2020 Australian Dialogue on Business and Human Rights Summary Document

Respecting Human Rights in Times of Crisis

25 August 2020 - Virtual

The Ten Principles of the UN Global Compact

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

HUMAN RIGHTS

1 Businesses should support and respect the protection of internationally proclaimed human rights; and

2 make sure that they are not complicit in human rights abuses.

LABOUR

3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4 the elimination of all forms of forced and compulsory labour;

5 the effective abolition of child labour; and

6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

7 Businesses should support a precautionary approach to environmental challenges;

8 undertake initiatives to promote greater environmental responsibility; and

9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10 Businesses should work against corruption in all its forms, including extortion and bribery.

2020 AUSTRALIAN DIALOGUE ON BUSINESS AND HUMAN RIGHTS SUMMARY DOCUMENT
RESPECTING HUMAN RIGHTS IN TIMES OF CRISIS

The 2020 Australian Dialogue on Business and Human Rights was convened virtually by the Global Compact Network Australia (GCNA) on 25 August 2020. For the seventh consecutive year, Australia's multi-sector, multi-stakeholder Dialogue brought together global and local leaders and experts to share knowledge, explore challenges and encourage collaboration to progress the business and human rights agenda.

The COVID-19 pandemic is an unprecedented event that requires commitments from governments and businesses globally to ensure that they continue to focus on respecting human rights and do not deprioritise their human rights programmes at the very time they are needed most. In this context, the theme for the 2020 Dialogue was *Respecting Human Rights in Times of Crisis*.

This year's Dialogue featured a multi-stakeholder line-up of experts drawn from Australia and around the globe. This document summarises the key themes and areas of discussion. The Dialogue Agenda is available here.

This year's Dialogue was not held under the Chatham House Rule.

This summary does not necessarily represent the views of the GCNA, or any participating organisation's views.

THE AIM OF THE DIALOGUE IS TO:

- Enhance the capacity of Australian businesses to identify and manage their human rights-related risks and opportunities;

- Build participants' understanding of business and human rights in a practical way, through highlighting current and leading practices;

- Explore the role of different stakeholders in supporting businesses to understand and manage human rights issues;

- Provide businesses with a broader understanding of the human rights agenda and how it intersects with other key environmental, social and political challenges; and

- Build peer and multi-stakeholder networks around business and human rights.

THE IMPORTANCE OF RESPECTING HUMAN RIGHTS

The Dialogue featured a pre-recorded address from Sanda Ojiambo, CEO and Executive Director of the UN Global Compact.

As companies around the world and in Australia face the ongoing challenges posed by the COVID-19 pandemic, Ms Ojiambo explained that it is critical that businesses continue to focus on respecting human rights. The Ten Principles of the UN Global Compact and the Sustainable Development Goals (SDGs) provide global frameworks through which to ensure that businesses can maintain responsible business practices, including respect for human rights, during times of crisis. Both frameworks advocate for a rights-based approach; one that encourages business to respect and promote human rights throughout their operations and supply chains to ensure that no one is left behind.

Ms Oijambo discussed how human rights are core to the realisation of a better world, and that it is "entirely impossible for businesses – or anyone else – to deliver the world we want without taking action on human rights". She highlighted how the UN Guiding Principles on Business and Human Rights (UNGPs) are the "authoritative global standard on the corporate responsibility to respect human rights", but that business must now go past the policy commitment stage and move the theory of the UNGPs into practice. In the face of the COVID-19 pandemic, Ms Oijambo called on businesses to urgently scale-up meaningful business action on human rights, noting that "global problems require global cooperation and solutions". In closing, Ms Oijambo reminded us that the UN was "founded on a bedrock of human rights, peace and security, and development" and that by placing human rights at the centre of business operations, companies can "demonstrate that respecting and supporting human rights is not charity, but indeed a fundamental prerequisite for business success".

1. THE IMPORTANCE OF THE UNITED NATIONS GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS IN TIMES OF CRISIS

Anita Ramasastry

Vanessa Zimmerman

Speaker: Anita Ramasastry, Chair, United Nations (UN) Working Group on Business and Human Rights
Introduction: Vanessa Zimmerman, Director and Chair, Business and Human Rights, Global Compact Network Australia

"We are at a turning point for the future that we want… Is it a future of closed borders, armed conflict, rising inequality, climate crisis and pandemics, or is it a path of resilience, recovery, inclusion, peace and prosperity?"

- Anita Ramasastry

The opening keynote of the Dialogue, delivered by Anita Ramasastry, Chair of the United Nations (UN) Working Group on Business and Human Rights, stressed that businesses can build back better by implementing the UN Global Compact's Ten Principles and ensuring that responsible business conduct is embedded into business strategies and operations.

The opening keynote emphasised the importance of embracing responsible business conduct to help re-shape our economies and ensure a more sustainable future. It is up to businesses to do no harm and to place human rights at the heart of business practices during times of crisis as they would at any other time. Businesses can do this by using the universal framework of the UN Guiding Principles on Business and Human Rights (UNGPs) as a "lens" or "guidepost" to identify the harms they cause or are connected to, and take steps to prevent, mitigate or remedy those harms. Businesses should also recognise that contributing to the public good in one area of their operations, for example the production of masks to tackle a pandemic, does not offset any harm the same business may otherwise be involved in, for example, sourcing from factories that are engaging in forced labour. For those companies seeking to harness business as a force for good, Anita Ramasastry highlighted that "by doing no harm, companies are also doing tremendous good", and in this way can often make the greatest contribution towards realising the UN Sustainable Development Goals (SDGs).

The opening keynote also highlighted how the UNGPs can support companies to build sustainable and resilient business models. By undertaking due diligence, a key step in the corporate responsibility to respect human rights set out in the UNGPs, businesses can anticipate and mitigate potential harm, and safeguard business decisions against future shocks and crises. The UNGPs help companies to develop proactive rather than reactive mindsets by asking them to think about potential and actual risks the business may pose to people, and in so doing facilitate discussions about risks to business assets, operations and value chains.

Businesses that are already considering these questions and actively undertaking due diligence will be better positioned to make informed decisions and act without waiting for a government response, or external guidance, when confronted with crises such as a global pandemic.

The recovery from the COVID-19 pandemic will present us with difficult choices. It is important that decision-making processes in businesses and governments do not sideline human rights and broader sustainability experts, and instead ensure that human rights considerations are embedded early into conversations and decision-making. Businesses that take shortcuts in regard to respect for human rights for short term success, or because they face competing priorities, will likely encounter longer term challenges in the future. Anita Ramasastry reinforced the importance of respecting human rights for business continuity and sustainability, with a particular focus on the rights of workers, with the reminder that "…we won't have an economy that works unless we respect and can ensure the safety of those who are working for us to keep the economy open".

Multi-stakeholder partnerships and approaches will be critical to effectively addressing modern slavery and other human rights concerns of the pandemic. The UNGPs remain a vital tool that support businesses to work in partnership with civil society and other stakeholders to identify human rights impacts. Additionally, Anita Ramasastry identified the opportunity for governments to use a "smart mix" of policy and regulatory measures, such as the Australian Modern Slavery Act, to support businesses to maintain respect for human rights, especially during times of crisis.

The COVID-19 pandemic has demonstrated the importance of the UNGPs for businesses to ensure they respect human rights, meet stakeholder expectations and safeguard business continuity in the face of shocks and crises. Businesses that continue to proactively consider their impacts on people will be better equipped to make rapid and informed decisions to overcome challenges and capitalise on emerging opportunities. In closing, Anita Ramasastry noted that the UNGPs support companies to see the human face of the crisis, and that it is important that we recognise that "masks are disposable, but workers are not", and drive a recovery that is responsible, resilient and rights-respecting.

2. BUILDING INCLUSION AND REDUCING INEQUALITIES

Catherine
McNair

Allyn
Shaw

Elizabeth
Broderick AO

Speakers: Catherine McNair, Head of Diversity and Inclusion, QBE Insurance
Allyn Shaw, President and Chief Technology Officer, Recycle Track Systems
Facilitator: Elizabeth Broderick AO, Special Rapporteur and Independent Expert on Discrimination against Women and Girls, United Nations

"The current structures and systems are broken – this is an opportunity to drive a fundamental change to a system that works for everyone."

- Allyn Shaw

The session highlighted that the COVID-19 pandemic has shone a spotlight on the systemic inequalities and injustices of our businesses, economies, institutions and societies. The crisis has exacerbated issues such as domestic and family violence, increased the barriers to healthcare for many marginalised people, shone a spotlight on the lack of diversity in the teams making decisions on crisis responses and recovery plans, and further entrenched global inequalities and discrimination, particularly racial discrimination.

The panellists discussed that the crisis also presents an opportunity for business to commit to and implement bold shifts that challenge the disequilibrium and disruption caused by the global pandemic. Elizabeth Broderick AO illustrated this with the example that as many businesses adapt to an increasingly virtual workplace, the growing recognition that "work is what you do, not where you go" can enable businesses to support flexible workplaces that engender greater diversity and inclusion. Speakers underscored the importance of making these shifts by highlighting how employees and shareholders are continuing to use their leverage and voice to clearly articulate the standards that they will and will not accept around workplace culture and inclusion and diversity. These include issues around corporate culture, sexual harassment and a lack of accountability, that have been highlighted in 2020 as ongoing barriers to building diverse and inclusive workplaces.

The session affirmed that businesses can drive the transformative change necessary to build inclusive and diverse workforces as we recover from the current crisis; and that many businesses are already doing this through activities such as gender-neutral parental leave policies and accounting for unconscious bias by having a diversity of voices involved in decision-making processes.

Bold change requires that companies have "proximity" with the issues relating to inclusion by taking a greater and more authentic interest in their internal and external environments and the barriers to inclusion that exist within these. Noting that "courageous conversations are really underutilised and undervalued," Allyn Shaw advised business to "stop thinking matters of gender and race are taboo" and start having tough conversations to create structural change. This includes dedicating more time and resources to recognising and understanding the connectivity between home, the community and the workplace. More broadly, businesses that understand the communities that they serve, those that they operate in, and the individuals who live in those communities will be better positioned to tackle inequality and discrimination both in the workplace and at home.

The discussion also highlighted the opportunity for companies to start addressing the root causes of gender inequality by acknowledging and tackling the traditionally gendered division of caregiving, and family and domestic violence. Catherine McNair advised companies to "stop trying to make workplaces more friendly for women" and instead focus on mainstreaming caring and flexibility for all employees. Part of this includes investing in internal communications that are based on empathy to actively seek out feedback on business policies, practices and culture. Based on Allyn Shaw's experience, "good intentions without consultation don't often produce the desired outcomes". He emphasised the need to pause to engage with, and seek feedback from, employees about policy objectives and how to meet these; a process which can help bridge the gap between simply having a policy on diversity and inclusion and driving transformational change.

The session also identified the importance of speaking out on the "moments that matter" (Allyn Shaw), such as when business practices do not align with values of diversity, inclusion and equality. Elizabeth Broderick AO reminded Dialogue delegates that it is "every one of us who will shift the picture" on diversity and inclusion in the workplace. Importantly, business leaders also need to recognise and take responsibility for the culture of their workplace. Catherine McNair highlighted that those businesses and leaders that ensure that they "live and breathe" the values of their workplace will be better placed to speak out authentically on issues that matter to the business and its stakeholders and drive systemic change.

In line with the theme for the Dialogue, the panel noted that while the pandemic and associated crises have highlighted the inequalities and injustices throughout society, they have also illustrated our capacity to adapt and respond to global challenges. In light of the pandemic and increasingly virtual workforces, it is important that business continues to actively engage with employees and communities on issues of diversity and inclusion to overcome emerging challenges, embrace new opportunities and build more inclusive and agile business models and workforces.

3. DELIVERING A RESILIENT FUTURE – CLIMATE CHANGE AND RESPECTING HUMAN RIGHTS

Samantha Klintworth

Rachel Kyte

Martijn Wilder AM

Kylie Porter

Speakers: Samantha Klintworth, National Director, Amensty International Australia
Rachel Kyte, Dean, The Fletcher School, Tufts University and Co-Chair, United Nations Energy
Martijn Wilder AM, Founding Partner, Pollination
Facilitator: Kylie Porter, Executive Director, Global Compact Network Australia

"COVID-19 asks really big questions of us, at the community level, at the State level and at the national level about are we prepared to build resilience into our society, a resilience that takes care of everybody?"

- Rachel Kyte

This panel discussion highlighted the interlinkages between climate change and human rights, reaffirming that "climate change inaction is also a human rights issue" (Samantha Klintworth). Panellists explained how individual rights such as the right to life, liberty and security of person, the right to health, and collective rights including those afforded to Indigenous peoples, will be negatively impacted if we fail to act on climate change.

According to Martijn Wilder AO, to date, the interrelationships between climate change and health have not been given enough attention. The devastating bushfires that we witnessed across Australia and the US, and the global pandemic should not be viewed as isolated and singular events. A range of experts have sounded the alarm bells that these disaster events will not be the last, will be further compounded by the effects of climate change and will likely continue to negatively impact health outcomes.

Rachel Kyte explained that both climate change and the COVID-19 pandemic can be understood as "grey rhinos" – "threats that are barrelling down the road towards us" that are not unexpected or unimaginable, and yet we fail to act on these threats with any sense of real urgency. The COVID-19 pandemic has "pulled the band-aid off" and highlighted the social and environmental challenges that we face, as well as the deep inequalities in our society that must be addressed if we are to recover and rebuild resilience over the next decade.

In the wake of the pandemic and the associated economic crisis, there is considerable momentum globally to recover in a way that drives progress towards net-zero emissions by 2050. Despite the economic and social challenges posed by the pandemic, the session highlighted that business continues to have an accelerated focus on transitioning to net-zero emissions. Momentum continues to be built through regulatory frameworks such as the Taskforce on Climate-Related Financial Disclosures (TCFD), investor demands for companies to demonstrate how they will meet the Paris Agreement, and government recovery packages to the private sector directly linked to climate action, such as addressing TCFD requirements.

Reflective of the growing expectation that companies should be planning for and transitioning to a net-zero landscape, Rachel Kyte stated that "... net-zero is not an add on to ESG [environmental, social and governance], but a framework within which a company has to operate". Companies that do not take ambitious steps to act on climate change and the associated human rights impacts risk being left behind and outcompeted.

Martijn Wilder AO went on to explain that Australia's energy mix is undergoing rapid change that has not slowed as a result of COVID-19. That said, there has been very little planning in managing this transition in a smooth and equitable way. Forward planning is critical as communities do not like uncertainty. It is important to "take people on the journey" and recognise that communities are a critical stakeholder within these discussions. He asserted that as we look ahead to our recovery from the COVID-19 pandemic, "there is no choice between solving the climate crisis and having jobs or rebuilding the economy".

Panellists discussed how businesses can play a key role in building a more resilient economy by directing capital towards renewable energy investments and supporting the generation of new jobs and industries. However, without the necessary multi-stakeholder coordination, engagement and investment for this transition, Australia risks a costly and abrupt energy transition that will leave behind stranded assets and disenfranchised communities, as well as expanding the inequality gap in our society.

As we recover from the pandemic, panellists highlighted the need for "brave partnerships", "innovative" and "adventurous" financial products, and responsible recovery packages that are aligned with a net-zero world. In particular, it is important that we focus on the right to decent work for current workers in the energy sector and those sectors that will be most affected by transitions, as well as the future workforce. Rachel Kyte highlighted that for millions of youth around the globe, if we fail to deliver a sustainable and inclusive recovery, the pandemic and climate change "will be the undoing of this generation of young people, and the generation to follow". Sam Klintworth called on businesses and governments to improve their responses by listening to a diverse range of voices and those that are most vulnerable, especially those at the intersection of climate change, human rights and COVID-19 issues.

Nonetheless, a key takeaway from the session was that "every crisis brings opportunity" (Sam Klintworth). Businesses that reframe the discourse by decompartmentalising climate change, human rights and the economy and address these issues holistically will be well positioned to capitalise on the very real opportunities that exist as we recover from the current crisis and transition to a net-zero economy.

4. ENGAGING INDIGENOUS PEOPLES

Cath Brokenborough

Florence Drummond

Karen Mundine

Catherine Hunter

Speakers: Cath Brokenborough, Executive Lead, First Nations Engagement, Lendlease
Florence Drummond, CEO, Indigenous Women in Mining and Resources Australia
Karen Mundine, CEO, Reconciliation Australia
Facilitator: Catherine Hunter, Partner, Corporate Citizenship and KPMG Indigenous Services, KPMG Australia

In 2020 we have the opportunity to hold brave and honest conversations to challenge systemic racism and advance reconciliation.

The reinvigoration of the global Black Lives Matter movement and a confluence of other events throughout 2020 have amplified conversations on Indigenous rights in the board room and in workplaces. Rather than shying away from the challenges, many businesses are increasingly recognising the importance of respectful and trust-based relationships with Indigenous communities, including reassessing how their business operations could impact the rights of Indigenous Australians.

A key theme that emerged in this session was that every business operating in Australia has a role to play in advancing reconciliation by ensuring that they engage in, and maintain, trust-based and rights-respecting relationships with Indigenous Australians. This includes acknowledging the oft-times uncomfortable past. In doing so, companies can uncover the opportunities that a process of truth-telling provides, including creating what Karen Mundine describes as "safe" and "brave" spaces for these conversations that allow companies to "go beyond the Black Lives Matter hashtag and investigate what that means for their company".

2020 has marked a significant turning point in conversations about the protection of cultural heritage in Australia and the rights of Indigenous Australians. The destruction of Juukan Gorge in May 2020 by mining company Rio Tinto and the subsequent Federal parliamentary inquiry highlight the deep structural changes needed to respect Indigenous rights, at both a legislative and corporate governance level. Looking ahead, there will be an expectation on companies to reassess inherent business questions around human rights risks, business operations and corporate governance structures to learn from and operationalise the critical lessons that can be taken from this situation. The relevance of Indigenous Australian cultural heritage and cultural safety issues for all businesses was underscored by Cath Brokenborough, who noted that "we all have a role to play in this, no matter how far you might feel that your operations are removed from the frontline of working with Traditional Owners there is always [something] a business can do".

The session highlighted the guiding frameworks that Reconciliation Action Plans (RAPs) and international standards – such as the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and the UNGPs – can provide businesses seeking to embed respect for Indigenous rights throughout their strategy and operations. Key actions that businesses can take include creating a RAP, supporting the Uluru Statement from the Heart which calls for constitutional recognition of Indigenous Australians, ensuring that cultural safety is embedded in the workplace and moving beyond performative measures to ensure that equality and inclusion are felt by Indigenous Australians. This includes building respectful relationships with Indigenous Australians and with business leaders at the C-suite and board level modelling responsible, rights-respecting behaviour and speaking out authentically on issues of systemic racism.

As companies seek to overcome new barriers to engaging with Indigenous Australians imposed by the COVID-19 pandemic, it is critical that the momentum built in 2020 on Indigenous rights is not just a passing moment. Florence Drummond advised businesses to listen to and learn from internal Indigenous Australian voices and experiences to "empower employees, but with great intention". This is a time to privilege Indigenous Australian voices, to ambitiously tackle institutionalised racism and ensure that our recovery from the COVID-19 pandemic creates better business and societal outcomes, including for Indigenous Australians.

5. OPPORTUNITIES FOR BETTER BUSINESS – SNAPSHOTS OF RESPECTING HUMAN RIGHTS

Keren
Adams

Jessica
Casben

Margaret
Stuart

Kylie
Porter

Speakers: Keren Adams, *Legal Director, Human Rights Law Centre*
Jessica Casben, *Director, Modern Slavery and Human Trafficking Branch, Australian Border Force*
Margaret Stuart, *Head of Corporate and External Relations, Nestlé Oceania*
Facilitator: Kylie Porter, *Executive Director, Global Compact Network Australia*

The COVID-19 pandemic has brought "the people agenda to the absolute forefront."

- Margaret Stuart

The panel noted that the current crisis has highlighted the fragility and opaqueness of global supply chains and increased the risks of human rights harms for many workers, including those who were already vulnerable. Businesses, governments and civil society organisations alike have been forced to adapt their strategies and operations as new challenges emerge and existing issues are exacerbated.

Although many businesses and governments have pivoted towards supporting suppliers and vulnerable workers, in other instances workers' rights have been undermined and conditions of work in Australia and abroad have deteriorated. According to Keren Adams, practices such as cancelling contracts and refusing to pay for completed work have played a detrimental role in pushing the cost burden of the crisis down the supply chain and onto those who can least afford it. Businesses can improve practices by focusing on supporting employees and workers in the supply chain, including by ensuring that they have access to paid sick leave, are able to self-isolate where necessary, and that they have proper access to and training with personal protective equipment. Although many businesses may feel like they are facing competing local and global priorities, Margaret Stuart noted that navigating these challenges involves applying the same thinking for both employees and workers in the supply chain, with the key being to "recognise vulnerability amongst stakeholders and take action based on that".

A common challenge that both businesses and civil society organisations face is the increasing difficulty in identifying human rights risks and harms. For civil society organisations, the inability to access remote communities, both within and outside Australia, has limited their capacity to undertake on the ground research into human rights issues. Similarly, businesses have faced reduced visibility over supply chains and a limited capacity to undertake supplier audits and other monitoring, particularly overseas. As a result, business can expect the current crisis to accelerate the move away from a strong reliance on audits that has traditionally characterised supply chain management, towards models that are founded in building strong relationships with suppliers and other stakeholders such as civil society organisations, unions and peak bodies. A key takeaway from the discussion was the crucial role played by strong relationships with suppliers and partner organisations in host countries and the value of building these relationships in the preceding years.

The discussion also highlighted the ongoing challenges in developing effective grievance mechanisms to address human rights harms, including instances of modern slavery. Yet grievance mechanisms are "more important than they have ever been" (Margaret Stuart), allowing people (i.e. workers in supply chains) to reach business when business cannot reach them. Based on Nestlé's experience, Margaret Stuart advised companies to ensure that their remediation processes identify what the individual in question needs to address the situation, in consultation with that person or legitimate representatives. With corporate compliance around access to remedy often "very poor" according to Keren Adams, grievance mechanisms and other remediation processes are an important focus area for businesses as they seek to build more responsible and rights-respecting business models for the future.

Although the COVID-19 pandemic has undeniably caused challenges for companies preparing their first modern slavery statements under the Australian Modern Slavery Act, at the time of the Dialogue, the Australian Government had already received 40 modern slavery statements. Jessica Casben discussed the considerable variation in the quality of the statements and highlighted that the Act will undergo a mandated review in three years which will incorporate a reflection of the trends observed from the statements, and where the Act and reporting can be improved. She also observed the strong engagement from companies with the Australian Government's online resources and tools including the Modern Slavery Act Information Sheet: Coronavirus and the Government's virtual help desk on modern slavery.

In closing, the panellists discussed the increased appetite for collaborative partnerships in the face of the pandemic and the role these can play in strengthening modern slavery and broader human rights risk management. In times of crisis such as the pandemic, Jessica Casben noted that collaboration and open communication are "vital ordinarily" and "critical now".

6. BUILDING RESPONSIBLE SUPPLY CHAINS

Tony Khaw · Rick Lambell · Julie Vallat · Vanessa Zimmerman

Speakers: Tony Khaw, Director, Corporate Social Responsibility, Sustainability Office, NXP Semiconductors
Rick Lambell, Head of Sustainable Development, Kmart Group
Julie Vallat, VP Human Rights, L'Oréal
Facilitator: Vanessa Zimmerman, Director and Chair, Business and Human Rights, Global Compact Network Australia

"The cornerstone of business is partnership."

- Rick Lambell

The COVID-19 pandemic has highlighted the importance of having agile supply chains that have embedded respect for human rights. A key challenge identified in the early days of the crisis was the speed at which the situation changed, and the need to make rapid decisions across large and complex supply chains. Companies with large supply chains navigating this landscape employed risk-based prioritisation exercises to rapidly assess where the greatest risks of human rights harms were occurring during the pandemic. In many cases the increased risks were related to groups already deemed at risk or vulnerable. For example, the panellists highlighted the increased vulnerability of communities such as foreign migrant workers and workers living in countries where there are limited social protection systems.

The session identified actions businesses can take to support suppliers and vulnerable workers during the pandemic to mitigate the risk of human rights harms. These included avoiding the use of force majeure clauses where possible, raising supplier awareness of human rights issues that may be exacerbated by lockdown measures such as gender-based violence, and engaging with suppliers to understand how the pandemic is impacting their operations.

The session reaffirmed the value of engaging with international guidance from leading institutions such as the UN and the International Labour Organisation (ILO) to support rights-respecting business responses to the crisis. The panel highlighted opportunities to use this guidance as a communication tool when engaging with suppliers about business expectations and standards. A key lesson learned from the pandemic was the importance of consulting with suppliers on business decisions to understand their impact further down the value chain. Notably, the current crisis has engendered in many businesses a greater awareness of irresponsible purchasing practices and the impacts that these can have throughout the supply chain.

The discussion built on the themes of the 'Opportunities for Better Business' session, highlighting the importance of strong relationships throughout the supply chain, particularly during times of crisis. As businesses navigate lost visibility over supply chains and seek to address the challenges of going beyond tier one suppliers, having strong supplier relationships, as well as existing partnerships with civil society organisations and workers associations play a key role in ensuring that businesses can identify, mitigate and address human rights risks in their supply chains. Tony Khaw provided an example of overcoming the challenges posed by COVID-19 in identifying human rights impacts in supply chains through the use of remote desk-top audits.

For businesses navigating the current crisis and managing competing priorities, regulatory frameworks such as the Australian Modern Slavery Act and the growing momentum towards mandatory human rights due diligence in the European Union have helped keep the topic of modern slavery and broader human rights risks high on the agenda of leadership teams. Panellists also discussed the importance of breaking down silos to address global challenges, and the opportunity the crisis has presented to bring teams together from across the business to discuss and deliver a holistic and rights-respecting response to the global pandemic.

The panellists also encouraged businesses to go beyond a compliance approach and seek to engage, listen, remediate and improve their business practices both throughout the crisis and as we look ahead to our recovery. Businesses that continue to invest in strong supplier relations and build cross-sectoral partnerships will be well positioned to build more responsible, agile and resilient supply chains for the future.

7. CHALLENGING OLD METHODS AND MOVING BOUNDARIES

John Morrison

Carol Schwartz AO

David Cooke

Speakers: John Morrison, Chief Executive, Institute for Human Rights and Business
Carol Schwartz AO, Non-Executive Director
Facilitator: David Cooke, Chair, Global Compact Network Australia

As a global community, we are all experiencing the same thing at the same time. Collectively, we have the opportunity to envisage a new way of business, reboot the economy in an inclusive, sustainable and resilient way, and build back better.

A key theme throughout the Dialogue that was brought home in a dynamic closing discussion between Carol Schwartz AO and John Morrison was that we cannot go back to 'business as usual' as we recover from the pandemic. Not only would a return to business as usual undermine human rights and environmental sustainability, but it no longer makes good business sense.

John Morrison noted that there is an increasing recognition globally that "what is good for human rights is good for business". And with the pragmatic nature of business in mind, there is a growing number of companies in Australia and globally that are committed to a green and resilient recovery from the COVID-19 crisis that considers the value of respecting human rights.

The panellists reaffirmed that there is no need to create new tools or frameworks to steer our recovery from the COVID-19 pandemic. Instead, businesses can use the existing frameworks provided by the UNGPs and the SDGs to build more agile, adaptable and flexible business models that are resilient to future shocks and well-prepared for the 'new normal' of the global business landscape. As part of these frameworks, John Morrison advises businesses to use risk management processes such as human rights due diligence as a "continual thought process" that can provide a "360 radar" of existing and emerging risks for businesses and their operations. Regulatory frameworks on human rights and broader ESG issues can support businesses on this front by levelling the playing field and aligning business efforts with collective societal goals.

The panellists observed that social licence to operate is as important as ever and its significance is increasingly being felt in boardrooms. Consumer and shareholder activism and growing investor pressure will continue to encourage businesses to align purpose and profit both in times of crisis and beyond. Carol Schwartz AO noted that there is no choice between purpose or profit because "the stronger the business serves the community and its stakeholders, the more profitable that business would be".

Alongside an ongoing focus on social licence, business leaders can expect continued pressure to speak out on key issues including human rights, climate change, automation, transition and equity. Setting the tone from the top is crucial in a landscape where "the social contract between business and communities is shifting quickly and it is essential that CEOs lead this conversation" (John Morrison).

8. DIALOGUE IMPACT AND LESSONS LEARNED

The following information has been collated via the post-Dialogue anonymous feedback survey.

DIALOGUE ACHIEVEMENTS

- Reached an audience of 180 participants.

- Delivered relevant content: 89% of people thought the quality of the content was good or excellent.

- Brought together high quality and knowledgeable speakers: 96% of people thought the quality of speakers was good or excellent.

- 86% of people thought the format of the Dialogue was good or excellent.

- Overall, 67% of people thought the Dialogue was extremely or considerably valuable.

- Overall, 28% of people thought the Dialogue was moderately valuable.

- Links to content in the chat panel were well received and useful.

MOST APPRECIATED SESSIONS

Inclusion and Reducing Inequalities

Responsible Supply Chains

DIALOGUE PARTICIPANTS BY SECTOR

- INDIVIDUAL CONSULTANT 14%
- BUSINESS 57%
- GOVERNMENT 9%
- CIVIL SOCIETY/ NGO 20%
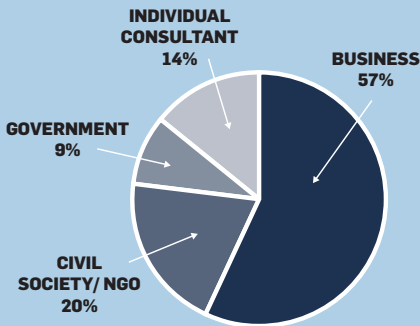
IMPORTANT LESSONS LEARNED

- The online format of the Dialogue could be strengthened by enabling greater interaction between participants, including:

  - Opportunities to network with other attendees; and

  - Improved audience Q&A sessions.

- More breaks between sessions would benefit attendees.

- Attendees are interested in hearing from more speakers that have experience in implementing strategies and change at an operational level.

- Strong interest from attendees in attending future online Dialogues that are spread across two days instead of one or attending shorter Dialogues to enable continued focus.

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