

praise actions and decisions that advance the company's commitment to respect human rights, and call out any that run counter to it.

LEADERSHIP
NO.

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Various pressures and incentives may arise within a company for people to ignore human rights risks and impacts, even if they are aware that they exist. In other instances they may be unaware of them.

Where leaders routinely demonstrate that actions and decisions that support respect for human rights will be celebrated and those that do the opposite will be sanctioned, it is more likely that people across the workforce will both be attuned to the ways in which their own actions and decisions can affect people's human rights, and feel motivated and empowered to act in ways that advance positive outcomes.

Evidence of these practices among senior leaders signals that the company views respect for people and the reduction of human rights risks and impacts as important to its business, and as something that needs to be discussed openly and addressed consistently across the company.

KEY QUESTIONS FOR LEADERS TO ASK OR BE ASKED

- How do senior leaders go about identifying actions/decisions that support respect for human rights and warrant internal recognition and praise?
- How do senior leaders go about identifying actions/decisions that undermine respect for human rights and warrant some lesson learning and/or sanction?
- What recent instances are there of senior leaders providing such praise or sanction?
- What reactions have there been in response to such praise or sanction?

CONNECTION TO CULTURE



ACCOUNTABILITY



LEARNING



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TYPE OF APPLICATION

The types of use, whether inside a company or by those outside a company, to which this indicator particularly lends itself:

Internal

- Self-assessment / internal audit
- Third party assessment / culture audit

External

- Investor engagement

SOURCES OF EVIDENCE

DOCUMENTATION



- Records of instances where actions/ decisions that support respect for human rights have been praised
- Records of instances where actions/ decisions that harm human rights have been sanctioned

CONVERSATIONS



- with senior management
- with middle management

WORKFORCE PERSPECTIVES



Survey / interviews / other feedback from a cross-section of the workforce regarding:

- The merits of such practices
- Perceptions / examples of whether actions / decisions that support respect for human rights are praised
- Perceptions / examples of whether actions / decisions that harm human rights are called out and / or sanctioned
- Perceptions of the extent to which these types of praise / sanction are consistent across the organization or depend on function / business unit or the seniority of the individuals concerned

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OVERVIEW

APPLICATIONS

SUPPORTING INDICATORS

ADDRESSING LIMITATIONS

The limits of this indicator lie in the risk that other business pressures or incentives to ignore human rights risks and impacts may override these positive signals from leaders, or that the praise or sanction from leaders is seen as being inconsistent with their own actions and decisions and therefore not taken seriously.

This indicator will therefore be strengthened where there is complementary evidence in relation to one or more of the following indicators:

	G1	G9	L2	L7
SUPPORTING INDICATOR	The most senior governing body and/or its relevant subcommittees... reviews and challenges the company’s business model and strategy to ensure any inherent human rights risks are identified and addressed.	The most senior governing body and/or its relevant subcommittees... challenges any top management performance incentives that may promote behaviors that undermine respect for human rights.	Senior leaders at corporate, regional, country and business unit levels... regularly affirm that all stakeholders must be treated with respect and dignity, and model this in their interactions with the company’s workforce.	Senior leaders at corporate, regional, country and business unit levels... signal the importance of the internal function(s) or role(s) that lead(s) on human rights by ensuring their insights are integrated into decision-making processes.
RATIONALE	Where the governing body does this, it is less likely that the workforce will face significant countervailing pressures or incentives to ignore human rights risks and impacts.	Where the governing body does this, it is less likely that the workforce will face significant countervailing pressures or incentives to ignore human rights risks and impacts.	Where senior leaders do this, it is more likely that the workforce will see leaders’ praise and sanction of actions that affect people’s human rights as consistent and coherent, and therefore take them seriously.	Where senior leaders do this, it is more likely that the workforce will see leaders’ praise and sanction of actions that affect people’s human rights as consistent and coherent, and therefore take them seriously.