and sustainable business agenda and can take many forms, including transparency requirements, adherence with good laws, and independent assessments and audits.[8]

However, I have become concerned about the tendency for accountability to be confused with complexity in ways that undermine desired outcomes. When developing new accountability efforts, there tends to be a natural desire to cover everything, to close every possible loophole, and to prepare for every possible scenario. This desire is totally understandable, but too often it results in time-consuming approaches to accountability that fail to achieve their desired outcomes.

The recent 1,700-page guidance issued by Ofcom to accompany the UK Online Safety Act is perhaps the most extreme example of unnecessary complexity, but it is far from alone, with many other recent laws, guidelines, and standards for just and sustainable business running to hundreds of pages. This volume of complexity works well for the lawyers, accountants, and consultants who get paid to read them, but it does not work well for those seeking to create change inside companies. It can be especially challenging for smaller companies, who often lack the in-house expertise or resources to respond effectively.

In my experience this complexity diverts precious attention, scrutiny, and resources away from addressing the real problems at stake and towards interpreting individual paragraphs and sentences in detailed documents. The resulting output—the reports, audits, and assessments—are then equally complex, with key items lost in the noise. Accountability in theory, but not in practice.

By contrast, accountability efforts tend to be more effective if they focus on core concepts, emphasize a few key priorities, and are easy for non-specialists to understand. The Taskforce on Climate Related Financial Disclosures provides a prime example, with the simple "governance, strategy, risk, metrics" framework providing clarity for all companies addressing climate change. While complex in other respects, the focus of the EU Digital Services Act on the EU Charter of Fundamental Rights also provides a clear focus for effective risk assessment.

One pathway forward is for accountability efforts to draw extensively from well-established standards, including the UNGPs, OECD Guidelines, and international human rights instruments. It is not a coincidence that the most compelling of these documents are also the shortest.

My premise is that simplicity enhances accountability while complexity stifles it. I have worked in the field for 25 years and so when even I struggle to understand the laws, standards, and guidance directed at my own profession, that signals a problem.

---

[8] It is important to note that assessments and audits are not the same thing. Assessments tend to focus on identifying risk and opportunity and are typically forward-looking in nature; audits tend to focus on determining compliance with a standard and are often backward-looking in nature.

Dunstan Allison-Hope | 25 Insights, 25 Years

Changing company culture is more impactful than auditing.

For as long as I can remember "the audit" has been a go-to solution when seeking more responsible business practices. This history goes right back to the emergence of supplier health, safety, and labor audits in the 1990s and continues today with audits to assure large technology company compliance with the EU Digital Services Act.

I believe that auditing has an essential place in the field of just and sustainable business and nothing that follows should be taken as suggesting otherwise. We rely on auditors to assure the accuracy of company accounts and confirm compliance with legal requirements, and we should expect the same rigor when it comes to sustainability performance and compliance.

However, when it comes to a theory of change, auditing should be viewed as the final step in the process—assurance that adherence to a standard has been achieved—rather than the focus. By contrast, I have been struck by how much company culture is a true determinant of progress towards just and sustainable business.

There are plenty of people more expert in company culture than me,[9] but I am struck by how often I have seen change shaped by leadership priorities and communications, by a culture of seeking compliance with the spirit of the law rather than the minimum, or by an ethos of setting ambitious goals and forward-looking commitments.

I have been in meetings with companies where the direction is to "achieve a C-minus" and I have been in meetings where the culture is to do the best job possible. I have experienced company leadership describing stakeholder engagement as a game of "whack-a-mole" and I have experienced executives genuinely thrilled at the new insights they gain from conversations with civil society organizations. I have seen management exclaim "but we have such a good story to tell" while their competitors take a genuinely hard look at where they may be falling short. All these companies can pass compliance audits, but only half of them display a culture conducive to just and sustainable business.

It is also important to distinguish between "assessments" and "audits". Assessments tend to identify and prioritize risks and impacts, involve meaningful engagement with external stakeholders, and recommend ambitious new actions. By contrast, audits tend to determine compliance against a standard, involve a detailed investigation of specific cases, and engage in root cause analysis. Assessments are often forward-looking, while audits are often backward-looking. Both assessments and audits are important, but they are different.

I am in favor of audits because they help prevent errors, increase our confidence in data and information, and provide scrutiny that is genuinely helpful. However, if we over emphasize auditing, then companies are likely to "manage to pass the audit" and we will not achieve the change we need to see.

---

[9] I highly recommend reading anything written by Alison Taylor on this topic.

Advocates working in civil society organizations should be celebrated.

A significant amount of attention in the field of just and sustainable business is focused on how companies should apply internationally recognized principles, standards, and regulations, but it is important to reflect on why these principles, standards, and regulations exist in the first place.

Almost without exception, they result from the excellent work of civil society organizations, human rights defenders, and activists who place impacts on people and the environment at the center of their work. The job of surfacing concerns, proposing reforms, and raising awareness is tough, but the field of just and sustainable business would not exist without it.

I have seen the quality of engagement between companies and activists improve significantly over the past 25 years. I have been especially struck by the breadth of engagement in the field of social media content policy, where literarily any issue, anywhere in the world, can be relevant for companies to address.

However, there is considerable scope for companies to increase the significance placed on meaningful engagement with civil society organizations and make investments that reflect the essential role that civil society organizations play. I think this starts with three mindset changes.

First, too often companies enter engagement with civil society organizations with the frame of mind that the company is somehow doing the civil society organization a favor by taking the meeting in the first place. Sorry to break this news, but it is usually the other way around.

Second, (many, not all) senior executives at companies often have very little grasp of how resource constrained civil society organizations are and can make demands of their time—often wrapped up in the language of "partnership"—without fully understanding the limited options the civil society organization has in practice. The difference in lived experience can be vast.

Third, companies often view an engagement as "the end" rather than one part of a long-term relationship deserving of investment, trust, and respect. Companies can be very quick to move onto the next thing.

Breaking this mold requires companies to recognize the essential role played by civil society organizations and to place them at the center of the dialogue rather than at the periphery. It means that companies need to show up at civil society-led spaces and not simply invite civil society organizations into their own. To cite one recent example, I was disappointed (though perhaps not surprised) that not a single company attended the recent Forum on Internet Freedom in Africa.

I have built a career advising companies on just and sustainable business and this has necessarily involved moving from issue to issue and location to location. From my vantage point as a generalist, I know that my work has been vastly improved, and my impact enhanced many times over, by all the times I have been fortunate enough to spend with inspiring leaders and activists across civil society. I know the best leaders inside companies get this too, but it is a sentiment that requires much more mainstreaming.

Dunstan Allison-Hope | 25 Insights, 25 Years

Practitioners of just and sustainable business inside companies should be celebrated.

The jobs available to work on just and sustainable business inside companies were few and far between when I joined the BT sustainability team in 1999. I used to spend a considerable amount of time describing to friends and colleagues what my job involved, and my work was relatively absent from the public dialogue.

These jobs are far more common and sought after these days but come with far higher stakes. This can take many forms, but attention from mainstream and social media, scrutiny from regulators and policy makers, and pressure from investors, companies, and civil society organizations all feature prominently.

The individuals playing these roles today face criticism externally for almost everything the company gets wrong and skepticism internally from colleagues who suspect they may not be putting the interests of the company first. They can receive a lot of the blame, but very little of the praise.

This "between a rock and a hard place" feature is accepted as a fact of life by most people in these roles. It comes with the territory and is far outweighed by the privilege of pursuing a well-paid, fulfilling, and highly sought-after career.

Nevertheless, I have developed significant admiration for the leaders taking on these roles and respect for the sheer volume of behind-the-scenes effort that is needed to achieve change. It is one thing to critique or provide advice from the outside, but it is quite another to define solutions and make practical progress day after day. It takes a lot of perseverance to maintain a focus on just and sustainable outcomes while constantly being hit with external shocks of somebody else's making, budget cuts, and seemingly endless reorganizations.

I have been especially struck by the extraordinarily complicated nature of these roles. Externally there are typically a vast range of issues to address, each of them urgent, important, and nuanced. Internally there are all manner of competing revenue generation, cost saving, and reputational priorities that need to be navigated.

Playing the role of "translator" between the internal and external contexts requires significant amounts of empathy for people with (often) vastly different lived experiences and an instinctive understanding of how issues can take on a very different meaning across sectors and professional boundaries. It requires a lot of skill to see the company through the lens of the world while also seeing the world through the lens of the company. It also requires deep human relationships.

My hope is that we are entering a new era where two features exist side by side. First, I hope that jobs in just and sustainable are properly resourced with the budgets, headcount, and decision-making authority that they need to succeed. Second, I hope we can continue to build a movement for just and sustainable business where leaders in different sectors—civil society organizations, companies, investors, and regulators—can collaborate in ways that recognize both their shared interests and different contexts.

Annex: 25 Years

1999	Join BT's sustainability team
2001 – 2002	Establish BT's first supply chain code of conduct
2001 – 2004	Participate in early discussions about EU policy towards responsible business
2001 – 2004	Write BT's first four sustainability reports
2002	Participate in GRI telecommunications sector supplement working group
2004	Join BSR
2004 – 2005	Co-facilitate creation of Electronic Industry Citizenship Coalition (EICC), now Responsible Business Alliance (RBA)
2005 – 2006	Lead GE and Hitachi's first materiality assessments
2005 – 2006	Participate in GRI G3 "Reporting as a Process" working group
2006 – 2008	Co-facilitate creation of the Global Network Initiative (GNI)
2008 – 2010	Act as secretariat for GNI before the first Executive Director is hired
2011 – 2012	Undertake some of the first human rights impact assessments using UN Guiding Principles on Business and Human Rights (UNGPs)
2012 – 2013	Undertake pre-investment due diligence for Telenor's entry into Myanmar
2012 – 2016	Focus on implementing emerging reporting standards with companies
2015 – 2016	Lead human rights assessment of Telia Company's divestment from Eurasia
2016 – 2023	Undertake over 120 human rights assessments for technology companies, including Google, Amazon / Twitch, Meta, Microsoft, Salesforce, Telia, and AT&T
2017	Establish BSR's Future of Reporting collaborative initiative
2018 – 2022	Undertake multiple human rights assessments for Meta, including Cambodia, Myanmar, Israel / Palestine, end-to-end encryption, and the Oversight Board
2021 - 2023	Undertake human rights assessments for the Global Internet Forum to Counter Terrorism (GIFCT) and the Tech Coalition.
2022 – 2023	Participate in first ever EU Digital Services Act Systemic Risk Assessments and Ofcom Online Safety Act Risk Assessments
2024	Leave BSR