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RESEARCH - PROOF OF CONCEPT - BEST PRACTICES

HUMAN RIGHTS IN BUSINESS

BRIDGING THE GAP

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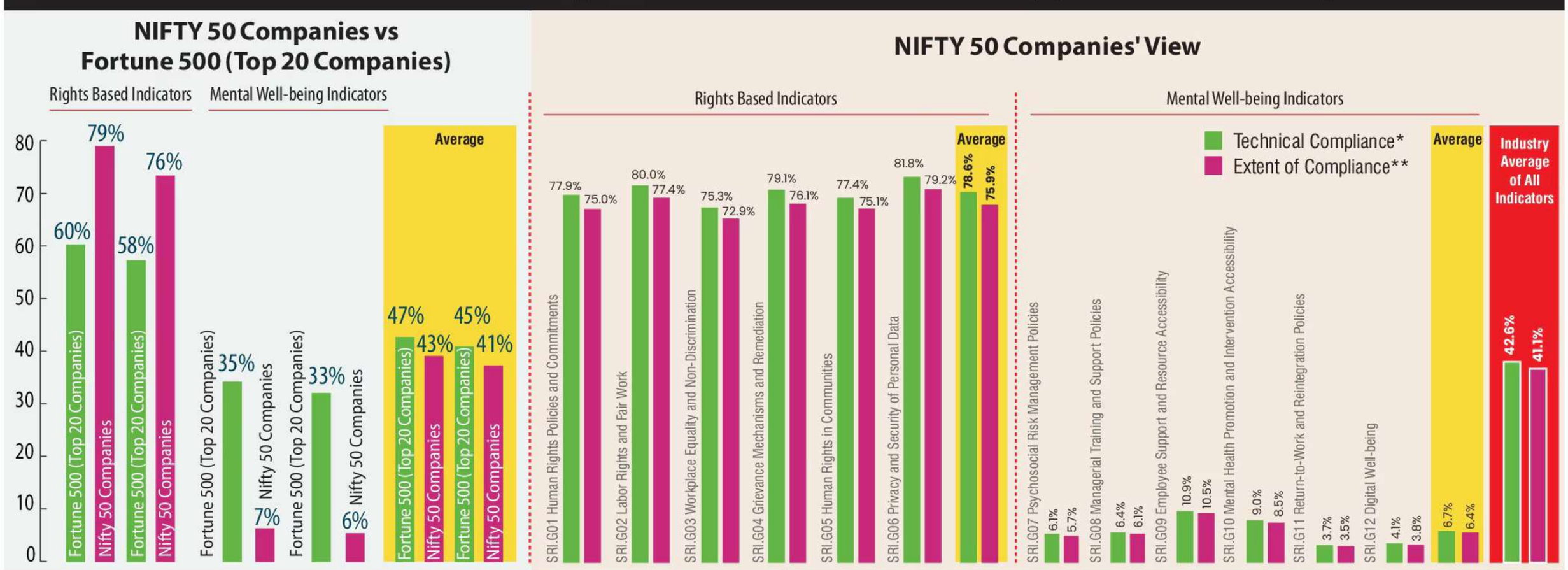
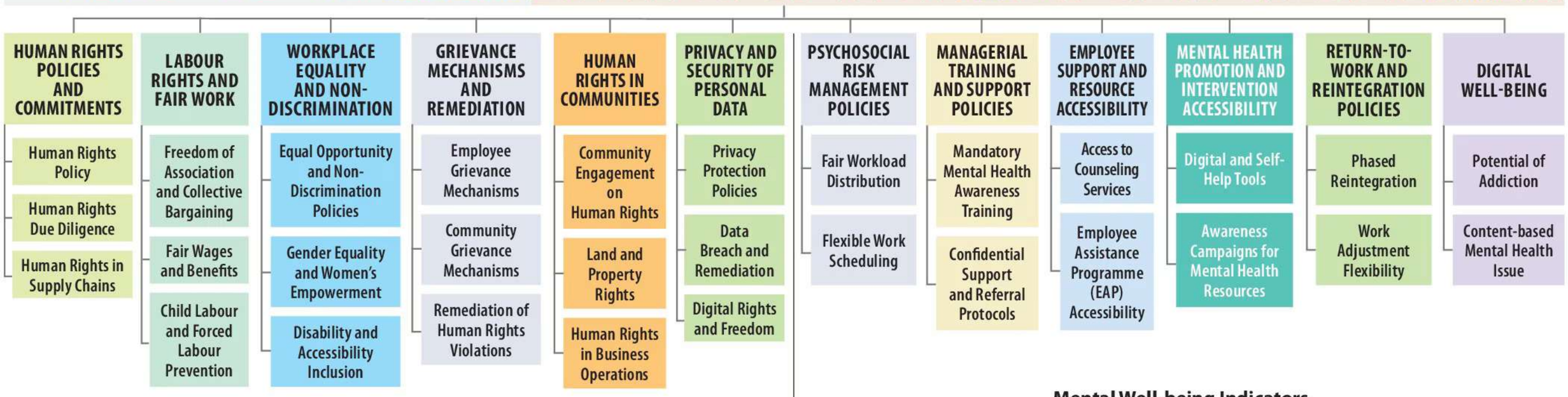
NIFTY 50 Companies' Journey Towards Global Leadership in Human Rights Compliance





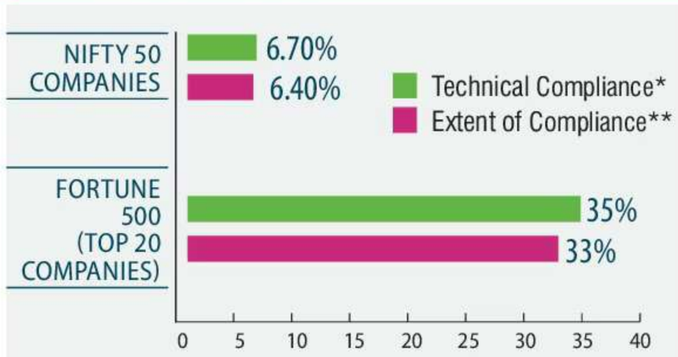
Rights Based Indicators

- These are codified in various Indian Laws and Compliances.
- They are also aligned with other countries.
- These seem to be well-understood and reported by NIFTY 50 companies.
- There are implementation gaps and areas of improvement.

Mental Well-being Indicators

- These are voluntary in nature and there are some guidelines from WHO.
- It has been our structured work to build on this further and add more indicators representative of the Global South.
- These areas include Mental Health and Digital Wellness.
- The performance in this area needs catching-up.

Conclusion | Codifying the Mental well-being indicators may be an important step in ensuring compliance and delivering equity and dignity to all workers



Mental Well-being

Mental Well-being	Technical Compliance*	Extent of Compliance**
NIFTY 50 companies	6.70%	6.40%
Fortune 500 (Top 20)	35%	33%

Indian companies, as pivotal players in one of the world's most vibrant economies, are uniquely positioned to set global standards. Compelling data suggests the need for a revamped framework that emphasises enhanced mental health protocols and responsible digital practices. By leading these changes, NIFTY 50 companies can improve the lives of employees and consumers alike, establishing itself as a leader in ethical business practices.

This transformation requires dedication, collaboration and a deep understanding of the unique challenges faced by workers and the broader communities affected by business operations. With persistent effort and strategic planning, India's leading companies can forge a legacy of inclusivity, well-being and respect that not only meets but exceeds global practices.

Insights from a recent study by the SKOCH Development Foundation serve as a call to action for India's corporate leaders. The journey towards comprehensive human rights compliance begins with a commitment to transforming how businesses approach employee and consumer mental well-being. This is not merely an opportunity; it is a moral imperative to lead, inspire and elevate every individual impacted by India's economic prowess.

In recent years, the dialogue surrounding human rights in business has intensified, prompting enterprises globally to reassess and strengthen their commitment to employee welfare and fairness. Remarkably, India's NIFTY 50 companies have not only met but exceeded the compliance benchmarks set by their global counterparts in human rights indicators. This robust compliance demonstrates a solid foundation upon which these companies operate; however, there is a need to catch up in mental well-being.

Legal Compliance vs Mental Well-being

For instance, the study by the Foundation highlights a significant difference between the NIFTY 50 companies and the top 20 Fortune 500 companies: while NIFTY 50 companies excel in adhering to laws and standard practices, these are registering improvements in aspects of mental health and fair workload distribution. These findings are crucial as they underscore the necessity for a comprehensive approach to human rights in business—one that transcends technical compliance to address the fundamental aspects of employees' work life and their interactions with the community and customers they serve.

Importance of Mental Health

There is significant room for improvement in addressing mental health within corporate cultures. Challenges such as employee burnout and high stress levels need closer attention. Additionally, sectors like digital gaming face issues related to mental well-being, including digital addiction, which impacts both employees and consumers. Although the World Health Organisation offers mental health guidelines, their adoption remains uneven and non-mandatory. This highlights the need for more consistent, standardised practices that prioritise the well-being of both employees and consumers.

Codifying Mental Well-being

Establishing clear, enforceable standards for mental well-being indicators can lead to substantial benefits. This includes implementing internal policies for fair workload distribution as well as consumer protection practices aimed at preventing digital addiction. Such initiatives can create healthier workplace environments and responsible consumer interactions. Ultimately, this would boost productivity and enhance employee and consumer satisfaction, potentially positioning NIFTY 50 companies as global exemplars of corporate responsibility.

Expanding the Conversation

Beyond internal policies, businesses must also consider the broader impact of their operations on the communities they serve. This includes ensuring that digital products are designed to mitigate risks like addiction and foster digital well-being. As digital solutions become more integrated into daily life, corporations' responsibilities to their consumers increase significantly.

Educational campaigns, accessible support systems and transparent communication are essential tools that businesses can employ to promote digital well-being. By applying these strategies, companies not only comply with global business and human rights guiding principles but also contribute positively to societal fabric.

Moreover, these efforts align with international human rights frameworks that advocate for comprehensive approaches to employee and consumer rights. By integrating these practices, NIFTY 50 companies can lead by example, demonstrating that business success and ethical practices can coexist.

As the global business environment evolves, the necessity for an integrated approach to human rights in business becomes increasingly apparent. The NIFTY 50 companies' journey is just the beginning; with the right strategies and commitments in place, it can lead to a future where businesses are esteemed not only for their economic contributions but also for their commitment to human dignity and respect. This transformation towards a more ethical future is not just beneficial; it is essential for sustainable business practices. ■

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- Foundation's research, field surveys and impact assessments are referred to and quoted by central ministeries and state governments
- It has set-up **India 2047 Centre of Excellence** that researches, suggests performance indicators and carries out assessments to correctly outline India's standing across domains

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Data Sources:

- Annual Reports, BRSR Reports, SEC Filings, Sustainibility & Climate Reports, Sustainibility Reports, Human Rights Policy Reports.