



Conducting a Human Rights Impact Assessment (HRIA)



Human rights impact assessments / “ad-hoc” risk analysis

Demand for Human Rights Impact Assessments (HRIAs – or “ad-hoc risk analysis” under the European legislation), together with holistic Human Rights and Environmental Due Diligence (HREDD), is increasing as companies come under growing pressure from investors and need to satisfy additional regulatory requirements. Companies recognise that they need to obtain nuanced information about current and future risk to comply with, and prepare for, enhanced regulations that require supply chain human rights and environmental due diligence.

HRIAs enable identification of potential risks, differing from a compliance approach, and allow companies to determine how to allocate resources more effectively based on the outcomes. LRQA supports companies across the globe to conduct human rights impact assessments to identify and manage human rights risks (typically focused on specific commodities or countries).


Requested by investors, regulators, or other external stakeholders, conducting regular impact assessments on high-risk parts of the supply chain can help solve multiple business challenges:




Fulfill commitment under EU Corporate Sustainability Due Diligence Directive to implement due diligence processes.



Improve sourcing decisions through better understanding of high-risk supply chains and strengthened supplier relationships.



Respond to investor and stakeholder requests for human rights due diligence.



Avoid material (financial) risk due to reputational damage, detained shipments, investor pressure, etc.

Our approach

We have developed a tiered approach that allows companies to select a model that meets their needs, whether its meeting external stakeholder expectations or ensuring alignment with legislation such as the German Supply Chain Act (LkSG) or EU Corporate Sustainability Due Diligence Directive (CS3D). Our HRIA methodology is informed by our technical expertise in human rights, “boots on the ground” knowledge of supply chains, and proprietary data insights from the LRQA EiQ platform. Operating in more than 180 countries, our HRIAs benefit from our global network of supply chain researchers who spend time at representative sites and use LRQA’s suite of data-driven human rights investigatory tools designed to identify risks that are often hidden such as forced labour, harassment, dangerous working conditions, child labour, sexual abuse and harassment, and others.

Alignment with stakeholder HRIA expectations (UNGP, Oxfam, etc.)


Limited alignment → Full alignment

	Bronze	Silver	Gold
Focus area	<ul style="list-style-type: none"> Target commodity / product and geography selected by client 	<ul style="list-style-type: none"> Target commodity / product and geography selected by client 	<ul style="list-style-type: none"> LRQA supports selection of commodity / product and geography aligned with client's sourcing practices and supply chain risk
Inputs	<ul style="list-style-type: none"> Research includes desktop analysis, stakeholder interviews, and LRQA's EiQ.ai risk analytics insights 	<ul style="list-style-type: none"> Research includes desktop analysis, stakeholder interviews, and LRQA's EiQ.ai risk analytics insights 	<ul style="list-style-type: none"> Research includes desktop research, stakeholder interviews, LRQA's EiQ.ai risk analytics insights, supplier site visits (max. 6 sites selected by client and LRQA), and community engagement
Outputs	<ul style="list-style-type: none"> Internal facing report (approx. 10-15 pages), developed under privilege No action plan or recommendations 	<ul style="list-style-type: none"> Workshop to review findings and saliency assessment Internal report (approx. 25 – 40 pages), can be prepared for publication by client High level action plan and recommendations 	<ul style="list-style-type: none"> Workshop to review findings and saliency assessment Report ready for publication (approx. 25-40 pages), up to 3 rounds of review Detailed action plan and recommendations


Why LRQA?

Our approach combines a pragmatic, business-driven approach with on the ground knowledge & expertise.


We have high performing teams all over the world who speak the local language, understand the context, and are trained in conducting field research in an ethical and inclusive way.




Our proprietary research tools are used every day across the world to identify risks and hear from workers directly, and tailored to the industry and geography.




We partner with civil society and human rights experts on developing appropriate methodologies to ensure HRIAs meet their expectations...



... but we speak your language: we provide pragmatic, sensible and resource-effective solutions to embed human rights practices into sourcing.



And we can help not just to identify the risk, but to remediate it as well: with 25+ years of on-the-ground experience, it's in our DNA.



Supporting companies on their end-to-end human rights journey and CS3D / LKSG compliance journey

We are not just there to conduct the HRIA. We support our clients from making the first commitment to human rights (in a way that suits the business) to implementing robust human rights due diligence and remediating issues on the ground, through:

Gap analysis

- Entry into the Human Rights Strategy
- Evaluate management system against requirements and additional frameworks
- Status quo of implementation and need for action

Risk management system

- Strategy and integration
- Establishment of due diligence risk and compliance management systems
- Training and Capacity Building

Documentation and reporting

- Internal documentation system
- Integrated and stand-alone external reporting
- CSD alignment



Risk analysis

- Approach, scope and roll-out
- EiQ.ai - Own risk tool
- Supplier screening and prioritisation
- Data-driven identification and prioritisation of human rights and environmental risks
- Salient risk assessment
- HRIA

Complaints mechanisms

- Reviewing and implementing company own grievance mechanisms
- Management support in complaints handling and remediation
- Country/industry grievance systems across the globe

Prevention and remedial measures

- Establishment of responsible sourcing programme
- Responsible Sourcing Assessment Standard (ERSA)/SAQ and Audit
- E-learning platform

Get in touch

Visit www.lrqa.com for more information
or email advisory@lrqa.com

