



Human Rights Risk Screen

Within CS3D's Mandatory Risk Scoping

Because corporate actors vary enormously in size and complexity, screening for risks starts with mapping. *Human rights risk is the risk that rightsholders will have their rights violated, impeded or curtailed.* It is not a business risk; it cannot be calculated in terms of its reputational or legal implications as pertinent to shareholders. Human rights risk mapping establishes an operation's footprint on people, as opposed to on geography or power structures. For example, the human rights risks associated with a manufacturer include the workers inside manufacturing plants, but also those inside warehousing facilities, downwind, and along transit corridors to neighboring communities.



It also extends to the suppliers of both goods and services. Janitorial, catering, maintenance and truck driving contractors experience human rights risks while operating on company footprints.



But workers for parts and materials providers may have substantial risks even from thousands of miles away.

The human rights risks associated with running a vehicle washing facility for that manufacturer's vehicles include the workers in the car wash, as well as any affected downstream water users.



The human rights risks associated with a water treatment entity might cover every user within a water system, as well as workers, contractors and suppliers.

Rating the risks to those identified rightsholders involves consideration of: directness of involvement, severity of potential harm, and vulnerability of affected people.

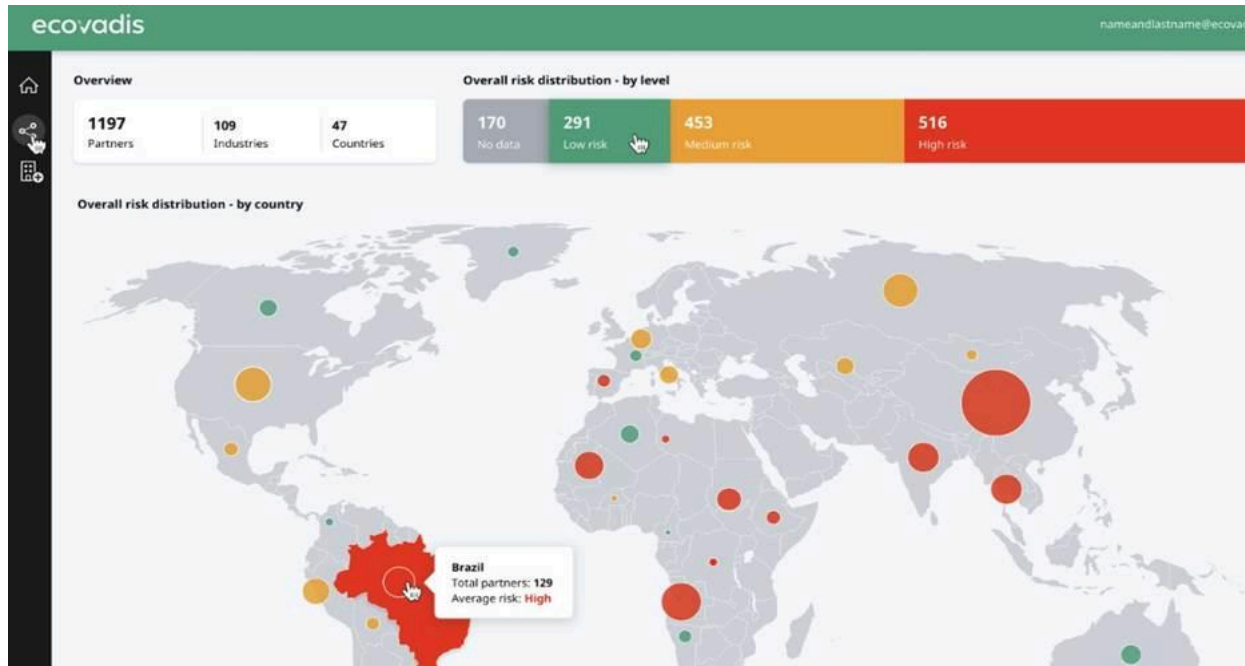
Criteria	Low	Medium	High
Directness	Low volume (set based on annual spend) Off-the-shelf material or service Highly competitive industry (many providers are available)	Moderate volume Inherent risks linked to labor demands or environmental footprint Sourced from mid-risk geographies	Critical material input Known compliance issues High-risk source country
Severity of Harm	Low intensity and reversible potential harm to a small number of people (e.g. low wages that can be remediated through new contracts)	Moderate, potentially irreversible harms to a large portion of a group or sub-population (e.g. retaliation prevents remediation of exploitation and dangerous conditions)	Intense, irreversible harms to a large subpopulation or population (e.g. health exposures cause chronic or acute harm; forced labor conditions are linked to ethnicity; violence is present on site)
Vulnerability of Rightsholders	Personnel and/or material not sourced from high-risk countries (based on sanctions, political rights, poverty, conflict, other governance indicators)	Personnel and/or material sourced from mid-risk geographies that require further review	Personnel and/or material sourced from high-risk source country
Suppliers			
Services	IT, Finance, Legal, Management Consulting, Travel, HSE Services	Logistics, Electricity, On-Site Service Providers in maintenance, construction, building services intermediaries	Agents interacting with public officials; waste services providers; construction and maintenance suppliers; Janitorial and catering service providers;
Goods	Administrative, packing and office supply materials; HSE materials; off-the-shelf components and tools	Production equipment Marketing materials	Mined, smelted, and/or refined materials providers

To determine **directness of involvement**, the UN Guiding Principles on Business and Human Rights lays out the useful concept of cause/contribution/linkage to harm (Principle 17(a)). Companies *cause* human rights harms primarily through direct actions and operations and occasionally when a contractor only exists to serve a particular company or site. But many human rights impacts from suppliers are indirect; a company is a beneficiary of harms when they get discounted prices because of the exploitation committed by a supplier. Companies that push suppliers for lower costs *contribute* to this harm. Companies that are small purchasers from large suppliers, though, generally only have *linkage* to the harm. This is because they lack the leverage to challenge pricing or influence practices.

Directness of involvement will require case-by-case analysis but software tools can provide instrumental support. EcoVadis, Kharon, Altana, Assent, Resilink, Supplier Assurance and others provide high-level supplier network maps and can be populated with data indicating a company's (1) level of spend with a supplier and (2) diversity of suppliers for a given good or service. This data can be supplemented by information about what percentage of a supplier's

contracts or value is/are derived from the company conducting self-assessment. Data platforms often offer the flexibility to add columns to existing tables, which a company could use to flag suppliers that are existentially reliant on their contracts.

Severity of the harm to rightsholders is the next dimension. Determining severity is an in-depth process that many large multinational companies cannot undertake across their full suite of suppliers. Here, again, software tools can be useful. These tools are designed to identify some incidents of forced labor, sanction risks, and commodity- or service-based risks. These tools are easily gamed by bad-faith actors¹ but offer a useful jumping-off point.



Vulnerability of rightsholders to potential harm is the third piece. This is where a company can be looking at Human Development Index rankings and contextual conditions within the operational footprints to identify excluded populations, displaced communities, and latent or active violence that affects local security.

Ideally, a company can use its prior internal human rights due diligence to flag the vulnerability of contractor groups it has recognized as vulnerable through on-the-ground HRDD. For example, a company's fieldwork-based assessment may find that janitorial and catering contractors are non-citizen residents with low education levels and limited access to public services, so the company can bump up the level of scrutiny that these suppliers receive.

¹ Four examples: (1) Companies list their headquarters, which are often higher-governance contexts than their operational locations (e.g. Swiss-based Glencore); (2) Companies list a limited website that cannot be AI-crawled for key words (e.g. Xinjiang-linked Sinoway); (3) Companies act as traders for a high-risk commodity but list themselves as producers of a low-risk commodity (e.g. Kailong); (4) the platform identifies one use of a material but not high-risk uses of that material (e.g. Silicon is understood by EcoVadis to be a plastic, but it is also the base of metallurgical grade silicon for alloying and polycrystalline silicon used in the manufacture of solar panels and dominated by genocide-linked company Hoshine)

Companies can also use publicly available data sources to benchmark specific human rights contextual risks.

The resources in the graphic below can be aggregated into standard corporate tools like Microsoft PowerBI or Google AppSheet to be easily converted into graphics.

	Freedom House <ul style="list-style-type: none"> • Free Expression • Freedom of Religion
	Worldwide Governance Indicators <ul style="list-style-type: none"> • Public Participation • Access to Information
	Anti-Slavery International <ul style="list-style-type: none"> • Forced Labor • Child Labor
	International Trade Union Confederation <ul style="list-style-type: none"> • Right to Unionize • Favorable Work Conditions
	World Bank Indicators <ul style="list-style-type: none"> • Education and Labor Discrimination • Economic Rights
	Heidelberg Conflict Index <ul style="list-style-type: none"> • Security of Person • Nondiscrimination

The output of a human rights risk screening process should be a geographical map of high-risk suppliers and operations, located in high-risk contexts where there are particularly vulnerable subpopulations. It will build on the AI-supported maps produced by data providers, like the one pictured above. This map will be flawed: Paris-based janitorial service providers might operate in Norway while supplying workers from Nepal. Amsterdam-based shipping companies might crew their ships from the Philippines and fly their vessels under Liberian flags. A company’s human rights team needs to manually elevate the risk levels of such suppliers and prioritize them for assessment as appropriate.

The action that results from development of this screen is a series of assessments. *Knowing that risks are present necessitates evaluation of those risks.* No mitigation is possible until the real-world potential impacts that a company could cause, contribute to or have linkages to have been evaluated. Depending on the capacity of a company’s human rights team, maybe only five human rights risk assessments can be undertaken in the short term, even if 1000 are needed. Maybe the company can undertake 100 per year, but some require annual reassessment and some only require half-decade reassessment. The risk screen is used to set a priority list and a schedule for reassessment of suppliers and operations in each category of risk.