This report serves to demonstrate DIHR’s commitment as a participant to the United Nations Global Compact. The report is a stand-alone document for the period between 2018 and 2019.
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ABBREVIATIONS

DIHR – Danish Institute for Human Rights

GANHRI - Global Alliance of National Human Rights Institutions formerly known as ICC – International Coordinating Committee of National Institutions for the Promotion and Protection of Human Rights

NHRI – National Human Rights Institution

OECD - the Organisation for Economic Co-operation and Development

UN – United Nations

UNGC – United Nations Global Compact
STATEMENT OF CONTINUED SUPPORT

Dear Stakeholders,

The Danish Institute for Human Rights (DIHR), as a participant of the UN Global Compact (UNGC) since 2013, is proud to confirm its support for the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. With this commitment, we express our intent to support the UNGC in advancing these principles. We will do so through our work as a National Human Rights Institution by continuing to promote and develop knowledge about human rights on a national, regional and international basis.

We will continue to participate in and engage with the UNGC in the following ways:

- **Internalizing the UNGC Principles**: DIHR will continue the process of internalizing the UNGC principles within its own organisation
- **Participation and outreach**: DIHR will continue to contribute to and participate in presentations at UNGC regional and global events, and to develop and promote tools, conduct assessments and encourage implementation by companies of the UNGC Principles
- **Engaging directly with business**: DIHR will continue to work with companies with the aim of promoting business respect for human rights
- **The UN Sustainable Development Goals**: DIHR will continue to work on providing human rights guidance to the SDGs and further support this guidance in our engagements with the UNGC and with business
- **Special Initiatives and Work Streams**: DIHR will continue to engage in the human rights working group of the UNGC Network Danmark and on additional activities in the areas of further promoting the engagement between NHRIs and UNGC Local Networks and in advancing and supporting access to UNGC tools and resources

We recognize that a key requirement for participation in the UNGC is the submission of a Communication on Engagement (COE) that describes our organization’s efforts to support the implementation of the ten principles and to engage with the Global Compact. We support public accountability and transparency, and therefore commit to report on progress, as outlined in the Global Compact COE policy.

Kind regards,

Jonas Christoffersen

EXECUTIVE DIRECTOR
ABOUT THE DANISH INSTITUTE FOR HUMAN RIGHTS

The Danish Institute for Human Rights (DIHR) is an independent national human rights institution (NHRI) established by the Danish Parliament in accordance with the United Nations (UN) Paris Principles. Under its legal mandate, DIHR's main functions are to monitor human rights in Denmark and promote human rights internationally, including through engagement with non-state actors, including companies.

DIHR has been a committed member of the UN Global Compact (UNGC) since 2003. DIHR is classified as a non-business participant under the public sector, and has pledged to work to internalize, promote and disseminate the UNGC principles both throughout our institution as well through various external engagements such as advising business, governments, NHRI's and international organizations.

Since 1999, DIHR has been active in the field of human rights and business. DIHR has been directly engaged by more than 15 Fortune 500 companies¹ and a range of international organisations to provide support for the development of their human rights policies and due diligence measures, and to deliver internal capacity building, educational services and impact assessments. In addition to direct engagements, human rights tools and approaches developed by DIHR are being applied by more than 200 additional companies. The 2012 law on establishing DIHR as Denmark's National Human Rights Institution further recognizes DIHR’s mandate with regard to private sector actors.

At the national level, DIHR monitors legislation to ensure that it is in accordance with human rights as well as providing advice to the government, parliament, civil society and business on human rights. This is done by submitting legal briefs during the legislative process, providing analysis and research on human rights issues, educating on human rights and cooperating with various stakeholders to assist in the implementation of human rights.

DIHR’s International Department is undertaking ongoing human rights projects with local partners in over 30 countries worldwide, which are funded by a range of national and international donor organisations and clients. These projects include:

- Direct engagements with multinational enterprises, international financial institutions and other international agencies on human rights and business issues;

¹ Fortune 500 companies represent two-thirds of the U.S. GDP with $12 trillion in revenues, $890 billion in profits, $19 trillion in market value, and employ 28.2 million people worldwide: http://fortune.com/fortune500/
• Capacity strengthening collaborations with central governments and other state entities such as military, police, judiciaries and paralegal services;

• Capacity building projects with NHRIs and ombudsmen;

• Support to civil society organisations in sensitive human rights environments; and

• A range of activities focused on promoting the role of business in sustainable development.

As an independent NHRI, DIHR has played a prominent role in promoting human rights and business. In 2008, DIHR led the establishment of a NHRI Working Group on Business and Human Rights under the Global Alliance of National Human Rights Institutions (GANHRI). The Working Group has been successful in building recognition of NHRIs as key stakeholders in the evolving landscape of business and human rights.

In 2010, GANHRI adopted the Edinburgh Declaration affirming the mandate and role of NHRIs in promoting business respect for human rights.

The GANHRI Working Group on Business and Human Rights contributed to the development of the UN Guiding Principles on Business and Human Rights (UNGPs), which were unanimously endorsed by the UN Human Rights Council in 2011.

Human Rights Council Resolution 17/4, which endorsed the Guiding Principles, explicitly affirms the role of NHRIs regarding business and human rights. The UNGPs themselves expressly recognize the role of NHRIs in relation to business and human rights with reference to each of the three pillars of the UN “Protect, Respect and Remedy” Framework on Business and Human Rights:

• Pillar 1 - State Duty to Protect: NHRIs have a mandate to review the fulfilment by the State of its duty to protect rights-holders from human rights infringements by business

• Pillar 2 - Corporate Responsibility to Respect: NHRIs have a mandate to provide expert advice and guidance to business regarding human rights issues

• Pillar 3 - Access to Remedy: NHRIs have a mandate to provide non-judicial grievance mechanisms for actual or threatened human rights infringement by the corporate sector.

The GANHRI Working Group on Business and Human Rights also contributed to the 2011 revision of the OECD Guidelines for Multinational Enterprises which aligned the Guidelines with the UNGPs and the 2011 revision of the OECD Recommendation on Common Approaches on Environment and Officially Supported Export Credits.
In addition, DIHR promotes capacity building of NHRIs worldwide, including through the development of a training course, on behalf of GANHRI, which is comprised by a guidebook\(^4\) and complementary e-learning on business and human rights specifically focusing on the needs of NHRIs.\(^5\) The Guidebook and e-learning contain examples and recommendations on engagement and coordination with the UNGC, including local networks, and Global Compact initiatives.
DESCRIPTION OF ACTIONS & MEASUREMENT OUTCOMES

The following sections provide a detailed account of how DIHR both supports and engages with the UNGC principles as well as takes strategic action to advance societal goals, such as the UN Sustainable Development Goals (SDGs).

The chapter will be structured around the following subsections:

- **Internalizing the UNGC Principles**: Which elaborates on internal processes to internalize the UNGC principles within DIHR

- **Participation and outreach**: Which includes participation and presentations at UNGC regional and global events, as well as DIHR’s role in developing the UNGC Self-Assessment tool

- **Engaging directly with business**: Which highlights ways in which DIHR works with companies with the aim of promoting business respect for human rights

- **The UN Sustainable Development Goals**: Which elaborates on our work on providing human rights guidance on the SDGs

- **Special Initiatives and Work Streams**: which elaborates on our activities and priorities as a member of the UNGC Network Danmark as well as additional activities in the areas of promoting further the engagement between NHRIs and UNGC Local Networks and in advancing and supporting access to UNGC tools and resources

**INTERNALIZING THE UNGC PRINCIPLES**

DIHR is committed to its duty to respect human rights and its legal mandate to protect and promote human rights not only through its work with external partners, but also through the institution’s internal daily work. As a NHRI with a mandate to promote and protect human rights both nationally and internationally, it is necessary that DIHR internalises the UNGC principles and constantly works to improve its own processes.

During recent years, DIHR has further strengthened its internal governance systems to ensure that its employees work in accordance with the principles. This includes the development of internal policies and procedures in the areas of:
The strategy for DIHR’s international work for 2017-2020 specifically focuses on how the Institute can set standards and create change through taking a lead in exercising social responsibility as a public institution.

**PARTICIPATION AND OUTREACH**

DIHR has engaged with the human rights experts of the UNGC, and DIHR staff have participated in several UNGC webinars as presenters, contributors and participants. DIHR has also participated in the UNGC Nordic Network Meetings in order to help promote the awareness and implementation of the UNGC principles. DIHR is also a member of the newly establish Danish Global Compact Local Network.

A key project and resource for the UNGC has been the Global Compact Self-Assessment Tool. The tool was developed by the DIHR in collaboration with the UNGC, together with the Confederation of Danish Industry, the Industrialization Fund for Developing Countries, the Danish Business Authority, and DIHR in collaboration with the UNGC.

The free, online tool is designed for use by all companies who are committed to upholding social and environmental standards in their operations and enables companies to measure their performance on the UNGC Ten Principles. DIHR developed the concept for the tool and provided the content for the human rights and labour rights sections of the Tool, using the knowledge obtained through work with business and civil society organisations in the business and human rights field.
In 2017 DIHR and the other project partners conducted a mapping of how the Self-Assessment tool links to the Sustainable Development Goals and Targets. DIHR has engaged with the Global Compact on the development of a resource for companies to self-assess their contributions to the SDGs. This resource references the UNGC Self-Assessment tool.

**ENGAGING DIRECTLY WITH BUSINESS**

DIHR’s human rights and business program engages with both the public and the private sector:

- We work with NHRIs, governments and international organisations to improve policy and regulatory frameworks for responsible business conduct
- We work with companies and business associations to increase respect for human rights in business operations
- We support in mobilising business towards realisation of the Sustainable Development Goals (SDGs)

The Corporate Engagement Programme, which is a part of the Human Rights and Business Department, works with companies and business associations to increase respect for human rights in their operations. This is done in accordance with DIHR’s legal mandate, and the DIHR Corporate Engagement Principles, see Box 1 below.

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**Box 1: DIHR’S CORPORATE ENGAGEMENT PRINCIPLES**

As part of its legal mandate to protect and promote human rights, the Danish Institute for Human Rights – Denmark’s National Human Rights Institution is mandated to engage directly with private actors. The purpose of this engagement is to address the positive and negative human rights impacts of businesses operating around the world.

While states have the primary duty to protect and fulfil human rights, businesses have, at a minimum, the responsibility to respect human rights. Beyond this obligation, the Institute recognises that businesses have significant potential to contribute to the increased enjoyment of human rights by supporting long-term sustainable development in the societies where they operate.

All engagements between the Institute and corporate actors are conducted with the following mutual understanding between the Institute and the corporate actor:

1. The Institute is a National Human Rights Institution mandated by law to protect and promote human rights.
2. Corporate actors engage with the Institute in good faith with the aim of improving their impacts on human rights.
3. The Institute reserves the right not to engage with corporate actors where there is an international consensus on the irreconcilability of their business with human rights.²

4. The Institute strives to carry out its corporate engagement projects using a human rights-based approach.

5. The Institute is an impartial, independent human rights institution, and does not offer public endorsements of specific corporate actors. Public communications by a corporate actor regarding its work with the Institute must be agreed to prior to disclosure. The communications must be factually correct and must not indicate endorsement by the Institute.

6. The Institute will in all cases disclose the identities of the corporate actors with which it engages. The Institute actively encourages disclosure by corporate actors of the outcomes of their work with the Institute and, together with corporate actor, is committed to strive towards full disclosure of both the existence and contents of Human Rights Impact Assessment (HRIA) reports that the Institute is involved in.

7. The Institute strives to publicly disseminate knowledge based on experiences gained in corporate engagement projects in order to advance human rights in the wider corporate sector.

8. The Institute continuously evaluates the results of its work with corporate actors and may discontinue concrete corporate engagements if the results achieved over time are not satisfactory.

9. These principles are annexed to all of the Institute’s corporate engagement contracts. The Institute continuously monitors engagements to ensure compliance with these principles. Non-compliance with these principles will be considered a material breach of contract.

Ultimately, the purpose of the Corporate Engagement Programme is to address the positive and negative human rights impacts of business operations at the global, country and project level. Thus, in our engagements, we work actively with the first 6 principles of the UNGC, trying to identify practical approaches and methods for business to exercise respect for human rights.

DIHR specifically aims to help companies:

- Understand and address potential negative impacts on the human rights of workers, communities and consumers
- Develop policies and management systems that reflect international human rights standards
- Build internal awareness of and capacity for human rights in relevant company functions
- Track and demonstrate performance on human rights

² As a point of departure the Institute will consider similar criteria for exclusion as the United Nations Global Compact: https://www.unglobalcompact.org/participation/join/who-should-join
• Understand and enhance the positive human rights impacts of their business model

The Programme’s work with capacity building, support in developing policies and procedures, and conducting various types of human rights assessments (i.e. self-assessments, site-assessments and company-wide assessments) has allowed it to gain industry expertise and project experience that extends across the oil and gas, mining, food and beverage, agriculture, utilities, energy, transportation, pharmaceutical, IT, forestry and other sectors. DIHR has been engaged by companies to undertake site-level assessments in more than 20 countries across Europe, the Americas, Africa and Asia.

Based on our knowledge and experience from working with individual companies, we develop tools and publications that combine cutting-edge human rights expertise with hands-on experience from working with leading companies. By making these tools and publications publicly available we help the private sector scale up their respect for human rights and their contribution to the SDGs.

THE UN SUSTAINABLE DEVELOPMENT GOALS

DIHR develops analysis, tools and guidance on the links between human rights and sustainable development. Through partnerships, DIHR works to integrate human rights standards and mechanisms in sustainable development policies, programmes and monitoring.

DIHR has developed the Human Rights Guide to the SDGs which uncovers the human rights anchorage of the 17 goals and 169 targets. The Guide reaffirms that the SDGs are underpinned by human rights, and will only be achieved if principles of participation, accountability and non-discrimination are respected.

Human rights mechanisms and institutions have an important role to play in planning, implementation and monitoring of progress on the SDGs. The Guide enables NHRIs, major groups, states, rights-holders, civil society and businesses to use human rights as a means to realise the SDGs – and to use the SDGs to realise human rights.

NHRIs are uniquely placed to act as a bridge between stakeholders and promote a human rights-based approach (HRBA) to the SDGs. We work with the global network of NHRIs to build capacity and good practice.

The work of DIHR also comprises research and tools on Follow-up and Review (FuR), and national implementation of the 2030 Agenda. In particular, by focusing on how human rights monitoring mechanisms and NHRIs can contribute to guiding the implementation and strengthening the monitoring of the SDGs, at national, regional and international levels.

To test the DIHR tools and approaches, we work with specific rights areas and collaborate with partners through projects in a number of countries. With regards to social rights, such as the rights to water and health, DIHR work with
the AAAQ approach to hold governments responsible for the human rights obligations owed their citizens.

In 2018, DIHR launched a database to support business in conducting sustainable business through human rights due diligence. The database provides examples and cases of how business, through their responsible business practices, can contribute to the SDGs. In 2019 DIHR launched a discussion paper which provides an overview of the connections between human rights, responsible business conduct and the 2030 Agenda for Sustainable Development.

SPECIAL INITIATIVES AND WORK STREAMS

In 2017 a DIHR member of staff was elected in as a Board member of the UNGC Network Denmark. Through her mandate, DIHR has supported the establishment of a Human Rights Working Group of UNGC Network Denmark, and DIHR has been a key subject matter expert for various events and activities organised by the UNGC Network Denmark on human rights. This has included:

- A 2018-2019 workshop series on human rights due diligence;
- A 2019 basic training on human rights; and
- An event during the annual political festival in Denmark (“Folkemødet”) on responsible business and the SDGs. The event included participation from academia, civil-society, business and investors. Learnings and recommendations from the event were summarised in a letter to the head of the multi-stakeholder working group on responsible business and the SDGs.

The DIHR staff is also a member of the Expert Group of UNGC, the only NHRI representative within the Group.

Finally, DIHR engages in ongoing dialogue and engagement with UNGC on various activities. This includes coordination of meetings and side-events at the Annual Forum on Business and Human Rights. DIHR will continue to engage in additional activities in the areas of promoting further the engagement between NHRIIs and UNGC Local Networks and in advancing and supporting access to UNGC tools and resources.

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3 More on the database can be found here: https://biz.sdg.humanrights.dk/
4 The paper can be found here: https://www.humanrights.dk/sites/humanrights.dk/files/media/dokumenter/udgivelser/hrb_2019/responsible_business_conduct_as_a_cornerstone_of_the_2030_agenda_dihr_2019.pdf
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ENDNOTES

2 Ibid
3 Link to website of the GANHRI Working Group on Business and Human Rights: http://nhri.ohchr.org/EN/Themes/BusinessHR/Pages/Mandate%20of%20the%20ICC%20Working%20Group.aspx
5 Link to more information on the ICC Guidebook and E-learning on business and human rights for NHRIs: http://www.humanrights.dk/business/tools/guidebook-e-learning-nhris