UNDER STRICT EMBARGO 22 October 2021 / 00:00 BST

PRESS RELEASE

Leading businesses and investors call for new UK law to prevent human rights abuse and environmental harm

- 36 companies, investors, business associations and initiatives sign joint statement calling for new UK human rights and environmental due diligence law
- Signatories include **Tesco**, **ASOS**, **Primark**, **Microsoft**, **John Lewis**, **British Retail Consortium and Twinings**

London, United Kingdom – 36 companies, investors, business associations and initiatives have called for a new law mandating 'human rights and environmental due diligence' in a statement released today.

The statement says:

- "...we call on the government to introduce a new legal requirement for companies and investors to carry out human rights and environmental due diligence [HREDD]. Such a requirement to prevent abuse of human rights and environmental harm in global operations and value chains would deliver on the government's commitments to the levelling up agenda and to the transition to a net zero economy...
- "... The UK now has an opportunity to retain its leading role, rather than following the footsteps of others. Legislation can contribute to a competitive level playing field, increase legal certainty about the standards expected from companies, ensure consequences when responsibilities are not met, promote engagement and impactful actions between supply chain partners and, above all, incentivise impactful and effective action on the ground.
- "...To level the playing field in practice, the requirement needs to be accompanied by consequences that will be strong enough to ensure that businesses that fall within the scope of the legislation carry out HREDD to a high standard and that victims have access to justice."

Countries across Europe, and the EU itself, are introducing new human rights and environmental due diligence laws. France already has the <u>Corporate Duty of Vigilance Law</u>, and due diligence laws are at different stages of development in the <u>Netherlands</u>, <u>Germany</u>, <u>Norway</u> and <u>Belgium</u>, among <u>others</u>. A new <u>EU initiative</u>, due to be tabled later this year, is expected to apply to all UK businesses operating in the Single Market.

A group of more than 30 civil society organisations coming together as the Corporate Justice Coalition is <u>calling for</u> the introduction a new UK 'mandatory human rights and environmental due diligence' law, based on the duties to prevent tax evasion and bribery found in the Criminal Finances Act 2017 and the Bribery Act 2010 – as <u>called for</u> by the UK Parliament's Joint Committee on Human Rights in 2017, and found to be legally feasible in a <u>study</u> released in 2020 by the British Institute of International and Comparative Law.

Thulsi Narayanasamy, Head of Labour Rights, Business & Human Rights Resource Centre, said:

"Voluntary commitments to ensure human rights are respected by businesses have failed. It speaks volumes that leading business and investors themselves are uniting to call for a level playing field and a clear regulatory environment to ensure that the rights of the most vulnerable are respected. We want to see this requirement backed up by strong liability provisions that will hold companies legally accountable if they fail to prevent abuses."

"As workers face unprecedented rights abuses with no recourse, the UK simply can't afford to waste more time, it's time to bridge the regulatory gap."

Mark Dearn, Director, Corporate Justice Coalition, said:

"Businesses, investors and rights groups are united in their demand for a new UK supply chain law - and rightly so, because we won't be able to protect human rights and the environment without new rules to root out the supply chain abuses that happen every day, all over the world.

As other countries press ahead with the new laws with legal liability that are urgently needed to keep step with the changing nature of business, the UK Government can't keep burying its head in the sand by saying that voluntary commitments are all that's required.

"Businesses and investors want this, people and the planet need it, and the Government must step up and take action."

Simon Platts, Responsible Sourcing Director, ASOS, said:

"ASOS called for mandatory human rights and environmental due diligence legislation in April, and it's incredibly encouraging to see so many brands and organisations now coming together with one voice to support its introduction in the UK. Such legislation has the power to protect workers and deliver positive benefits for people around the world by driving up standards and making companies legally responsible for identifying and stamping out human rights and environmental risks, wherever they occur."

Aisha Aswani, Ethical Trading Manager, Co-op said:

"Protecting the rights of workers within our supply chain and managing our environmental impact are absolute priorities for Co-op and fundamental to the way we do business. But this isn't unilaterally the case, on a national or global level. Effective and workable legislation is critical to help prevent human rights abuse and environmental harm and it's vital these issues remain high on the UK agenda so positive moves forward can be made."

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Note to editors:

- The <u>Business & Human Rights Resource Centre</u> is an international NGO that tracks the human rights impacts of more than 10,000 companies across nearly 200 countries.
- More than 30 UK civil society organisations call for new law to be based on key principles.
- The Business & Human Rights Resource Centre <u>monitors the progress of such laws</u> around the world. Legislation is already in place in France, Germany and Norway.
- UK companies have been linked to human rights and environmental abuses worldwide, in sectors including PPE, tea and garments.
- 26 companies, business associations and initiatives <u>have called for mandatory</u> <u>human rights and due diligence legislation</u> at EU level. <u>A similar EU-facing statement</u> is signed by 94 investors with over US\$6 trillion of assets under management.
- ASOS op-ed in the Times (April 2021) calling for human rights due diligence

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