



# advance

Progress Report **2025**





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# About this report

This inaugural report provides investors and other stakeholders with an overview of Advance and developments against its stated objectives over the last two years. This includes information on investor stewardship activities, corporate engagement efforts and progress of engaged companies.

We plan to report progress annually in 2026 and 2027. In the ‘Next steps’ section, we set out our proposed activities in the coming years, including capacity-building and supporting investors’ engagement with stakeholders.

The [Advance Assessment Framework](#) (see Table 1), which this report is based on and grounded in, was developed with the support of the Advance advisory groups and is used to evaluate progress towards the initiative’s objectives. The framework tracks investor activities, company performance, and sector-level developments using internationally recognised benchmarks and public data.

Table 1: Advance Assessment Framework

Assessment levels	Assessment components
Investor efforts and activities	<ul style="list-style-type: none"><li>• Development and implementation of the engagement strategy</li><li>• Investor participation and commitment levels</li><li>• Investor human rights commitment</li></ul>
Company performance	<ul style="list-style-type: none"><li>• Performance relative to minimum standards</li><li>• Allegations/controversies and company responses</li><li>• Progress relative to specific company objectives and severe issues</li></ul>
Sector-level engagement	Sector-level engagement will be developed once the sector strategies have been formulated and details added to the Assessment Framework. Tracking and reporting will occur every second year, with the first disclosures in Q1 2026

We would like to thank the Advance [Signatory Advisory Committee](#) and [Technical Advisory Group](#) for their thorough review and valuable contributions to this report.

# Foreword

**The challenges we face today in safeguarding human rights within the global economy are both complex and urgent. Human rights risks, once seen as isolated or peripheral, are increasingly recognised as systemic – with the potential to materially affect entire sectors, portfolios, and the stability of financial markets.**

It is within this context that Advance was launched in December 2022: a collaborative effort by institutional investors to embed human rights considerations into stewardship practices and to protect and enhance value by supporting responsible business conduct. It is the world's largest investor stewardship initiative on human rights, with 267 investors representing over US\$35 trillion in assets under management endorsing the initiative – and 118 of them actively engaging with companies in the metals and mining, and renewables sectors.

This inaugural progress report captures the efforts and achievements of the initiative's first two years. It highlights the constructive dialogues between investors and companies, the early outcomes of these engagements, and the groundwork laid to support change. It is also a candid reflection on the scale of the task ahead.

Respect for human rights is not a 'nice to have' – it is essential to risk-adjusted returns, to market resilience, and to delivering on our broader societal obligations as long-term stewards of capital. The PRI is proud to support this effort. But the real momentum comes from the actions of our participants and endorsers – those who lead engagements, participate in capacity-building,

and integrate human rights into the heart of their investment strategies.

I would like to thank the investors, companies, stakeholders, and advisory groups whose contributions have shaped this report and the initiative. Their collaboration reflects a growing recognition: that advancing respect for human rights is both a moral imperative and an economic necessity.

We look forward to building on this progress in the years to come.

**David Atkin**  
PRI, CEO





# About Advance

Launched in December 2022, Advance is a PRI-led collaborative initiative that supports institutional investors to protect and enhance risk-adjusted returns by conducting stewardship on human rights.

## Why this initiative was developed

Human rights issues can affect the performance of individual investees and, with it, financial returns. For example, companies can face higher operational and legal costs as well as reputational risks due to community conflicts, labour rights violations, or other severe human rights concerns.

Therefore, meeting human rights expectations leads corporates and investors to more effectively and proactively manage a range of material issues such as employee and community relations, health and safety, or forced labour.

These issues risk undermining not just individual rights but also the societal infrastructure on which the global economy relies for delivering sustainable long-term growth, leading to volatile economic conditions and political polarisation.

Human rights issues can therefore present both idiosyncratic risks – affecting individual companies – and systematic risks that destabilise markets, ultimately impacting investment performance in both the short and long term.



The concept of due diligence introduced by the UN Guiding Principles (UNGPs) now forms the basis of regulation in multiple jurisdictions and is further referenced in existing or proposed regulation on human rights, supply chain transparency or modern slavery. Beyond their own responsibilities under the UNGPs and the OECD's Guidelines for Multinational Enterprises, investor action on human rights is therefore driven by legal and financial materiality concerns as well as client and beneficiary interests and preferences.

Preventing and mitigating negative impacts on people can lead to better financial risk management and helps investors meet the evolving demands of beneficiaries, clients, and regulators. While keeping with all regulatory and legal requirements, investors seek to make progress on human rights through a range of stewardship tools and activities, including dialogue with companies and other stakeholders.

## Company expectations

Striving for global respect for human rights is complex and will require varied approaches across different businesses, regions, and sectors. At a high level, the initiative has set three key expectations for engaged companies to meet in order to protect and enhance risk-adjusted returns by advancing progress on human rights:

1. Implement the UNGPs, the guardrail of corporate conduct on human rights
2. Align their political engagement with their responsibility to respect human rights
3. Deepen progress on the most severe human rights issues in their operations and across their value chains

The primary efforts of the initiative are delivered through engagement with companies in collaboration with other investors. However, the PRI recognises that investor action on human rights can rely on a variety of stewardship tools and activities, such as engagement at shareholder meetings and stakeholder engagement.

## Governance

The initiative is led by the PRI Executive and supported by two voluntary advisory bodies.

### Signatory Advisory Committee

This group is made up of PRI signatories that provide guidance on the development and coordination of the initiative to support the PRI's decision-making.

- Lauren Compere, Boston Common Asset Management
- Paula Meissirel, BNP Paribas Asset Management
- Caroline Eriksen, Norges Bank Investment Management
- Camille Bisconte de Saint Julien, LBPAM La Banque Postale Asset Management
- Rob Wilson, MFS Investment Management
- Wakaba Kawai, Nomura Asset Management
- Hisako Furuta, Resona Asset Management
- Danielle Essink, Robeco
- Sarah Couturier-Tanoh, SHARE
- Tulia Machado-Helland, Storebrand Asset Management
- Louise Kranenburg, Pensioenfonds Detailhandel
- Valeria Piani, Phoenix Group
- William Ng, HSBC Asset Management

## Technical Advisory Group

This group is comprised of PRI stakeholders, such as NGOs, with deep expertise on human rights. The group provides technical advice on human rights and supports engagement with affected stakeholders and their representatives.

- Caroline Avan, Business & Human Rights Resource Centre (BHRRC)
- Shalini Ramgoolam, Committee on Workers' Capital (CWC)
- Kate Finn, Tallgrass Institute (formerly First People Worldwide)
- Maddalena Neglia, International Federation for Human Rights
- Emily Sims & Yeomin Kim, International Labour Organization (ILO)
- Anne Lindsay, International Transport Workers Federation (ITF)
- Benjamin Michel, Organisation for Economic Co-operation and Development (OECD)
- Xiaohui Liang, Peking University
- Ashleigh Owens, Shift
- Signe Andreassen Lysgaard, The Danish Institute for Human Rights
- Erik Nyman, UNICEF
- Dante Pesce-Gonzalez, Centre Vincular Foundation, Chile
- Talya Swissa, World Benchmarking Alliance (WBA)

Please see further resources on the Advance website:

- [FAQs](#)
- [Company](#) and [investor lists](#)
- Advance [investor statement](#)
- Advance [terms of reference](#)



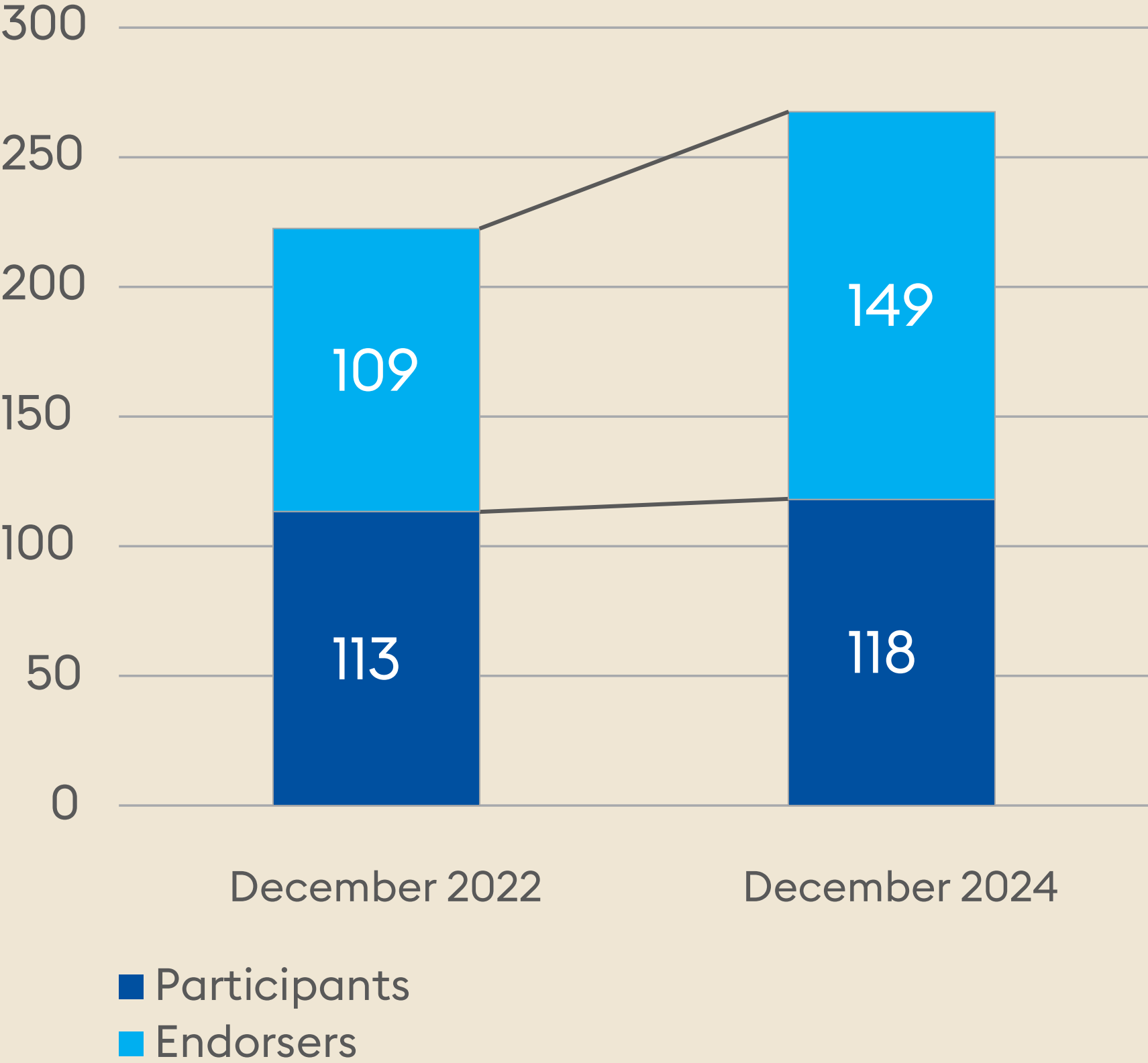
# The investors

Since launch, the initiative has garnered increased support from endorsers while maintaining a steady participation rate.

<div>118</div> <div>investors engaging with companies</div>	<div>267</div> <div>investors endorsing the initiative</div>	<div>US\$35tn<sup>1</sup></div> <div>assets managed by investors endorsing Advance</div>
<div>Endorsers:</div> <ul style="list-style-type: none"><li>• Endorse the Advance investor statement, which lays out the initiative’s objectives.</li><li>• No additional commitments beyond endorsement.</li></ul> <div>Participants:</div> <ul style="list-style-type: none"><li>• Must agree to the initiative’s terms of reference.</li><li>• Commit to actively participate as either a lead or collaborating investor for at least one company.</li><li>• All participants are also endorsers, as they have endorsed the Advance investor statement, but they take an active role in engagement.</li></ul>		

<sup>1</sup> The parties’ management of these assets is subject to any client mandate and any legal, regulatory, fiduciary or other professional obligations that apply to them. The parties retain their discretion to act independently in the best interests of their clients and beneficiaries

**Figure 1: Advance participants and endorsers (since launch)**



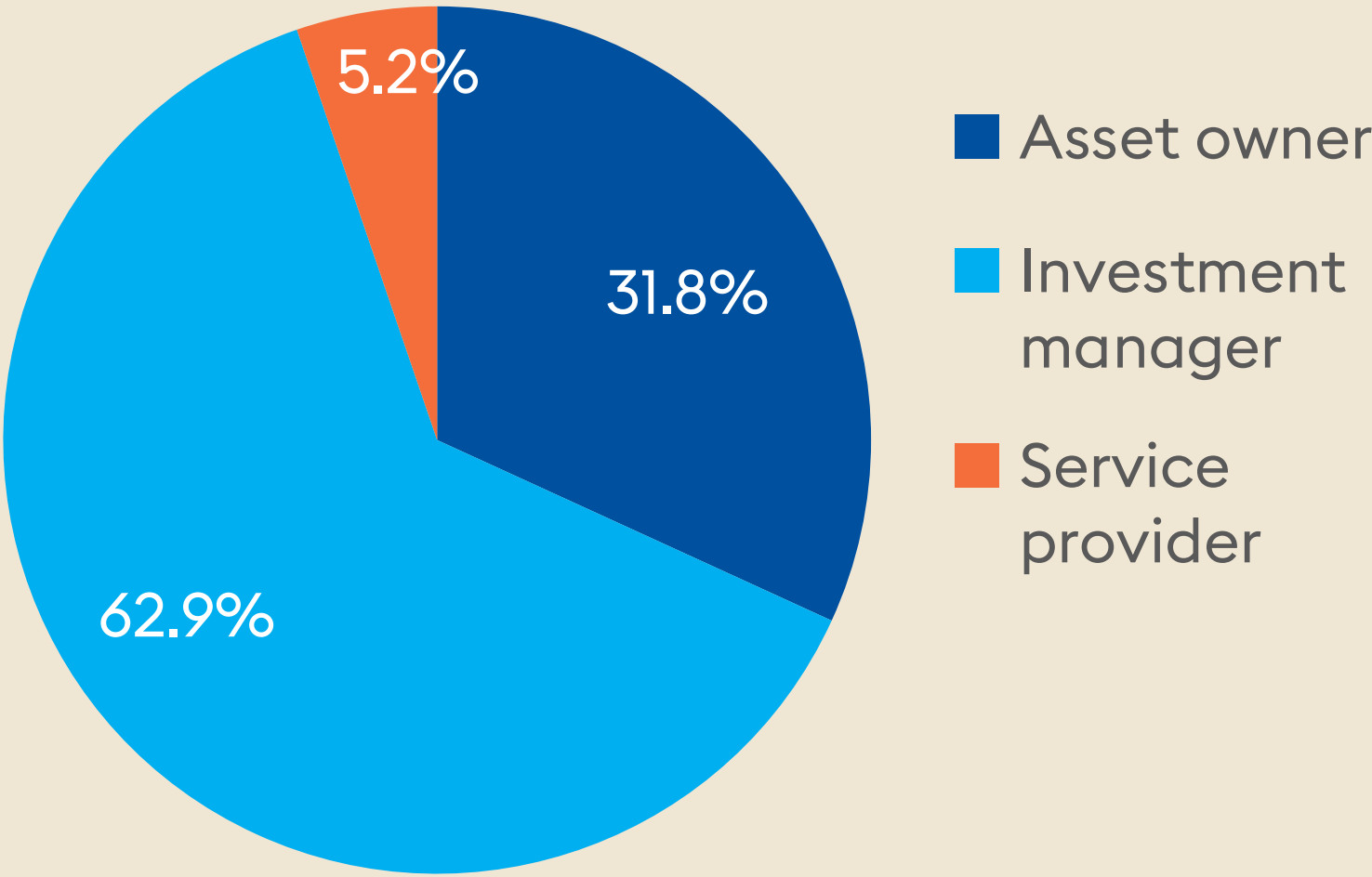
This figure shows changes in participation numbers including voluntary departures/delistings<sup>2</sup> and consolidations<sup>3</sup>

<sup>2</sup> Voluntary departures/delistings, e.g. due to changes in exposure to engaged companies, resources, priorities, etc or a participant organisation delisting from the PRI

<sup>3</sup> Consolidations, e.g. changes due to participating or endorsing investor organisation(s) undergoing a merger or acquisition

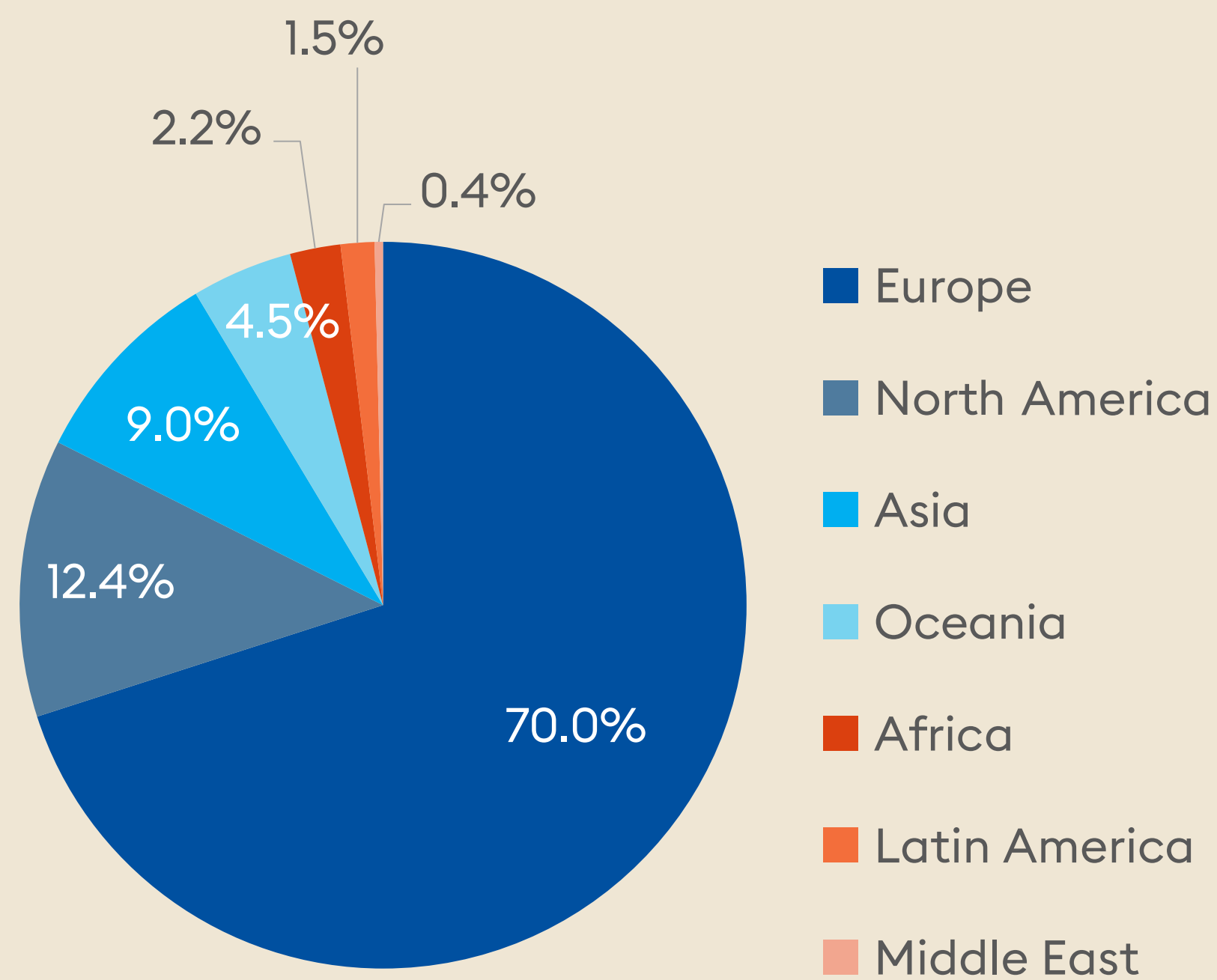
Figure 1 compares key participation numbers at launch in December 2022 and as of 31 December 2024. Participants and endorsers include a broad range of asset owners, investment managers and engagement service providers, from **28** countries. The figures below outline a breakdown of participants per organisation (Figure 2) and by region (Figure 3).

**Figure 2: Participants and endorsers by organisation type**





**Figure 3: Participants and endorsers by geography**



For institutional investors, human rights risks are not confined to individual companies but are systemic across entire sectors, creating portfolio-wide financial exposure.

As investors navigate opportunities associated with a just transition, these risks reinforce the need for comprehensive human rights due diligence.

Embedding human rights risk analysis<sup>4</sup> within financial materiality assessments enhances risk management, strengthens regulatory alignment, and supports long-term value creation.

Recognising these systemic challenges, institutional investors are embedding human rights considerations into their risk frameworks, aligning with evolving global standards such as the ones outlined in the following section. Failure to act exposes portfolios to compounding financial, legal, and reputational risks, making proactive engagement a key component of responsible investment strategies (see p29 ‘Investor human rights commitments’).

<sup>4</sup> For more details, see PRI (2023), [How to identify human rights risks: A practical guide in due diligence](#)

# The sectors and companies engaged

Engagement is underway with 38 companies across two sectors: metals and mining, and renewables.<sup>5</sup>

## Sector and company selection methodology

We developed a framework with the support of the Advance advisory groups to help investors not only identify the sectors and companies where human rights risks and impacts are most severe, but also determine where investors can engage to advance respect for human rights through stewardship.

## Metals and mining

Human rights violations in these two sectors present material financial risks for investors, directly impacting asset value and long-term returns. Failure to uphold the rights of workers and communities is already triggering protests, legal challenges, and project disruptions, leading to costly delays, supply chain instability, and stranded assets.

Most of the 23 companies currently engaged in the metals and mining sector extract transition commodities (minerals or metals), with operations

spanning globally. Over half are headquartered in the US and Europe, with the remainder headquartered across Africa, Asia, and Australia. With the increasing demand for materials essential to the low-carbon transition, investors are increasingly focused on how the industry secures these resources while upholding human rights standards. However, recent [Oxfam research](#) indicates that many mining companies still lack robust policies to safeguard the rights of affected communities, particularly Indigenous communities, which remain disproportionately exposed to the sector's expansion.

## Renewables

In the renewables sector, 15 companies are being engaged, including operators, developers, and owners of wind or solar energy projects. The majority are headquartered in Europe, with others based in Asia, the US and South America. Estimates from the International Renewable Energy Agency suggest that [renewable energy needs to triple by 2030](#) to meet the 1.5°C climate target. Yet according to research from the Business and Human Rights Resource Centre (BHRRC), [most companies still lag behind](#) when it comes to their human rights policies and practices. Given the sector's rapid expansion, failing to embed robust human rights due diligence presents escalating social and governance risks for investors, ranging from legal liabilities to operational disruptions and reputational damage that could materially impact long-term value creation. How these challenges are addressed will play a key role in shaping a just and sustainable energy transition.

<sup>5</sup> Originally, 40 companies were selected; however, two metals and mining companies have since merged, and engagement with another did not commence as the group was under-subscribed. The full list of companies is available on the [Advance website](#)



## Human rights risks across both sectors

The metals and mining, and renewables sectors are critical to the urgent global transition to clean energy, yet both industries can present significant human rights risks. The demand for transition minerals is projected to [increase by up to 60% by 2060](#), compared to 2020 levels, driving intensified resource extraction in regions where weak governance, inadequate oversight, and regulatory gaps<sup>6</sup> including on corporate accountability heighten the risk of human rights abuses.

By its very nature, large-scale extraction disrupts local ecosystems and communities, often exacerbating environmental degradation and land rights conflicts. The rapid expansion of transition mineral extraction and the accelerated deployment of renewable energy projects heighten the risk of human rights violations across both sectors. Workers face increased exposure to unsafe and exploitative labour conditions, including inadequate health and safety protections, and precarious employment arrangements. [Human rights defenders also face severe risks](#) when speaking out against harmful mining projects.

Around [half of the world's energy transition minerals](#) – critical for renewable energy technologies – are estimated to be located on or near Indigenous lands. As a result, local and Indigenous communities disproportionately face forced displacement, loss of land and livelihoods, environmental degradation, and adverse health impacts. Additionally, the benefits of these projects are frequently distributed unequally, exacerbating social and economic disparities, and threatening Indigenous cultural heritage and self-determination.

<sup>6</sup> See [this study of extractives governance by the Natural Resources Governance Institute](#)

Without robust human rights due diligence and meaningful stakeholder engagement, these risks threaten the rights and well-being of both workers and affected communities.

### Useful resources:

- UNEP FI Human Rights Toolkit (undated), [Minerals and metals extraction](#)
- Natural Resource Governance Institute, BHRRC, SIRGE Coalition and WWF (2025), [Digging into the Problem](#)
- Oxfam (2023), [Recharging Community Consent](#)
- Business and Human Rights Resource Centre (undated), [Hub on shared prosperity business models with Indigenous Peoples](#)
- BHRRC and IPRI (2022), [Report on Indigenous Peoples rights in the energy transition](#)
- Tallgrass Institute (2022), [The Business Case for Indigenous Rights](#)
- Shift Project (2023), [Indigenous Rights and Financial Institutions: FPIC, Just Transition and Emerging Practice](#)
- Committee on Workers' Capital (2025), [Investor Guidance and Expectations: Supply Chain Due Diligence and Binding Agreements](#)
- Danish Institute for Human Rights (2024), [Methodologies for assessing business respect for human rights](#)

Figure 4: Company headquarters

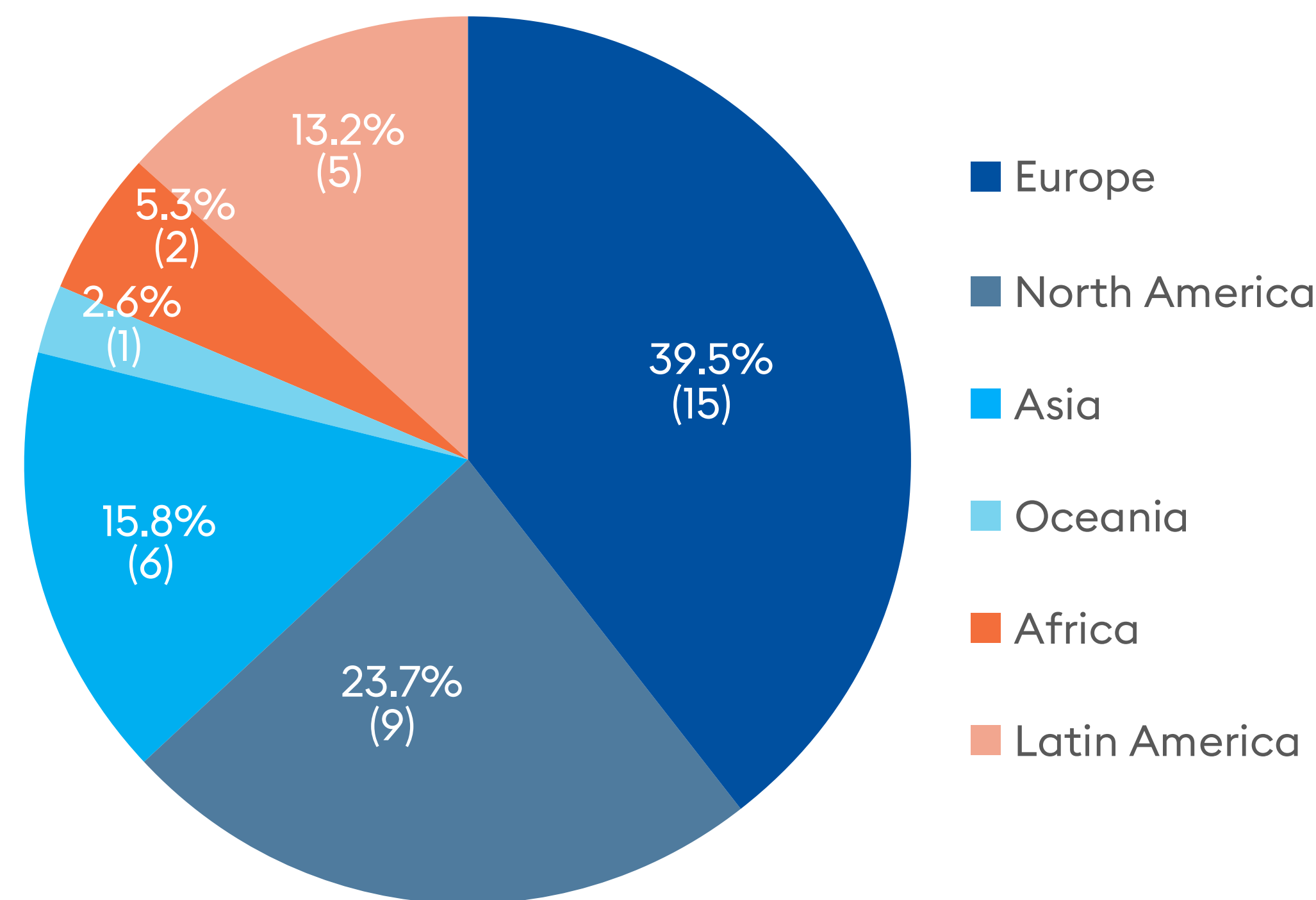
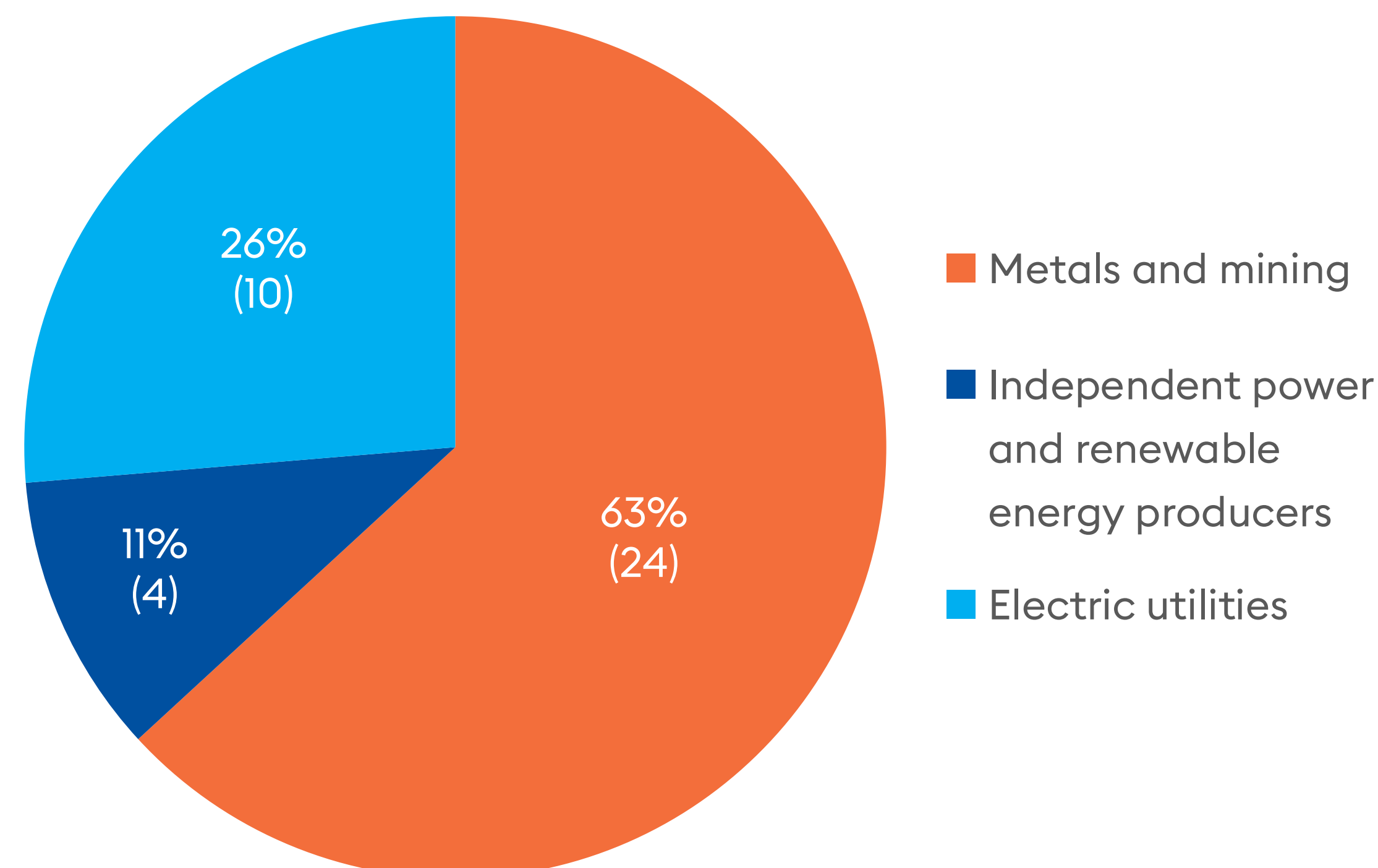


Figure 5: Companies by sector







“Robeco’s transition minerals engagement builds on existing engagements on themes like human rights, the just transition, net zero and biodiversity. Transition minerals are vital for the technologies that are decarbonising our economy and the substantial economic value they generate. Yet their extraction can be accompanied by problems, for example with deforestation linked to nickel mining in Indonesia, lithium extraction impacting water quality and quantity in South America, and cobalt mining connected to social issues in the Congo.

“As new mines open to meet the growing demand for these minerals, we’ll be encouraging companies that produce and consume them to uphold high environmental and social standards. Taking an integrated approach towards the topic of transition minerals has yielded strong interest from both our clients and investment teams, as it considers both impact and financial materiality at multiple stages of the value chain.”

***Danielle Essink***

*Senior Engagement Specialist, Active Ownership*

**ROBEKO**

Figure 6: Human rights risks across the metals and mining and renewables value chain<sup>7</sup>

Land acquisition and permitting	Exploration and extraction	Processing and manufacturing activities	Installation and operation	End-of-life and decommissioning
Corruption and/or lack of transparency/access to information	Corruption and/or lack of transparency/access to information	Labour exploitation, including low wages, excessive working hours, and unsafe conditions	Failure to obtain FPIC and conduct meaningful stakeholder engagement	Toxic waste disposal and contamination, disproportionately impacting vulnerable communities
Failure to obtain FPIC from Indigenous and local communities	Competition for land and water resources and violations of environmental standards, leading to environmental degradation and community conflicts	Child labour and forced labour in critical mineral supply chains (e.g. cobalt, polysilicon, lithium)	Forced displacement and inadequate mitigation for affected populations	Lack of safe recycling mechanisms for transition minerals, leading to hazardous informal labour
Forced displacement, land dispossession, and inadequate compensation	Lack of equitable benefit sharing with impacted communities	Lack of equitable access to employment opportunities	Community protests and criminalisation of human rights defenders	Neglect of worker rights in decommissioning processes, including unfair dismissals
Environmental and social impact assessments (ESIAs) lacking meaningful consultation	Lack of equitable access to employment opportunities	Water depletion and pollution, disproportionately affecting local populations	Lack of effective grievance mechanisms, limiting access to remedy	
Lack of accessible and effective grievance mechanisms	Militarisation and excessive use of security forces increasing risks of intimidation, violence, and human rights abuses	Lack of transparency, traceability, and due diligence in supply chains		
	Occupational health and safety violations, including exposure to hazardous materials	Discriminatory employment practices, including gender based violence and harassment		
	Use of child labour and forced labour, particularly in high-risk mining regions			

<sup>7</sup> Sources: International Energy Agency (2023), [Sustainable and Responsible Critical Mineral Supply Chains](#); Business for Social Responsibility (BSR), [10 Human Rights Priorities for the Extractives Sector](#); International Council on Mining and Metals (2024), [Human Rights Due Diligence Guidance](#); International Institute for Sustainable Development (2021), [How to Advance Sustainable Mining](#); United Nations Environment Programme Finance Initiative (UNEP FI), [Minerals and Metals Extraction](#); U.S. Department of Labor (2024), [From Mines to Markets: Exposing Labor Exploitation in Critical Mineral Supply Chains](#); Human Rights Watch (2024), [Mining for the Energy Transition Needs to Respect Human Rights](#); Earth.Org (2022), [Environmental Problems Caused by Mining](#); The Guardian (2024), [Human Rights Activists Face Reprisals for Opposing Extractive Industries](#)



# Increasing regulatory scrutiny

**Companies implicated in human rights controversies face heightened regulatory scrutiny, litigation, financial penalties, and reputational damage, which can erode investor confidence and increase the cost of capital.**

As mandatory human rights due diligence requirements increase<sup>8</sup>, for example evolving EU legislation such as the Corporate Sustainability Due Diligence Directive (CSDDD) and the Enforcement and Modernisation Directive (or the Omnibus Directive), firms that fail to mitigate these risks will likely encounter higher operational costs, heightened legal liabilities, and potential restrictions on market access.

- In the mining sector, prolonged community opposition and regulatory scrutiny have already led to project cancellations and capital flight. A notable example is the cancellation of the US\$8 billion [Conga gold mining project in Peru](#), following years of protests and violent clashes with security forces. Another recent example is the [Vedanta mining project in Tamil Nadu, India](#), which faced sustained resistance from local farmers and villagers due to concerns over land rights, environmental degradation, and threats to biodiversity. Following widespread protests, the Indian government revoked Vedanta's mining permit, underscoring the material risks of inadequate

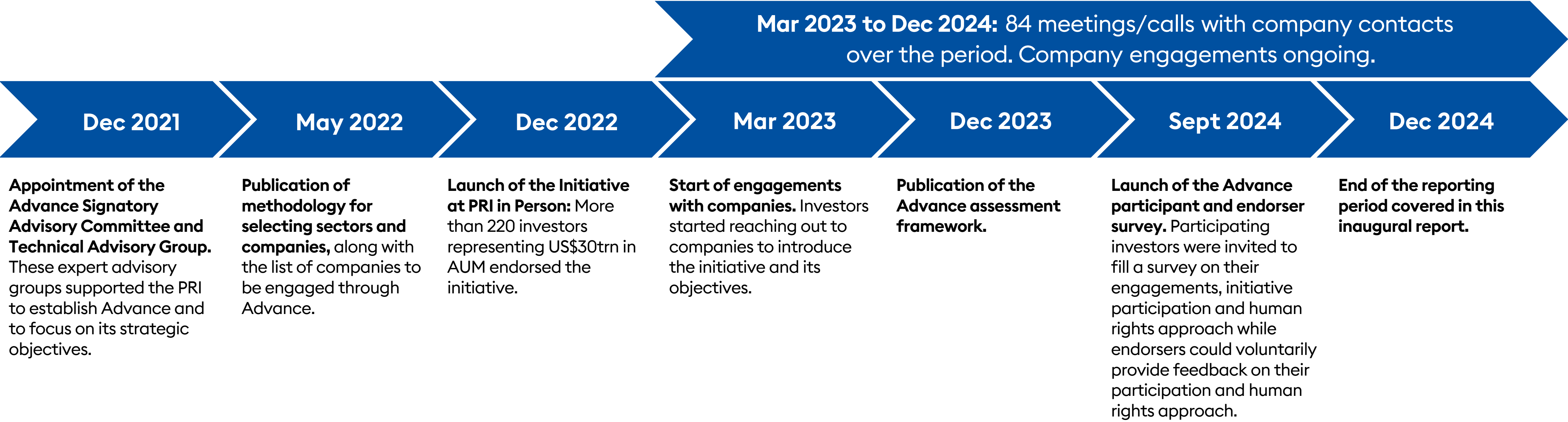
stakeholder engagement and failure to uphold human rights. Other examples include the [Cobre Panama mine in Panama](#), and [Las Bambas in Peru](#).

- In the renewables sector, projects have faced significant delays and financial losses due to land rights disputes, forced labour allegations, and community opposition. For instance, the [Lake Turkana Wind Power project in Kenya](#) encountered legal challenges over land acquisition issues, causing prolonged delays.

<sup>8</sup> See PRI (2023), [Introductory guide to human rights for asset owners](#), p.5

# Advance milestones

Although Advance was officially launched in December 2022 at PRI in Person in Barcelona, significant work over more than two years went into setting up the initiative. This included project planning, establishing governance structures, conducting research, and developing the methodological framework to support its implementation. The timeline below outlines the development of the initiative’s foundational elements, and key events, including the kick-off of the first engagements.



# Investor efforts and activities

**This next section focuses on the development of engagement strategies and the activity and commitment levels of participating investors in line with the Advance objectives. The information in this section was collected through the engagement strategy documents,<sup>9</sup> Advance annual participant surveys, and PRI internal engagement tracking over the reporting period.**

## The engagement groups

Over the reporting period, engagement groups were established for each company. Investors joined one or several engagements as lead or collaborating investor and were responsible for developing and delivering an engagement strategy for each company.

To support investors to develop constructive and meaningful engagement strategies that seek to enhance human rights risk management and create long-term value, we provided engagement groups with a structured engagement strategy template. This template was first shared with investor participants in March 2023 and updated in September 2024 with the support of the advisory groups. It supports investors to highlight key human rights-related risks and priorities while establishing clear engagement objectives.

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<sup>9</sup> See next section for more detail on the engagement strategy documents

## Engagement objectives

Engagement objectives define the priority areas that investors seek to address in their dialogues with companies. These objectives are shaped by the human rights themes identified during the initial risk mapping process.

These objectives aim to encourage companies to:

- adopt policies and practices that mitigate human rights risks;
- strengthen governance;
- drive sustained corporate performance;
- contribute to better outcomes for people.

By structuring discussions around these objectives, investors can facilitate more meaningful and outcome-driven exchanges.

In the first year, engagement groups often pursued a broad range of objectives, reflecting the need for an exploratory approach to assess the effectiveness of companies' existing policies and processes around human rights.

As dialogue progressed, engagement groups refined and concentrated efforts on three to four core objectives, allowing for deeper and more detailed



dialogue around the most material human rights issues identified by each group. Participants have full discretion in terms of how and in what order they wish to reflect these priority engagement objectives in their dialogue with the company. These objectives evolve as insights emerge, companies make progress, or in response to external factors, such as regulatory developments or newly uncovered human rights allegations.

## How investors prioritise their objectives

- In line with investor and fiduciary duty requirements, investors are expected to consider financial materiality and assess how human rights risks could translate into operational disruptions, legal liabilities, reputational damage, or system-level financial risks. As institutional investors are exposed to market-wide risks, even investors without direct exposure to a particular company may have an interest in engaging on systemic human rights issues that could affect broader market stability. The section below provides more information on how these risks may materialise.
- The UNGPs, meanwhile, focus on risks to people. Any prioritisation of risks occurs on the basis of their scale, scope and irremediability – those posing the greatest harm to individuals, or salient risks.

By integrating financial materiality and salience<sup>10</sup> into engagement strategies, investors can better align human rights due diligence (HRDD) with risk management, ensuring that corporate practices evolve to meet both societal expectations and long-term financial performance objectives.

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<sup>10</sup> “A company’s salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company’s activities or business relationships. This concept of salience uses the lens of risk to people, not the business, as the starting point, while recognizing that where risks to people’s human rights are greatest, there is strong convergence with risk to the business.” For more information, see [UNGP Reporting Framework – Salient human rights issues](#)

## What objectives took priority in the chosen sectors

An analysis of how engagement objectives were prioritised in the metals and mining, and renewables sectors highlights clear differences in priorities, shaped by the unique risks and challenges of each industry. We have drawn on data from the engagement strategy templates completed by each engagement group. Only fully completed templates were considered (i.e. 34 of the 38 Advance engagements). The findings are illustrated in Figure 7 below.

- **Human rights due diligence** emerged as the **most frequently selected priority objective** across both sectors. Specifically, it was identified as an objective in 17.3% of all objectives set in the metals and mining sector and 23.5% in the renewables sector. This underscores investors' emphasis on the necessity for proactive risk management in line with the UNGPs.
- **Labour rights ranked as the second highest priority**, representing 16% of objectives in metals and mining and 13.7% in renewables. The specific areas of focus varied by sector:
  - Metals and mining engagements concentrated on workplace culture, including sexual harassment, alongside occupational health and safety risks.
  - Renewable energy engagements placed greater emphasis on labour rights and risks of forced labour within supply chains.
- **Local communities' rights featured prominently among investor engagement objectives**, ranking fourth in metals and mining (13.3%) and third in renewables (11.8%). This reflects investors' focus on potential adverse community impacts linked to extractive and renewable energy projects, and in many cases on the intersectionality of human rights and environmental concerns as local communities stand to be disproportionately impacted by pollution and resource depletion. Investors' focus also reflects long-term

value considerations, as poor community relations and land disputes may lead to operational delays, litigation and project cancellations.

- **Access to remedy and grievance mechanisms was a key priority area in the metals and mining sector** (14.7% of objectives) **but was far less emphasised in renewables** (3.9%). This disparity likely stems from the legacy of severe human rights violations in mining, with the industry being at the centre of several major human rights controversies, prompting stronger demand for effective grievance mechanisms as alert systems and for remediation where harm has already occurred.

Figure 7: Topics covered in engagement objectives<sup>11</sup>



<sup>11</sup> No standalone expectations on land rights were recorded, but these are captured under expectations related to local community rights and Indigenous Peoples' rights, which encompass issues such as land tenure, access to resources, and Free, Prior, and Informed Consent (FPIC)



## Types of expectations

For each objective, engagement groups sought to outline engagement asks – with specific, realistic, and time-bound targets.

To support comparability across the initiative, investors classified each expectation under one of seven categories (see Figure 8 below).

Expectations are marked as ‘unclassified’ if no categorisation was recorded in the engagement strategy template.

## Key insights

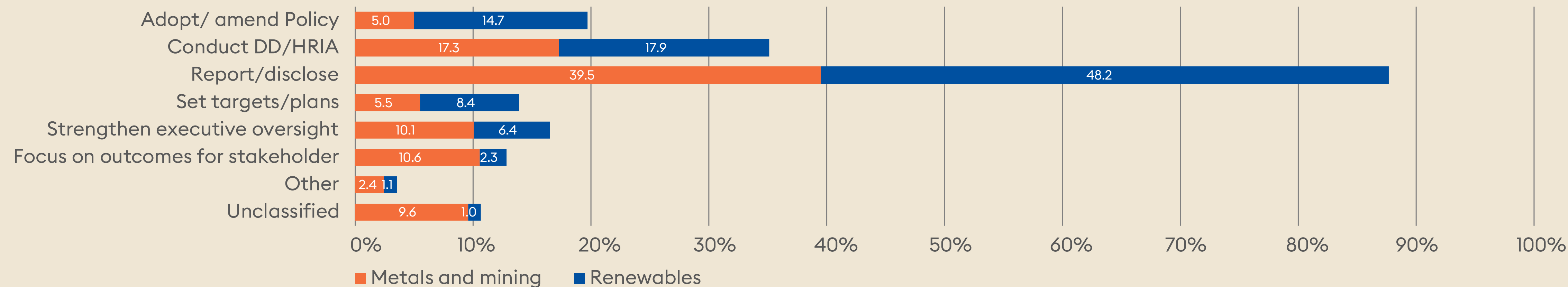
### Sectoral similarities:

- Reporting and disclosure asks were the most common, accounting for over 43% of all expectations on average across both sectors. For example, asks may relate to disclosing information about grievances, health and safety audits results, or existing but yet unpublished HRDD or FPIC processes.
- Conducting due diligence, audits, or risk/impact assessments ranked as the second most common type of engagement ask.

### Sectoral differences:

- In the metals and mining sector, investors more frequently emphasised expectations related to outcomes for stakeholders, such as providing remedies for those affected.
- In the renewables sector, investors focused more on adopting or amending policies.

Figure 8: Types of expectations per sector

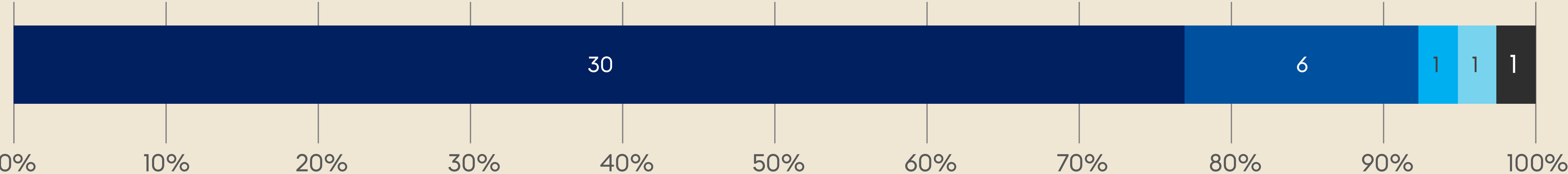


## Investor participation and company engagement status

While most groups started collaborating formally during the first half of 2023, undersubscribed engagement groups, or groups without an appointed lead investor, may have had a delayed start or remained on hold until investor participation and company responsiveness could be ensured.

As of the publication of this report, three company engagements were on hold or had not started, either due to lack of an established communication channel with the company or due to the engagement groups being undersubscribed. Figure 9 below outlines the status of engagement efforts for each company as of 31 December 2024, showing that 36 of the engagements have resulted in at least one meeting over the reporting period.

Figure 9: Company engagement status



- **Ongoing dialogue:** Subsequent meetings/calls have already been held (or a precise date is set in the near future) and dialogue is ongoing.
- **First call/meeting held:** A first group call or meeting to introduce the initiative and the investors to company contacts was held during the reporting period.
- **Dedicated contact established:** Investors have received acknowledgement and one or several dedicated contacts were identified and introduced to participants. Further written communications are expected. Call/meeting opportunities may have been outlined but not scheduled. This category also applies to engagements where communications have exclusively taken place in writing.
- **No dedicated contact established:** Investors may have received acknowledgements from one or several contacts and may have been redirected internally, but no dedicated contact was designated, and it is unclear whether and when further communications will occur.
- **No response:** Investor attempts to communicate have not been meaningfully acknowledged (no response, generic/automated holding emails, OOO).
- **Engagement paused or on hold:** Engagement is temporarily inactive (on pause) or never started (on hold), either due to the group being undersubscribed or lacking a lead investor.



Table 2: Company engagement status details

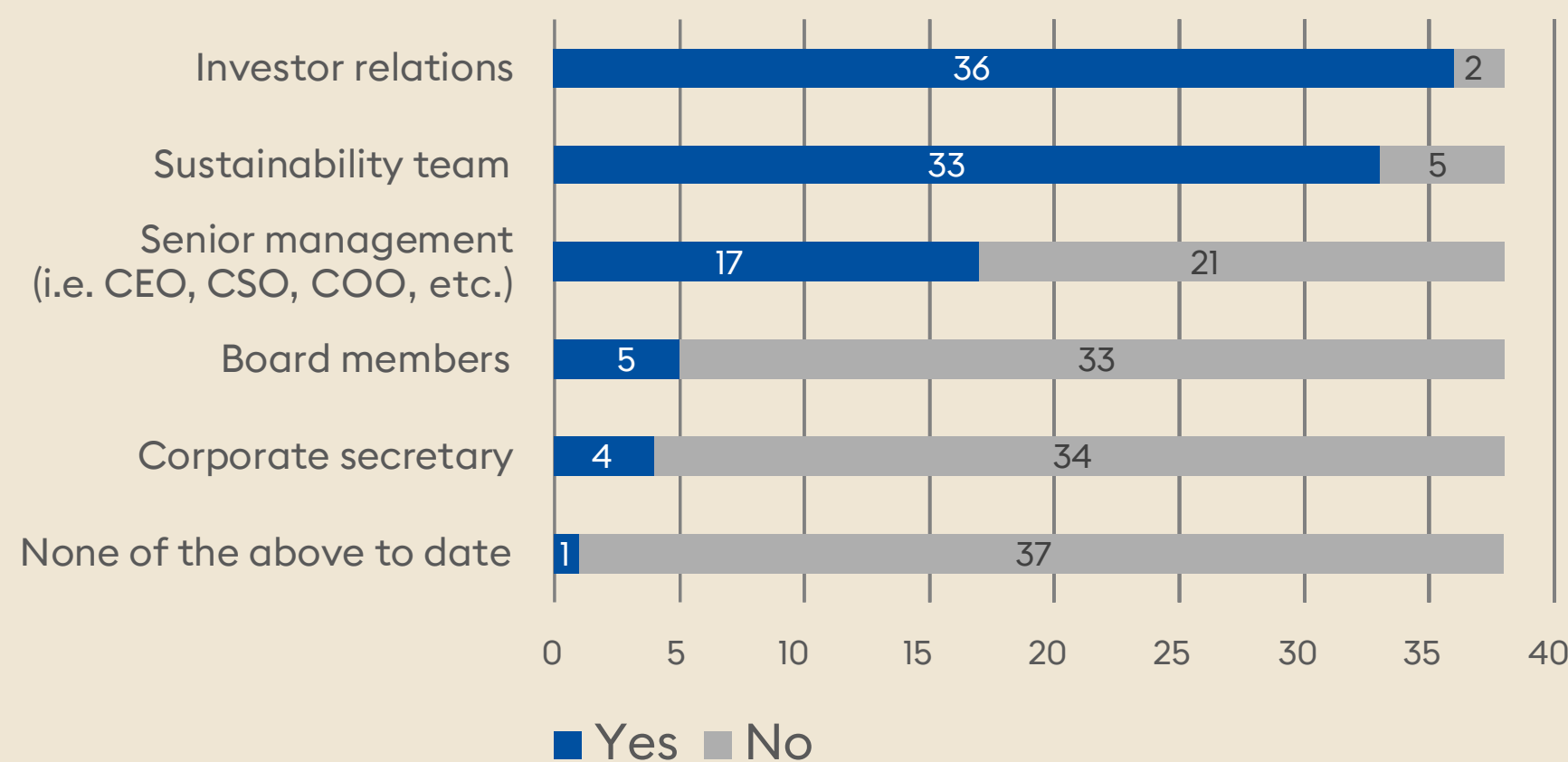
Ongoing dialogue			
Acciona Energia	Enel	Nippon Steel Corporation	
Anglo American	Engie	Orsted	
AngloGold Ashanti	First Quantum	Peñoles	
ArcelorMittal	Freeport-McMoRan	POSCO	
Barrick	Glencore	Rio Tinto	
BHP	Gold Fields	RWE	
CLP Holdings (中電集團)	Iberdrola	Siemens Energy	
Duke Energy	Lundin Mining	Teck Resources	
E. ON	Newmont	Vale	
EDF	NextEra	Zijin	
First call/meeting held			
Antofagasta	Eletrobras	Southern Company	
Buenaventura (June 2023)	(August 2024, with engagement having started in the first half of 2024)	(A second call/meeting was held after the end of the reporting period, engagement status is therefore categorised as ‘ongoing dialogue’ at time of publication)	
EDP	Grupo Mexico		
Dedicated contact established	No response	No dedicated contact established	Engagement paused or on hold
Alcoa	Coal India (with engagement having started in the second half of 2024)	No company	China Shenhua (on hold)

# Engagement with company stakeholders

Since the launch of Advance, engagement efforts have led to **84** calls or meetings with representatives of **36** of the engaged companies (as per Figure 9 above, two companies did not respond, and one engagement is on hold).

In their outreach to companies, investors have been able to engage with a variety of contacts at different seniority levels. Figure 10 below summarises this diversity of contact points engaged across companies.

Figure 10: Engagement with company stakeholders



Sources for figures 10 and 11: Participant survey (responses given by lead investors) and Advance engagement records. (n=38: Two of the original 40 companies merged and one company engagement never started)

# Engagement tools and activities

Investors may use a variety of engagement tools and activities to support their efforts to establish contact with the company and raise concerns they deem material. The figure below summarises the most common tools used.

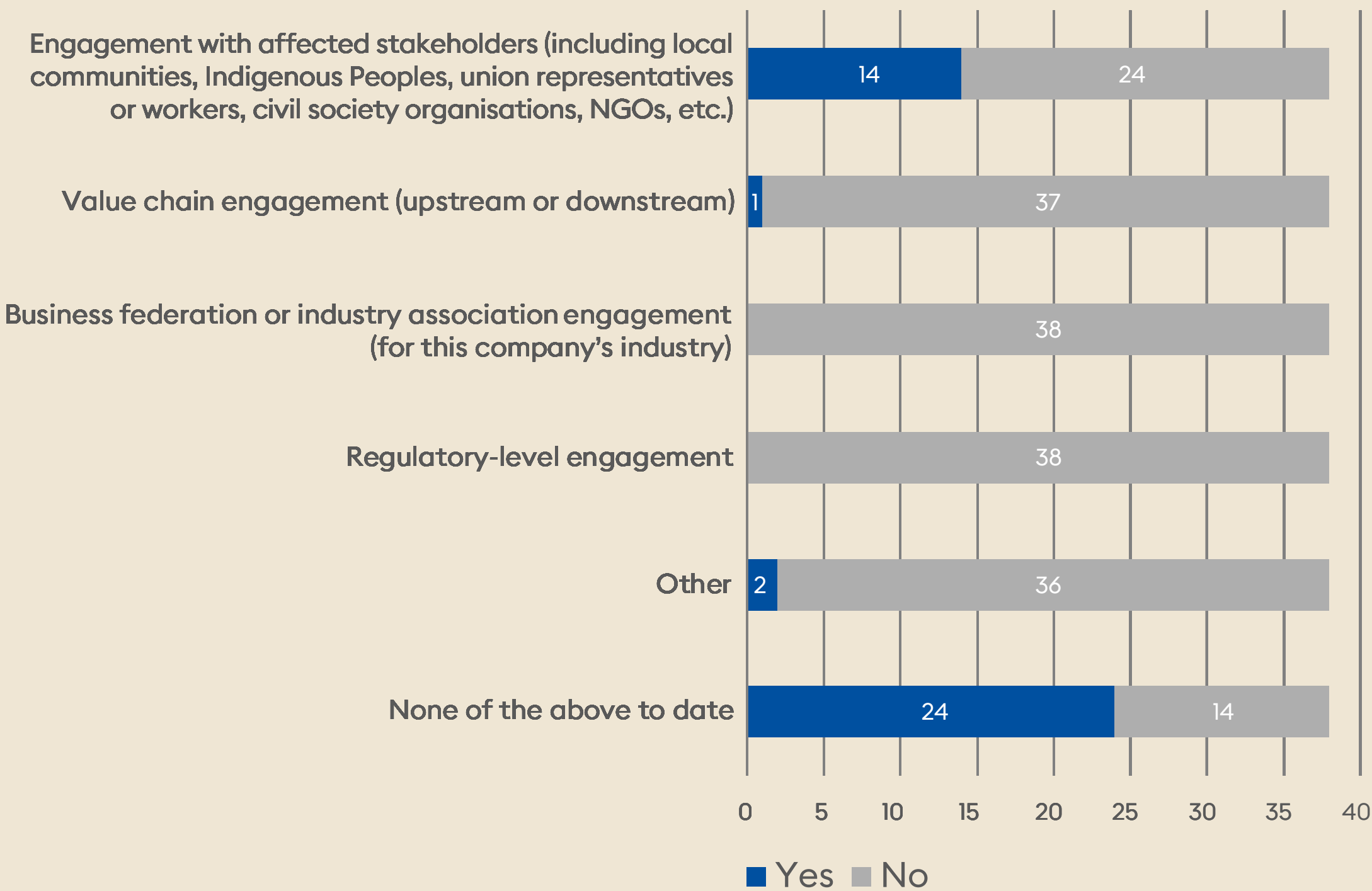
Figure 11: Engagement tools and activities



In the initial stages of relationship-building, investors have focused on direct communications with management and/or the board. So far, participants have made little use of external-facing tools and activities such as contributing to research reports (three instances), developing media strategies (three instances), writing public letters to the company (no instances) or issuing a joint public statement with the company (no instances) (Figure 11).

# Stakeholder engagement

Figure 12: Investor engagement with different types of stakeholders



Participating investors held a total of 26 stakeholder engagement calls or meetings each in relation to one or multiple companies engaged through Advance. These include:

- **16** meetings/calls with NGOs and community representatives and **three** meetings/calls with workers and unions.
- **Three** meetings/calls with business federations and/or industry associations (this figure does not include interactions as part of participating investors' attendance at industry events and conferences).
- **Four** meetings with expert academics, researchers and other investors.
- Internal capacity-building activities also provide opportunities for participating investors to interact with relevant stakeholder groups through educational sessions as well as ad hoc meetings with expert academics, researchers and other investors (see 'Capacity-building activities' section).



# Investor human rights commitments

The [Advance terms of reference](#) require participants (not endorsers) to make a policy commitment to respect human rights and implement a human rights due diligence process, if they have not already; or to commit to work towards doing so within a year of joining the initiative.<sup>12</sup> Like all businesses, institutional investors have a responsibility to respect human rights – a responsibility formalised by the UN and the OECD in 2011 (see Figure 13).<sup>13</sup> Since then, expectations – from employees, beneficiaries, clients, governments and wider society – have continued to evolve and, in many jurisdictions, have become more formalised.

**Figure 13: Investor’s three-part responsibility to respect human rights under the UNGPs**

POLICY	DUE DILIGENCE PROCESSES				ACCESS TO REMEDY <sup>14</sup>
Adopt a policy commitment to respect internationally recognised human rights <sup>15</sup>	Identify actual and potential negative outcomes for people, arising from investees	Prevent and mitigate the actual and potential negative outcomes identified	Track ongoing management of human rights outcomes	Communicate to clients, beneficiaries and affected stakeholders publicly about outcomes and the actions taken	Enable or provide access to remedy

<sup>12</sup> The policy commitment and due diligence processes should cover, at a minimum, the human rights included in the International Bill of Human Rights and International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the eight core conventions. For more information see the [Join Advance webpage](#)

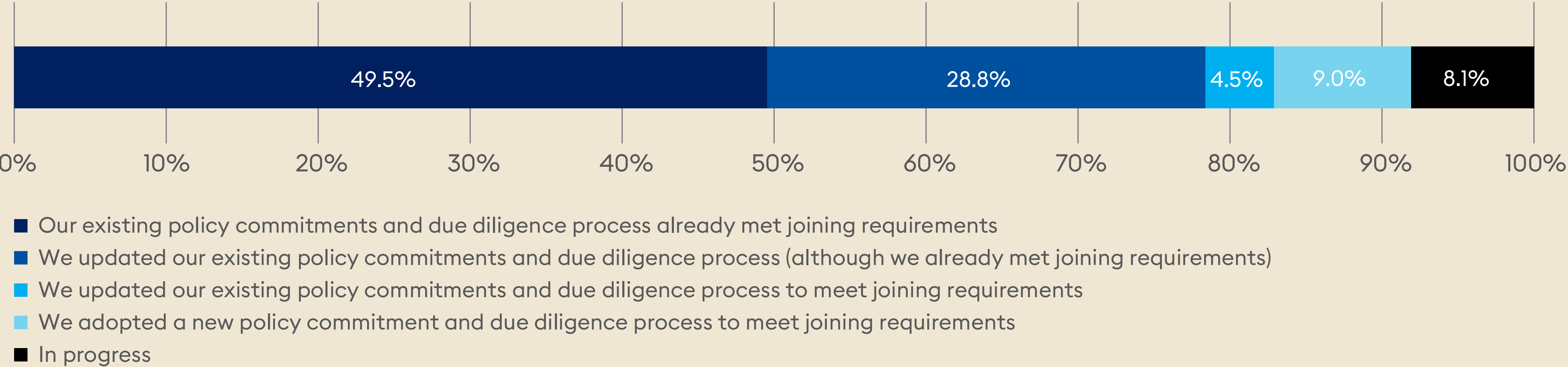
<sup>13</sup> For more information see these PRI articles on [Why and how investors should act on human rights](#) and [How to identify human rights risks](#)

<sup>14</sup> Investors are responsible for providing access to remedy for people affected by their investment decisions when the investor is either contributing to or causing negative outcomes. For outcomes the investor is directly linked to through an investee, the investor should use and build influence to ensure that investees provide access to remedy for people affected – for more information see this PRI article on [Why and how investors should act on human rights](#)

<sup>15</sup> For examples of investors’ human rights policy commitment, see [PRI’s Investor human rights policy commitments: an overview](#)

As of 31 December 2024, 111 out of the 118 participants had been taking part in the initiative as lead or collaborating investors for a year or more (while the remaining seven had only been members for less than a year). Figure 14 below provides insights into participants' adoption of policy commitments to respect human rights, and of their efforts to implement human rights due diligence processes.

**Figure 14: Advance participants' policy commitments and due diligence processes**



Source: 2024 Advance participant survey and PRI reporting data for 2023 and 2024. Participants who have been members of Advance for less than a year (n=7) are not included. For more information on relevant PRI reporting indicators, see PRI Reporting Framework for Advance Participants

## The role of endorsers in advancing human rights

Investors signing up as endorsers signal their support for the objectives and strategy of Advance.

Endorsers of the initiative are not required to have a human rights commitment when joining the initiative. However, over 40% of the endorsers that responded to the voluntary 2024 Advance Endorser Survey (24 out of 57 respondents) reported having made a policy commitment to respect human rights since joining Advance and nearly 25% (14 out of 57) reported having implemented a human rights due diligence process.

Endorsers that outsource their stewardship activities were encouraged to request that their investment managers and engagement service providers apply to take part in Advance or commit to aligning their own engagements with Advance objectives.<sup>16</sup>

<sup>16</sup> For more information about how more than 3,700 PRI signatories – specifically asset owners and investment managers – are implementing human rights standards across global markets, see this PRI report on [Human rights and social issues: Insights from the 2023 reporting cycle](#).



## Case study

### La Banque Postale Asset Management (LBP AM): Advancing human rights within asset management organisations

At LBP AM in the early 2000s, we started to integrate human rights within our investment strategy through the creation of a dedicated fund: LBP AM SRI Human Rights. We collaborated with the International Federation for Human Rights to define the fund's investment universe and to engage with companies. Ultimately, we seek to promote responsible business conduct amongst investee companies' operations and value chains through investment.

With the development of the UNGPs, and their translation into a growing number of legal and regulatory frameworks, we kept on bolstering our processes and integrating further human rights data and elements within our responsible investment strategy. This included active stewardship on salient human rights issues and the implementation of human rights due diligence, as well as integrating the UNGPs, the OECD Guidelines for Multinational Enterprises and a risk-based approach in our exclusion policy. These steps were fundamental to increase awareness among asset managers, especially in terms of expectations put forth to companies as to how they manage human rights risks, as well as integrate human rights within the culture of our own organisation.

Advance was an essential element to eventually encourage the formalisation of our human rights policy, and the development of dedicated human rights risk mapping. Our policy reflects our commitment to respect internationally recognised human rights in our investment activities, through the implementation of due diligence, in accordance with the UNGPs. Drawing on our internal expertise, guidance from external stakeholders and initiatives such as Advance, our [human rights policy](#) relies on five pillars:

1. Risk identification: we assess and prioritise prevention and mitigation measures for the geographies and sectors evaluated as being the most at risk.
2. Risk prevention and mitigation, via:
  - socially responsible investment selection, based on our proprietary GREaT rating, which includes human rights indicators covering all the themes and salient human rights issues identified in the above human rights risk mapping;
  - our norm-based exclusion policy, for companies at unacceptable risk of causing, contributing to or being linked to serious human rights violations, and for which exclusion is the most effective way of reducing the risk, and
  - our human rights engagement policy.
3. Continuous monitoring of risks at companies and the effectiveness of prevention and mitigation measures.
4. Communication and transparency.
5. Stakeholder consultation throughout the human rights diligence process.

We have continued to update our policy and adapting it to integrate new guidelines and human rights issues (e.g. integration of specific human rights expectations in our oil and gas policy).

Advance has played a fundamental role in this development, and in the integration of human rights within asset managers' and investors' practices, both by providing essential guidance, materials and case studies to participants and endorsers. Advance also gives investors the opportunity to put this guidance into practice by enabling collaborative and meaningful engagement with companies and creating a platform to meaningfully engage with experts and stakeholders.

# Company performance

The PRI monitored company performance against the expectations outlined in the [Advance investor statement](#). This approach was set out in the [Advance Assessment Framework](#) and detailed below.

## Performance relative to minimum standards

### World Benchmarking Alliance – Social Transformation Framework

The PRI evaluates the reported performance of all engaged companies based on the methodology set out in the [World Benchmarking Alliance \(WBA\) Social Transformation Framework](#). This framework provides a structured methodology to assess companies' respect for human rights, labour practices, and responsible political engagement.

The WBA framework contains 18 core social indicators – in other words, a benchmark for societal expectations – which span respect for human rights, decent work and ethical conduct. We picked the indicators that align with the first of the two Advance expectations:<sup>17</sup>

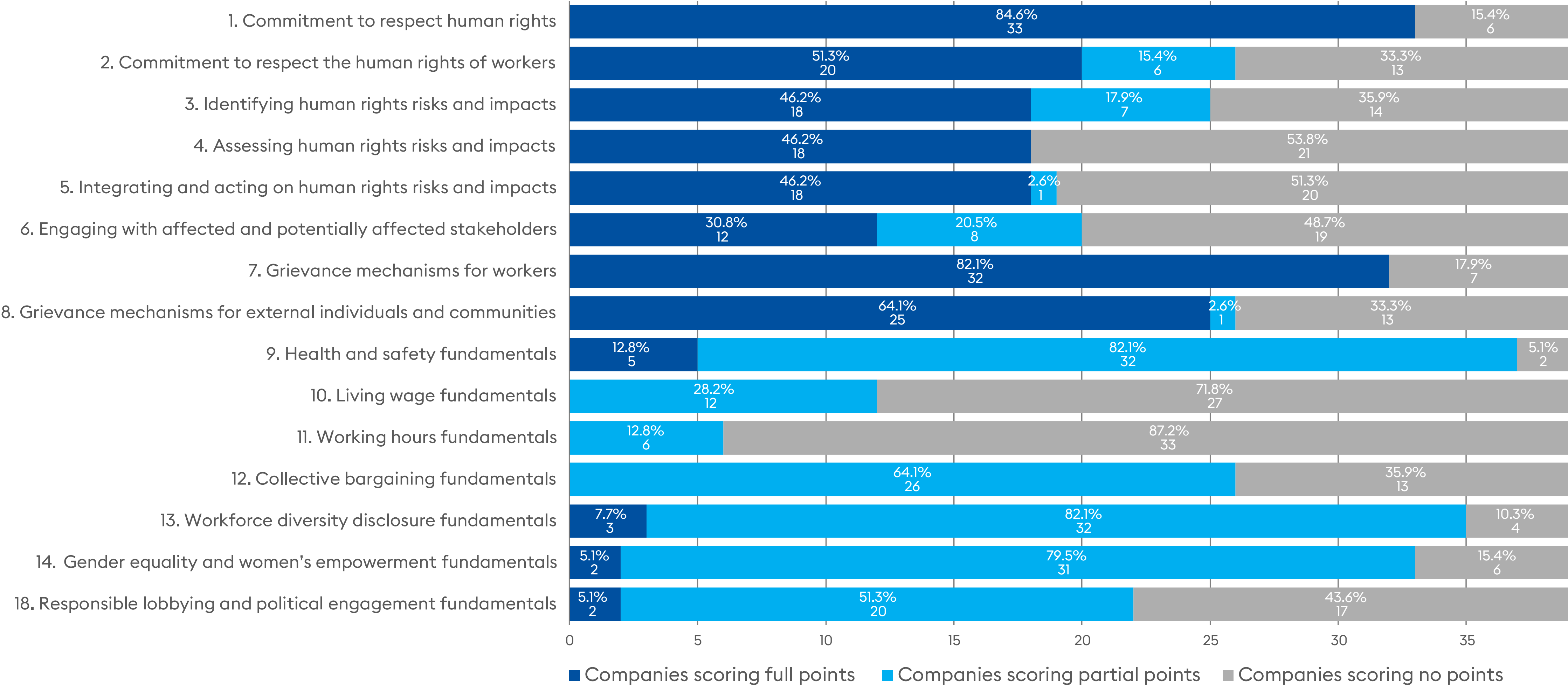
<sup>17</sup> Note that in October 2024, the WBA updated its [methodology for the 2026 social benchmark](#), so the next assessment of Advance companies will follow this updated methodology. From WBA: "The three measurement areas and number of indicators remain the same as in the original methodology. We have kept all existing indicator topics, and the only new indicator is on commitment to remedy in the measurement area on respecting human rights. In some instances, an indicator's elements have changed, or the elements remain the same, but we have updated the scoring guidelines. All changes aim to address stakeholder concerns, streamline the methodology and align with updated existing standards"

1. Implementation of the UNGPs – ensuring companies integrate human rights due diligence into their operations (indicators 1-14).
2. Responsible political engagement – tracking whether companies advocate for policies that support human rights rather than undermine them (indicator 18).

As outlined in Figure 15 below, every company that achieves an indicator is awarded one point. There are two indicators that award two points: assessing human rights risks and impacts, and integrating and acting on human rights risks and impacts. To see more on the indicator names and how they are scored, see p.5 of the [WBA 2024 scoring guidelines](#).

By leveraging publicly available data and internationally recognised benchmarks, such as this benchmark and the BHRRC benchmark mentioned below, we seek to ensure transparency and comparability in the assessment. This approach supports investor decision-making by identifying gaps in corporate accountability and contributes to building effective engagement strategies.

Figure 15: WBA Benchmark – Companies’ scores against core social indicators



The above data is based on an assessment of the 39 companies engaged through Advance following the 2024 WBA CSI methodology and scoring guidelines. This assessment serves as a baseline assessment for the initiative and is reported here in an aggregated manner.



Below are some high-level insights based on this assessment, covering the 24 metals and mining companies, and 15 renewables companies engaged through Advance.

- Almost all **companies had a commitment to respect human rights**, with 19 out of 24 metals and mining companies and 14 out of 15 renewables companies meeting this indicator.
- Fewer companies explicitly **committed to respecting the human rights of workers** – 15 in metals and mining and 11 in renewables.
- Over half of metals and mining companies and about half of renewables companies described their **process(es) for identifying human rights risks and impacts** in specific locations or regarding specific operations. However, fewer companies (nine in metals and mining, six in renewables) disclosed how they **assessed the saliency of these risks** and published the results.
- **Stakeholder engagement** was a weak area across both sectors, with only 11 metals and mining and two renewables companies disclosing the categories of stakeholders potentially affected by their activities.
- Most companies in both sectors (21 in mining and 11 in renewables) indicated they had a **grievance mechanism** accessible to workers and external stakeholders, but this assessment only captures availability, not effectiveness.
- While most companies (22 in metals and mining, 15 in renewables) had a public **commitment to worker health and safety**, very few (five in metals and mining, and none in renewables) disclosed **quantitative health and safety data**.
- In metals and mining, 19 companies had a **public expectation that business partners respect worker health and safety**, with 18 disclosing how they **monitor performance** of their business relationships. In renewables, all companies had this expectation, but only half (seven) disclosed monitoring efforts.
- Few companies met **living wage standards**, with only ten in metals and mining and two in renewables either confirmed that all workers are paid a living wage or disclosed a time-bound target to achieve this.
- **Working hours commitments** were the lowest-performing indicator: only one company in metals and mining and two companies in renewables publicly committed to a 48-hour standard work week, or 60 hours including overtime, and to voluntary, premium-paid overtime.
- While 17 metals and mining and 10 renewables companies disclosed the proportion of their total direct operations workforce covered by **collective bargaining agreements**, none described how they support **the practices of their business partners in relation to freedom of association**.
- Most companies (22 in metals and mining and 12 in renewables) disclosed **the proportion of their total direct operations workforce for employee categories by gender**, but fewer disclosed the same information by **age** (nine in metals and mining, 11 in renewables), **race/ethnicity** (three in metals and mining, five in renewables), and **other diversity indicators** such as disability, sexual identity and marital and family status, etc. (two in metals and mining, five in renewables).
- More than half of metals and mining (13) and nearly two-thirds of renewables companies (9) had a public commitment to **gender equality and women's empowerment**. A similar number of companies disclosed one or more relevant time-bound targets relating to these commitments and had at least 30% women on the highest governing body. However, very few (two in metals and mining and three in renewables) disclosed **gender pay gap** data broken down by employee category and by key location of operations, covering their entire direct workforce.
- Only 8 metals and mining companies had a public policy or statement setting out their **lobbying and political engagement approach**,

and only 1 of the renewables companies did. Only four metals and mining companies disclosed **lobbying expenditures** and only 2 of them required third-party lobbyists to follow their policies.

This analysis is based solely on the WBA benchmark as indicated in the Advance Assessment Framework.

Participants have also referred to other available benchmarks to complement their assessments and gain a more comprehensive view of companies' performance:

## Business and Human Rights Resource Centre (BHRRC) | Renewable Energy and Human Rights Benchmark

The BHRRC Renewable Energy and Human Rights Benchmark, [launched in 2020](#), critically assesses renewable energy companies' human rights performance, with subsequent editions in [2021](#) and [2023](#). As demand for transition minerals and renewable infrastructure accelerates, this benchmark serves as a key accountability tool, evaluating corporate policies, due diligence practices, and responsiveness to labour rights, Indigenous Peoples' and land rights, and community engagement. Where available, the results of the 2020 and 2021 benchmarks were included in the initial company briefing packs put together by the PRI to support research and scoping of the company engagement groups in the renewables sector.

These benchmarks, alongside the other tools of the BHRRC, notably the [Transition Minerals Tracker](#) and the [Just Transition Litigation Tracker Tool](#) outlined in the next section, provide invaluable resources for investors and stakeholders to systematically monitor corporate human rights performance,

identify risks, and track companies' progress (or lack thereof) over time. They can enable informed engagement, support responsible investment decisions, and help drive accountability in the renewable energy and mining sectors.

## Allegations/controversies and company responses

### Overview

As Advance secretariat, we collect and analyse publicly available data on allegations and controversies involving engaged companies and those companies' responses. We draw on the work of other organisations and, along with our investor participants, consider a broad range of data sources to inform engagement, including information on the quality of companies' due diligence practices, stakeholder engagement, and access to remedy.

Two useful sources of information include:

- The [BHRRC database](#) gathers information relating to the human rights impacts of more than 10,000 companies, based on public sources. It includes [lawsuits](#), such as attacks against human rights defenders (HRDs) and strategic lawsuits against public participation (SLAPPs). Where the BHRRC finds no evidence of a public response to certain concerns, the organisation invites a company to respond through [the company response mechanism](#). The BHRRC website does not aim to be a comprehensive source of information on allegations of corporate misconduct but offers a wealth of information on most salient controversies.



- The [OECD National Contact Points \(NCP\) database](#) documents the cases brought in front of the NCPs of OECD countries, a non-judicial grievance mechanism, with cases submitted against companies that have allegedly failed to meet the standards set out in the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

Overall, as laid out in the next section, most Advance focus companies appear willing to publicly address their human rights impacts via the BHRRC website and engage in dialogues facilitated by NCPs. However, at the same time, allegations against companies, as captured, for example, in the [BHRRC's Transition Minerals Tracker](#), continue to persist, while lawsuits against renewable energy companies and transition mineral mining firms over alleged human rights harms are on the rise. Therefore, while the high response rate to the BHRRC mechanism and participation in the OECD NCP processes suggests openness to engagement, investors are also seeking to ensure that this translates into meaningful action to address human rights risks

## Company responses

Investors often rely on [public information](#), including corporate disclosures, and allegations in media and NGO reports, to better understand companies' human rights performance and impacts in their portfolios, as part of their own due diligence. Transparent and substantive responses to human rights allegations are crucial and serve to better inform investors and other stakeholders.

Between 2022 and 2024, the BHRRC sought a total of 95 responses to human rights-related concerns involving 26 companies currently being engaged through Advance.<sup>18</sup> Most companies were approached multiple times: over three-quarters of companies (20) were approached more than once, while

<sup>18</sup> The PRI included subsidiaries and joint ventures in the response total

almost a third (eight) were approached five times or more.

Looking across the past few years, the number of requests decreased slightly in 2024, with 25 requests involving 10 focus companies, compared to 35 requests involving 19 companies in 2023, and 35 requests involving 21 companies in 2022. It is worth noting that a lack of requests for a response does not translate to a lack of or fewer human rights concerns – these requests for a response represent only a small proportion of items relating to companies, both positive and negative, across the BHRRC website.

It's also important to note that public reporting on human rights concerns – which BHRRC relies on – can be affected by various factors, [such as media restrictions in certain contexts](#), potentially leading to underreporting. In some cases, companies may have already issued public responses elsewhere, meaning certain items are not captured here. However, as transparency is paramount in the way companies address human rights risks, the key factor considered here was whether focus companies engaged with the BHRRC to provide a response or not (rather than the quality of the response provided, which may be assessed by investors and possibly used as qualitative input for engagement).

Companies responded to 77 of the 95 requests, resulting in an overall response rate of 81% between 2022 and 2024. This remains well above the BHRRC's global average response rate of 55–60%. We will continue to track this measure over the course of the initiative.

## Allegations

We also tracked additional cases of human rights allegations, as captured in the BHRRC's Transition Minerals Tracker.<sup>19</sup> The tracker covers mining companies

<sup>19</sup> Some company responses included above also feature in the Transition Minerals Tracker. These were excluded from the total allegations count



and operations producing seven key minerals needed for the transition to renewable energy, so includes only a limited number of companies engaged through Advance. It remains a useful indicator of some sectoral trends, given the urgency of the global transition to clean energy and the need to avoid repeating the mining sector's past mistakes.

Allegations involving transition mineral mining companies engaged through Advance, including their subsidiaries, joint ventures and mining operations, are seemingly on the rise. In 2022, 28 cases were recorded in the tracker. In 2023 there were 39 cases, an increase of 39% (2024 data can be found on [this page](#), published in May 2025).

Attacks against human rights defenders raising concerns about companies' human rights impacts also appear to be rising, mirroring trends in the broader mining sector, which has consistently been the most dangerous sector for defenders, according to the [BHRRC database on attacks against human rights defenders](#). In 2022, almost one in five (18%) cases recorded in the tracker were attacks against human rights defenders; in 2023 that jumped to almost a quarter of cases (23%).

## Lawsuits

Negative human rights impacts are also becoming increasingly costly for companies and investors. According to the [BHRRC Just Transition Litigation Tracker](#), which tracks legal cases in the transition mineral mining and renewable energy space, four new lawsuits were filed against states or companies by communities and workers affected by human rights harms between December 2022 and May 2024. These lawsuits are associated with companies engaged through Advance, their subsidiaries, mine operations or projects. A further 10 lawsuits filed prior to December 2022 were still ongoing at the time this report was published.

## OECD complaints

Between December 2022 and December 2024, seven OECD complaints involving eight companies engaged through Advance (five in metals and mining and three in renewables) were filed, with one actively ongoing and the company engaged in the process. The others are awaiting further assessment or comment from relevant NCPs.

Six further cases involving six companies engaged through Advance (five in metals and mining and one in renewables) were concluded during the review period. In one case, an agreement was reached outside of the NCP process. Three cases were withdrawn or the offer of mediation services ("good offices" – a process where the NCP facilitates dialogue between parties to help resolve issues) was not accepted by the submitting parties. In two cases there was no resolution, although the companies did engage in the process. No company refused to engage in a mediated process by the OECD NCP.

## Progress relative to specific company objectives and severe issues

In line with our commitment to tracking progress relative to objectives and severe issues identified for engaged companies, we have presented aggregated findings in the 'Investor efforts and activities – Development and implementation of the engagement strategy' section of this report. To further illustrate engagement progress, we have included case studies contributed by investors and engaged companies. These case studies provide qualitative insights into engagement dialogues, highlighting key themes, developments and challenges. Together, they offer a meaningful perspective on the objectives and human rights issues identified by investors and any progress made.

## Case study

### BNP Paribas Asset Management: Engaging with Arcelor Mittal through Advance

An active engagement process continued with ArcelorMittal in 2024 through the Advance platform. Initiated in 2023, this engagement aims at securing improvements to the company's human rights due diligence framework, occupational health and safety (OHS) performance, and its management of potential adverse impacts on local communities.

It has been an intensive yet rewarding journey, with 12 substantial interactions with the company during the year. Such exchanges focused on monitoring remediation actions following the Kostenko mine accident in Kazakhstan, formalising recommendations to the board and the management, monitoring the deployment of an independent safety audit across the organisation as well as the improvement of existing human rights policies and grievance mechanisms.

Positive developments have been recorded since 2023, ranging from governance oversight to commitments and policies and public disclosures.

As an example, the company launched an unprecedented group-wide safety audit which resumed in Q4 2024, leading to the development of focused action plans at group and business unit levels. The company extended its grievance mechanism to human rights concerns, adopted a public 'zero fatalities' target and significantly enhanced the public disclosure of OHS performance metrics (e.g. Fatalities Frequency Rate, Frequency Rate Proactive Potential Serious Injury or Fatality (PSIF), etc.).

While the tangible impact of these measures remains to be seen, especially on the safety performance and controversies profile of the company, those are positive signals that will encourage and sustain further dialogue with the company in 2025.

**Disclaimer:** Case studies are shown to demonstrate engagement; this does not imply any investment recommendation, and the information is not an offer to buy or sell securities.

## Case study

### Phoenix Asset Management: Engaging with ENEL on community impacts in Colombia

In 2024, we met with representatives of Enel's investor relations and sustainability teams within the Advance initiative to discuss the company's operations in Colombia. In the meeting, we covered the topic of Indigenous Peoples and community engagement in two projects in Colombia, Windpeshi in La Guajira and El Quimbo in La Huila.

For the Windpeshi project, Enel stated that it carried out consultation processes in the area in accordance with the company's human rights policy and the Colombian government's requirements. Nevertheless, the project has been suspended due to the lack of on-the-ground conditions to guarantee timely construction. Constructive work related to the fulfillment of social and environmental commitments were maintained and Enel continued to engage with communities and stakeholders to address the implications of the project suspension.

For El Quimbo, Enel has been engaging with local communities on their relocation. As this project started prior to the launch of the UNGPs, the company's due diligence happened following the Created Shared Value (CSV model and related plans). The families impacted by the project were offered the opportunity to choose between the sale of their land or relocation. For the families who chose relocation, Enel ensured solutions that guaranteed the continuity of livelihoods as before the start of the project, mostly in agriculture and livestock.

We will continue engaging with Enel in 2025 to encourage responsible exit and remediation activities, including:

- adequate and timely delivery of compensation and relocation plans to address concerns from affected stakeholders;
- independent verification of different impact reports to validate results and progress towards set objectives and targets;
- responsible exit from La Guajira, including continuation of any infrastructure projects started as part of the windfarm project.

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## Case study

### Nippon Steel: Advancing human rights and fostering long term value creation through investor engagement

Investors began engaging with Nippon Steel in August 2023 to support the company in strengthening its human rights policy and human rights due diligence processes. Through constructive dialogue, investors have provided technical insights on operationalising international standards, such as the UNGPs, shared good practices from industry peers, and referenced human rights benchmarks to encourage continuous improvement. This engagement aligns with the broader mission of PRI Advance – to drive meaningful progress through collaboration while fostering long-term value creation for investors.

In 2024, Nippon Steel took a significant step by formalising its human rights commitments through adopting a human rights policy. The company has also provided some commitment to conduct human rights due diligence. These developments mark tangible progress in aligning the company's approach with global human rights expectations and strengthening its corporate responsibility framework.

Investors will continue to engage with Nippon Steel to support the effective development and implementation of its human rights processes. Investors look forward to monitoring and further engaging Nippon Steel to foster continuous improvement in the area of human rights.

The dialogue between Nippon Steel and investors has been rooted in a shared commitment to transparency, accountability, and continuous progress. Investors recognise the importance of proactive corporate action in

addressing human rights risks and ensuring resilience in the face of evolving global expectations for large publicly traded companies such as this.

#### **Co-lead investors: Kawai Wakaba, Nomura Asset Management; Lewis Naylor, Man Group**

“As co-lead investors of the PRI Advance engagement, we are pleased to see that Nippon Steel has taken steps to build its human rights risk management framework. Specifically, the company has established a human rights policy in 2024 and has disclosed in its integrated report efforts to establish a system for human rights due diligence aimed at identifying, preventing, and mitigating negative impacts. Nippon Steel's commitment represents an important step toward strengthening its work to help uphold human rights. We, the investors, will continue to engage in supporting further progress through updates on human rights regulations and sharing best practices.”

**Disclaimer:** This case study has been shared with the company to enable it to provide input to help ensure it provides a fair representation of the PRI Advance initiative engagement and resulting changes made at the company. Case studies are shown to demonstrate engagement; this does not imply any investment recommendation, and the information is not an offer to buy or sell securities.

## Quote from Nippon Steel (English translation):

### Dialogue with Advance

Nippon Steel is the leading steel manufacturer in Japan and ranks fourth in the world in crude steel production. As part of its group business structure, the company operates not only in the steel manufacturing sector but also in engineering, chemicals & materials, and system solutions.

We have traditionally conducted our business activities with high ethical standards, while paying careful attention to human rights issues stemming from the globalisation of the economy, in accordance with the Nippon Steel Group Corporate Behaviour Guidelines, which were established in consideration of corporate social responsibility.

To convey this stance both internally and externally, we established the Nippon Steel Group Human Rights Policy in April 2024.

During the preparation for the establishment of this human rights policy, we received a request for dialogue from PRI Advance and initiated discussions.

In our previous dialogues with Advance, we had the opportunity to hear valuable insights regarding the importance of addressing human rights and the best practices advocated by Advance. We recognise that respect for all human rights is fundamental to corporate activities, and we will continue to work towards preventing human rights violations, also leveraging the knowledge gained from our discussions with Advance.

### Quote from Nippon Steel

#### Advanceとの対話について

日本製鉄は、粗鋼生産量で日本1位、世界で4位の鉄鋼メーカーです。グループの事業体制として、製鉄事業のほかエンジニアリング事業、ケミカル&マテリアル事業、システムソリューション事業を営んでいます。

当社は、従来から、企業の社会的責任を踏まえて制定した「日本製鉄グループ企業行動規範」に則り、経済のグローバル化に伴う人権問題等に十分配慮しつつ、高い倫理観を持って事業活動を展開してきました。

当社は、こうした姿勢を内外に示すため、2024年4月に「日本製鉄グループ人権方針」を制定しました。

この人権方針の制定に向けた準備を行っていたさなか、PRI Advanceから対話の要請があり対話を開始しました。

これまでのAdvance対話では、人権に取り組むことの重要性やAdvanceの考えるベストプラクティスなど貴重なお話を伺うことができました。当社は、あらゆる人権の尊重は企業活動の基本であると認識しており、Advanceとの対話で得られた知見も活かしながら、引続き、人権侵害防止に向けて取り組んでまいります。



# Case study

## EOS at Federated Hermes Limited: Addressing labour disputes at POSCO Holdings

### Background to engagement

POSCO, a South Korean iron and steel producer, has a global presence with operations in battery materials and other industries. The company has faced labour disputes, particularly concerning its Turkish joint venture, with allegations of labour and human rights violations which, if substantiated, could adversely affect its reputation and future sales, reduce its ability to operate successfully, and risk long-term shareholder value. In response, in 2023, EOS at Federated Hermes Limited (EOS), engaged with POSCO Holdings, the holding company of POSCO, with a small number of investors as part of the PRI Advance collaborative engagement<sup>20</sup> initiative to raise concerns around the potential financial and reputational risks associated with these allegations.

### Details of engagement

The engagement focused on fostering dialogues with POSCO's leadership, including the independent board chair and key committee heads. EOS and other investors identified the opportunity for improved long-term shareholder value through aligning company actions with respected international standards of best practice in employment and human rights, such as the UN Guiding Principles on Business and Human Rights and International Labour Organisation (ILO) principles. To gather insights of value to the engagement, EOS and other investors also consulted with labour rights experts and other stakeholders.

<sup>20</sup> When taking part in collaborative engagement with other investors and/or their representatives, each party is acting independently, exercising unilateral decision-making in deciding how to act concerning their investments, in line with applicable rules on antitrust, conflicts of interest and acting in concert. All of these actions are considered to deliver enduring, responsible value for our clients.

Based on company disclosures and other expert input, the investors and their representatives provided feedback on the company's approach to labour rights. This included encouragement for the company to develop its own social audit methodologies, drawing on global best practices, and to enhance its governance, policies and practices for labour and human capital issues across its global operations. It included the suggestion to provide evidence to demonstrate its respect for core labor rights, including a description of the steps it had taken for human rights due diligence along its supply chain.

### Changes, potential outcomes and next steps<sup>21</sup>

As the dialogue progressed, the company established its Human Respect Council and the Human Rights Centre to strengthen its oversight and management of these matters. The company also emphasised its efforts to standardise social audit methodologies, develop a group-wide human rights management plan, and provide more transparent disclosure about human rights assessments conducted with suppliers. In February 2025, POSCO Group's CEOs signed and published a human rights declaration, reflecting the company's efforts in enhancing its transparency and stakeholder engagement. While challenges remain and our engagement is still ongoing, POSCO's progress to date can help address some of the potential reputational and financial risks associated with human rights issues which, in turn, should help protect and improve long-term shareholder value.

**Disclaimer:** This case study has been shared with the company to enable it to provide input to help ensure it provides a fair representation of the PRI Advance initiative engagement and resulting changes made at the company. Case studies are shown to demonstrate engagement; this does not imply any investment recommendation and the information is not an offer to buy or sell securities.

<sup>21</sup> Potential outcomes stated above are not intended to be a forecast of future performance, which will depend on a range of factors which cannot be guaranteed. These may include factors such as wider business performance in the context of dependencies such as developments in public policy, technology and market demand.

Quote from POSCO Holdings (English translation)

“One of the most meaningful developments within POSCO Group through our engagement with PRI Advance has been the clear shift in how our Board of Directors and senior leadership recognize and commit to human rights. This transformation is closely aligned with the core expectations of the UN Guiding Principles on Business and Human Rights: (1) a clearly articulated human rights policy, (2) ongoing human rights due diligence, and (3) effective mechanisms for remedy.

Acting on recommendations from PRI Advance and participating investors, we established a Human Rights Task Force in collaboration with external experts, including the UN Global Compact Korea. Through this initiative, we achieved three key milestones:

- The adoption of the POSCO Group Human Rights Commitment, jointly signed by the Group CEO and affiliate CEOs on the World Day of Social Justice (February 20th);
- The development of Human Rights Due Diligence Implementation Guidelines, which serve as the foundation for group-wide impact assessments; and
- The creation of standardized Grievance Handling Guidelines to ensure effective and consistent remedy processes.

We view these frameworks and commitments not as a conclusion, but as a beginning—laying the groundwork for a more responsible future. Moving forward, POSCO Group is committed to conducting human rights due diligence across all global operations and continuously strengthening grievance mechanisms. We look forward to continuing this journey with PRI Advance and our investors, and we hope more companies will join us in advancing a sustainable and rights-respecting business landscape.”

Quote from POSCO Group

PRI Advance 이니셔티브 참여 이후, 포스코그룹 내부에서 가장 의미 있는 변화는 이사회와 최고경영진이 인권경영의 중요성을 분명히 인식하고, 이를 실천하겠다는 의지를 공식화했다는 점입니다.

이러한 변화는 유엔의 기업과 인권 이행원칙(UNGPs)이 제시하는 세 가지 핵심 요구사항—① 인권 정책의 명확한 선언, ② 정기적인 인권 실사 수행, ③ 인권 침해에 대한 효과적인 구제 절차 마련—과도 밀접하게 연계되어 있습니다.

PRI Advance와EOS at Federated Hermes Limited등 참여 투자자의 권고를 바탕으로, 포스코그룹은 UNGC 한국협회 등 인권 전문기관과 협력하여 ‘그룹 인권경영 TF’를 구성하고 다음의 주요한 성과를 이루었습니다.

첫째, ‘포스코그룹 인권경영 선언문’을 제정하고, 세계 사회정의의 날(2월 20일)에 그룹 CEO 및 주요 계열사 CEO가 공동 서명하였습니다.

둘째, 인권 실사의 체계적 이행을 위해 ‘인권실사 이행지침’을 수립하고, 이를 기반으로 그룹 전반의 인권 영향평가 프로세스를 마련하였습니다.

셋째, 인권 침해 대응 강화를 위해 ‘고충처리 운영지침’을 제정하고, 절차의 표준화를 추진하였습니다.

우리는 이러한 frameworks와 commitments가 끝이 아니라, 보다 책임 있는 미래로 나아가기 위한 출발점이라고 생각합니다. 앞으로 포스코그룹은 모든 글로벌 사업장에서 일관된 방식으로 인권 실사를 이행하고, 실효적인 고충처리 체계를 운영해 나갈 것입니다. 우리는 PRI Advance와 투자자들과 함께 이러한 여정을 지속하며, 더 많은 기업들이 이 흐름에 동참하기를 기대합니다.



# Capacity-building activities<sup>22</sup>

With the help of our technical advisory group and of the wider business and human rights community, we want to support investors to engage with companies on complex and emerging issues. By organising sessions with investors and technical experts, we can help to foster candid discussions and provide an opportunity for peer-learning.

**Table 3: Advance’s capacity-building activity offering**

Type of activity	Format	Advance audience	Content
Educational session	1h session: 30 to 40 min presentation followed by Q&A	<ul style="list-style-type: none"> <li>Participants</li> <li>Can be open to endorsers</li> </ul>	Covers a variety of relevant human rights topics or emerging issues (e.g. Indigenous Peoples’ rights and FPIC; IRMA; Consolidated Mining Standards; company policies on defenders and gender; the foundations of investor responsibility in CAHRA under international humanitarian law and human rights frameworks).
Thematic working group	Quarterly 1h call	<ul style="list-style-type: none"> <li>Working group members (participants only)</li> </ul>	Two thematic working groups have been set up: <ul style="list-style-type: none"> <li>Critical Minerals Working Group</li> <li>Indigenous Peoples’ rights Working Group</li> </ul>
Informal network	Ad hoc	<ul style="list-style-type: none"> <li>Participants (limited audience)</li> <li>Can be open to members of the technical advisory group</li> </ul>	Two informal networks have been set up on: <ul style="list-style-type: none"> <li>CAHRA</li> <li>Stakeholder engagement</li> </ul>
Sector group calls	Quarterly 1h call	Participants taking part in engagements with companies in the relevant sector	<ul style="list-style-type: none"> <li>Metals and mining</li> <li>Renewables</li> </ul>
Advance newsletter	Quarterly	Participants and endorsers	Updates relevant to the initiative, broader PRI human rights work, and relevant external publications.
Investor dialogue	Ad hoc	Participants across different engagement groups	Discussion on topic or jurisdiction of relevance across two or more company engagement groups.
Engagement with rights-holders and/or their representatives	Ad hoc	Participants	Dialogue between investors and rights-holders or their representatives around allegations, controversies or more general engagement topics (e.g. freedom of association) relevant to one or more company engagements (e.g. in the case of joint ventures).
Expert calls	Ad hoc	Participants (limited audience)	Thematic presentations by experts (academics, researchers, consultants) on a specific topic (e.g. German due diligence law, Western Sahara) of interest relevant to one or more company engagement groups.

<sup>22</sup> Advance is committed to compliance with all applicable laws and does not seek, require or endorse individual or collective decision-making or action that is not in compliance with those laws. The use of engagement tools and tactics, including the scope of participation in engagements is at the discretion of individual investors and subject to all relevant laws, including competition and antitrust laws. Advance facilitates the exchange of public information, but participants must not share or exchange non-public, competitively sensitive information



“Our collaborative engagement on human rights through PRI Advance has been an intensive yet rewarding journey. By focusing on the social challenges of the energy transition and the global race for critical minerals, PRI Advance is filling a gap in the corporate engagement landscape while addressing issues that will keep intensifying and generating risks to our portfolios.

“With this in mind, we decided to reinforce our role in 2024 by sitting on the Signatory Advisory Committee as well as several working groups on critical minerals and stakeholder engagement.”

***Paula Meissirel***

*Senior Stewardship Analyst*

*BNP Paribas Asset Management*

# Evaluating capacity-building activities

Respondents to the Advance participant survey were asked to comment on their participation in capacity-building activities, and to evaluate their usefulness. The figures below highlight high levels of participation among the 125 respondents and broadly positive participant evaluations.

Figure 16: Survey Participation

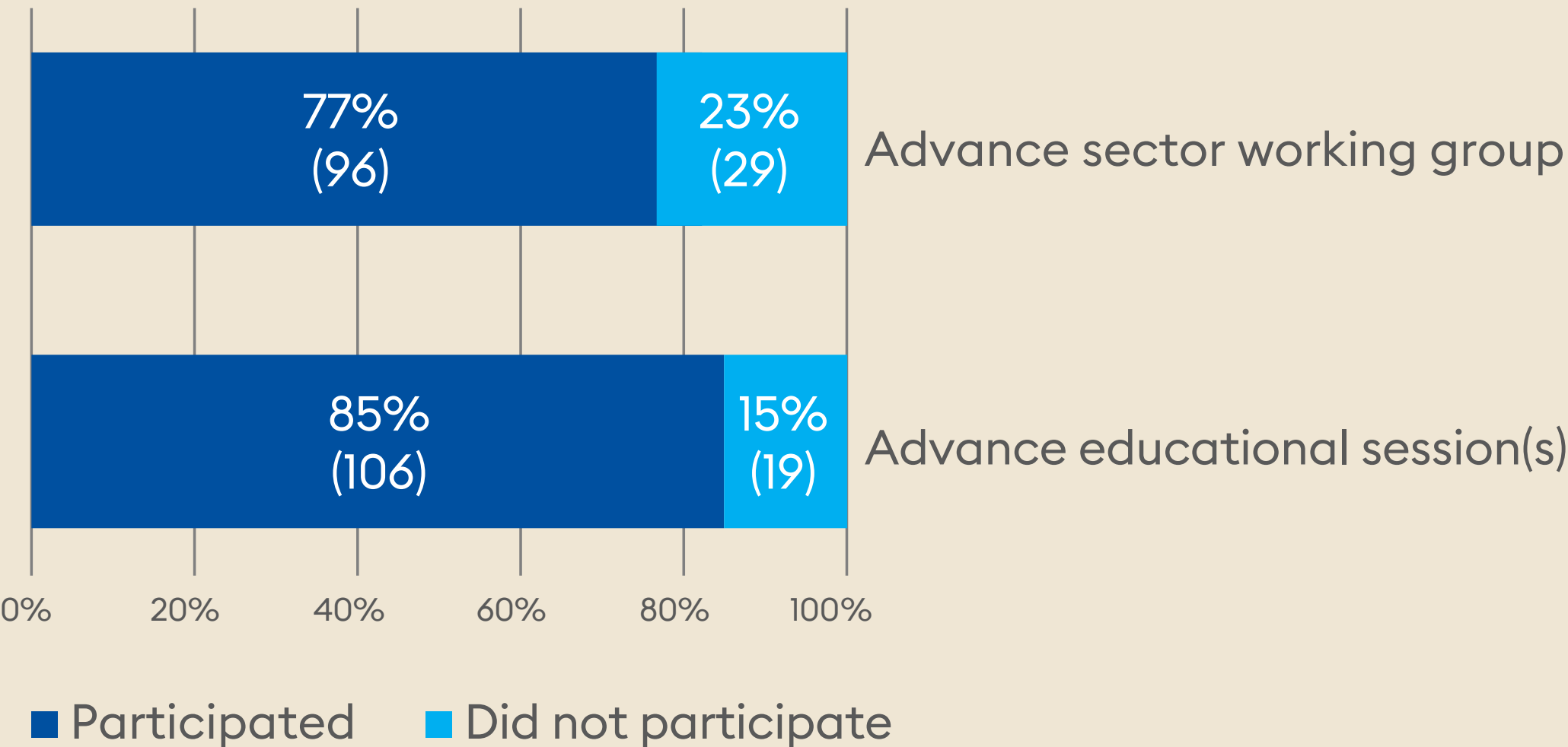
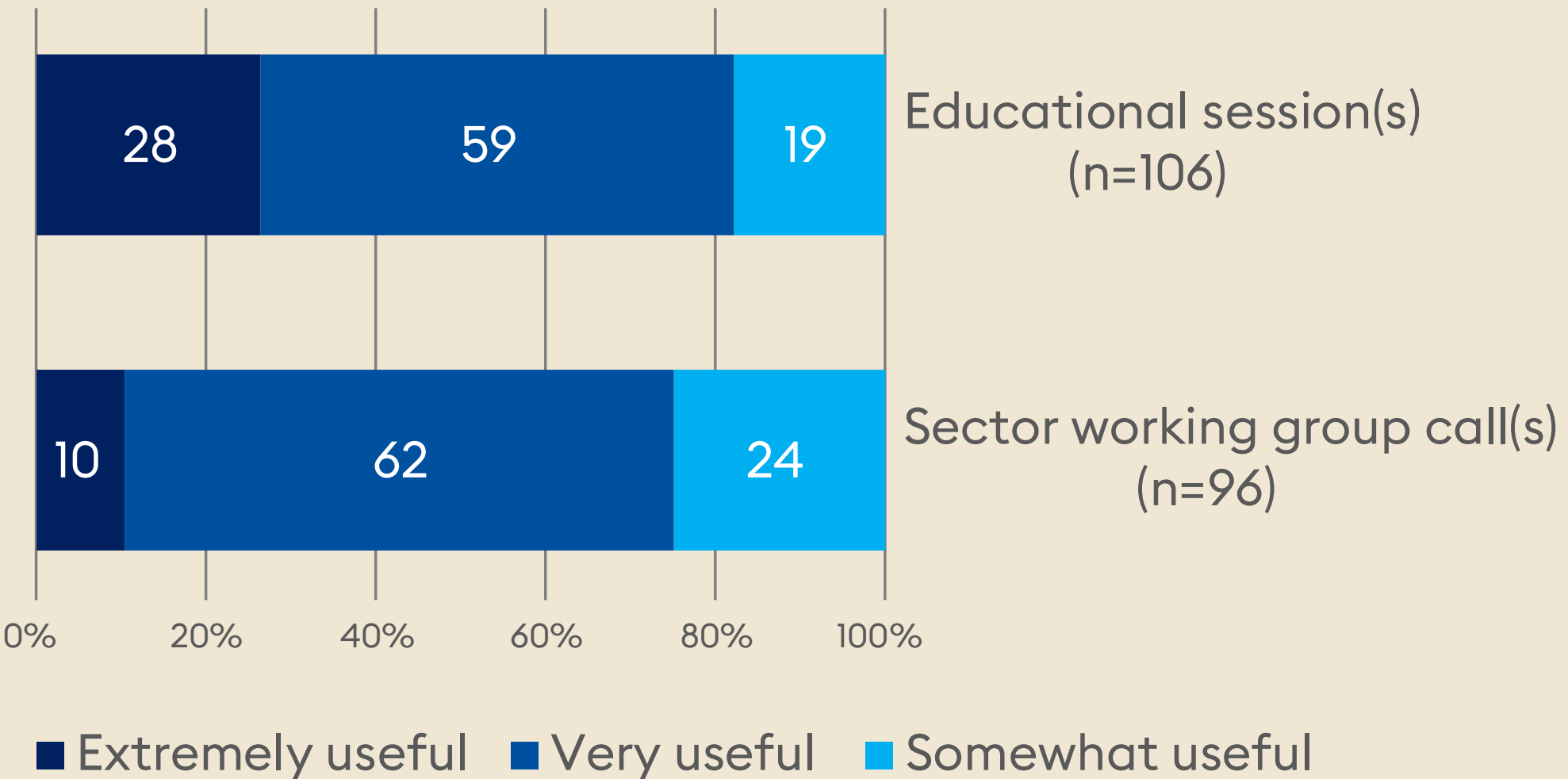


Figure 17: Evaluation of capacity-building activities



Source for Figures 16 & 17: Participant survey. Answers are counted at individual respondent level rather than consolidated into one answer per participating organisation. For Figure 17 on the evaluation of activities, participants were also offered a fourth option ("Not so useful"), but none of the participants selected it



## Supporting investors on issues related to conflict-affected and high-risk areas (CAHRAs)

As conflicts around the world intensify, companies and investors are increasingly required to evaluate their exposure to heightened risks in CAHRAs. For investors participating in Advance, engagement with companies operating in such environments necessitates a robust and structured approach to due diligence, ensuring that legal, operational, and human rights considerations are adequately addressed. As some companies engaged through Advance have significant exposure to these risks, enhanced scrutiny is required to align engagement strategies with responsible business practices and international human rights as well as international humanitarian law standards.

Operating in CAHRAs presents unique and evolving challenges for companies, as the fluidity of local conditions can disrupt supply chains, compromise workforce security, and complicate stakeholder engagement. This creates an urgent need for heightened human rights due diligence (hHRDD), ensuring that companies take measures to prevent and address any adverse human rights impacts as well as its actual or potential impacts on the conflict. Investors engaging on these issues must navigate a complex landscape where access to reliable information is often constrained, particularly in occupied territories and conflict zones, making transparency a key challenge.

For investors, engaging companies on CAHRA risks requires a nuanced understanding of legal exposure, financial materiality, and potential reputational consequences. Companies linked to human rights or international humanitarian law violations in such contexts may face legal action under evolving regulatory frameworks, as well as financial and operational setbacks stemming from community opposition, security risks, and government sanctions. Investors, in turn, face exposure to legal and financial risks where

companies fail to mitigate their adverse impacts effectively. However, engagement on these issues is often hindered by corporate reluctance to disclose information, particularly where reputational risk is a concern. Limited data availability further compounds these challenges, restricting investors' ability to assess corporate practices comprehensively.

Recognising the need for increased expertise and collaboration, Advance participants identified several priority areas for capacity-building, including international humanitarian law, strategic engagement approaches, and good practices for constructive dialogue with companies on these concerns. In response, the PRI developed a range of formats to support investors.

To build an understanding of these issues, the PRI held a webinar series on international humanitarian law and hHRDD in collaboration with the Investor Alliance for Human Rights (IAHR), Heartland Initiative, and PeaceNexus. To complement these, the PRI facilitated interactive sessions focused on specific case studies, such as business operations in Western Sahara, featuring expert insights from organisations including Western Sahara Resource Watch and Heartland Initiative. These sessions provided investors with in-depth perspectives on the practical realities of engaging companies with exposure to CAHRA risks.

In addition, the PRI organised informal dialogues among investors through a dedicated informal network on CAHRA. This group received updates from the PRI on emerging risks, invitations to thematic webinars, and tailored analyses designed to support engagement strategies.



“At Phoenix Group, we have a [human rights policy](#) to align to the UNGPs. This includes stewardship activities with companies that operate in CAHRAs. Discussions with corporate management on the topic can be complex at times and might not guarantee positive outcomes for the people impacted.

“For this reason, and to strengthen our engagement approach, we have taken part in different sessions organised by the Advance team. Sessions have involved different capacity-building formats, including investor exchanges where relevant groups met to discuss the topic, and educational calls with experts that provided deeper insights and background information into the specific conflicts.

“As a result, we decided to focus our requests to companies, carrying out heightened human rights due diligence on the impact on both people and the conflict in question. This approach allowed us to hold an open and constructive dialogue with focus companies and set clear expectations for practices and human rights outcomes. In 2025, we will continue our engagement in this area, pursuing specific asks for regular updates to due diligence processes aimed at preventing or minimising the risks linked to business activities, as well as for strong stakeholder engagement and effective grievance mechanisms.”

***Elena Espinoza***

*Senior Engagement Analyst, Social Issues*

*Phoenix Group*



## Case study

### Cardano: Human rights in the renewable energy sector – navigating challenges in disputed territories

As countries accelerate their transition to renewable energy sources, we note that some land-based projects such as wind farms or solar installations intersect with disputed territories. Due to their activities in these regions, companies in the sector are exposed to higher risk of causing or contributing to human rights violations and/or violations of international humanitarian law.

Under the UNGPs, companies must conduct human rights due diligence to identify, prevent, and mitigate adverse impacts on human rights. In a conflict area, this includes assessing risks specific to the area and taking steps to avoid contributing to or exacerbating these issues. The UNGPs also require companies to publicly report on their human rights due diligence efforts in a transparent and accountable manner.

#### Challenges and next steps

Despite companies often referencing the UNGPs and some providing good disclosure on their due diligence efforts in non-conflict affected territories, there is reticence to disclose activities in disputed territories. Companies note that a politically sensitive environment makes transparency more challenging. Data is also lacking from ESG data providers, with some choosing not to cover human rights issues tied to territorial disputes, making it harder for investors to understand the risks.

We believe that companies active in disputed territories should conduct and disclose their human rights due diligence efforts, without needing to take a

political stance. This includes disclosing how they obtained free, prior and informed consent and how they manage and monitor the impacts of their projects through a human rights lens.

Key to the energy transition, companies in the renewable energy sector face heightened human rights risks because of the geographies where they operate. Persistence and collaboration are crucial to raise these concerns with companies and encourage them to adopt better practice and disclosure on human rights in line with the UNGPs.



# Next steps

## Capacity-building

**Our approach to capacity-building is set to evolve. Recognising the breadth and complexity of human rights issues, we aim to develop structured learning tracks while maintaining the flexibility to respond to emerging risks and topics.**

In 2025, these specific learning opportunities will include:

- **Human rights frameworks and standards** – Proposing deep dives into key frameworks such as the UNGPs, OECD Guidelines, and industry-specific standards.
- **Human rights issue-specific tracks** – Focused analysis and discussions on key human rights risks, such as labour rights, Indigenous Peoples' rights, and responsible mineral sourcing.
- **Stakeholder engagement** – Providing guidance and workshops to support investors with the knowledge and tools to engage effectively and responsibly with rights-holders, affected communities, and other key stakeholders.
- **Stewardship practices on human rights** – Strengthening investor engagement and potential escalation strategies and the integration of human rights considerations into stewardship practices.
- **Responsible political engagement** – Providing guidance on upcoming standards and exploring lessons learnt from climate lobbying, along with examples of good practice across other industries, to inform engagement with companies.

- **Policy and regulatory developments** – Supporting investors to understand the rapidly evolving regulatory landscape, including mandatory environmental and human rights due diligence legislation, trade policies, and requirements.



“We see the Advance collaboration platform as one of the more important enablers of our commitment to address social issues through our stewardship. The Advance team curates a well-structured and accountable approach to ongoing engagement with companies, from start to finish. Particularly worth mentioning is that collaborating investors are also encouraged to seek insights from a variety of stakeholders, some of whom have valuable on the ground experience of dealing with the target companies. The additional educational sessions hosted by the Advance team also provide valuable support and key insights from market participants. Overall, we are very happy to be part of the Advance initiative.”

**Robert Lewenson**  
*Head of Responsible Investment*  
*Old Mutual Investment Group*

## Stakeholder engagement

Engaging with rightsholders and affected stakeholders, or where appropriate their representatives, to obtain first-hand non-competitively sensitive information is crucial to investors' understanding of risks and impacts on the ground and determining priorities for engagement with companies. Some investor participants were already doing this prior to joining the initiative and consider it to be a critical part of their due diligence and integral to their stewardship activities, but many are new to it.

With the support of the Technical Advisory Group, the PRI has been supporting engagement between investors and rightsholder groups or their representatives to help investors understand and consider the actual risks and impacts experienced by stakeholders and, in turn, to understand potential risks and opportunities to their portfolios in line with their fiduciary duties.

However, engaging meaningfully requires time and careful consideration to ensure it is done with appropriate guardrails. As noted in the previous section, in 2025, we will support investors through dedicated educational sessions and workshops on stakeholder engagement, including how to prepare and allocate sufficient resources. Where appropriate, we will continue to support engagement with the support of an informal working group with investor participants and members of the Technical Advisory Group.

## Responsible political engagement

At present, corporate disclosure on political engagement activities remains limited, making it difficult to assess alignment with human rights commitments. Ensuring a level playing field is essential to reducing system-level risks, preventing regulatory arbitrage, and fostering a business environment where respect for human rights is the norm rather than the exception.

As referenced in the previous section, Advance will work in collaboration with expert organisations to provide capacity-building support to investors, equipping them with tools should they choose to engage companies on this issue.

### **EIRIS Foundation Social LobbyMap (pending assessment of companies engaged through Advance)**

In 2025, the EIRIS Foundation will publish its 'Social LobbyMap' – an evaluation of how companies within the initiative align their political activities, lobbying efforts, and trade association memberships with their public human rights commitments. This Map will aim to ensure that companies are not undermining human rights protections through opaque or contradictory lobbying strategies. With this tool, investors will be better equipped to identify and track discrepancies, highlight good practices, and engage companies on improving transparency and accountability across their political engagement activities, reinforcing the second key expectation of Advance.

## Sector-level engagement

Certain human rights issues cannot be solved solely through engagement with individual companies. They require a sector-level approach that addresses systemic challenges and engages a broader range of stakeholders, including industry associations, standard setters, and regulators. Sector-level engagement fosters alignment, amplifies impact, and creates opportunities for collaborative action on shared challenges, such as supply chain transparency, value chains-related expectations, living wage and working conditions or FPIC processes.

We have collaborated with two consultants, supported by the Advance advisory groups, to develop initial sector-level strategies for the metals and mining, and renewables sectors. These strategies offer several potential areas of focus, tools and processes that the initiative could engage with at local, regional and global levels.



Starting in 2025, we will begin rolling out these strategies in collaboration with the advisory groups and willing investor participants. This work will aim to drive industry-wide commitments, promote adherence to high standards across sectors and advocate for regulatory frameworks that enable responsible business conduct.

The initiative will consider supporting engagement between investors and policy makers and regulators where appropriate, recognising that public policy is a critical mechanism for advancing the implementation of the UNGPs. Policy interventions can directly support global human rights objectives – e.g. minimum wage regulations and protections for freedom of association – as well as indirectly enhance governance frameworks, for example, through mandatory due diligence legislation, safeguards for Indigenous Peoples, and measures to prevent corruption and policy capture.

At this stage, any such engagement is expected to be limited in scope and pursued on an ad hoc basis, rather than as part of a sustained public policy advocacy strategy. Separately, as part of the broader PRI human rights programme, we will continue to promote mandatory human rights due diligence legislation, robust accountability mechanisms, and financial regulation that explicitly recognises human rights as an area of investor responsibility through local PRI policy representatives.

## Working with more companies/sectors

We aim to include additional companies and sectors for engagement in the course of 2025/26. We will select further sectors and companies with the support of the advisory groups and according to our [established criteria](#). Priority will be given to sectors where systemic human rights challenges require urgent attention, and where investor engagement can drive meaningful change, without duplicating existing efforts.

## Reporting on progress

We will publish annual Advance progress reports in 2026 and 2027. They will be based on the initiative's [Assessment Framework](#), and annual participant and endorser surveys. The sector transformation part of the assessment framework will be developed once the sector strategies have been formulated. Tracking and reporting will happen every second year, with the first disclosures in Q1 2026.

When the initiative reaches the end of its five years, the PRI Executive – with input from the advisory groups – will review the progress of the initiative and decide whether to continue to support the engagement beyond this point. In reviewing this, the PRI Executive will consider the following factors:

- The impact and progress achieved by the initiative to date, and potential further impact to be made
- Current and potential participants' capacity to actively engage in the initiative
- Resourcing levels of the PRI and other planned or ongoing PRI-led initiatives
- Continued alignment with the PRI Principles and our overall strategy



## The Principles for Responsible Investment (PRI)

The PRI works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

More information: [www.unpri.org](http://www.unpri.org)



## The PRI is an investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact.

### United Nations Environment Programme Finance Initiative (UNEP FI)

UNEP FI is a unique partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI works closely with over 200 financial institutions that are signatories to the UNEP FI Statement on Sustainable Development, and a range of partner organisations, to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

More information: [www.unepfi.org](http://www.unepfi.org)



### United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals. The UN Global Compact is a leadership platform for the development, implementation and disclosure of responsible corporate practices. Launched in 2000, it is the largest corporate sustainability initiative in the world, with more than 8,800 companies and 4,000 non-business signatories based in over 160 countries, and more than 80 Local Networks.

More information: [www.unglobalcompact.org](http://www.unglobalcompact.org)

