



## GOVERNANCE AND ETHICS

# Respect for Rule of Law

A GETTING STARTED GUIDE

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## A GETTING STARTED GUIDE

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# ABOUT THIS SERIES

This guide is part of our series of Getting Started Guides that supports your company to develop an [embedded sustainability strategy](#). Each guide tackles a specific sustainability sub-issue and explores what your company needs to do to support the resilience of the environmental and social systems around you.

In each guide, we address relevant trends, system thresholds, key concepts, key actors, and key resources. We also offer guidance on how to address the impacts of decisions and activities in your operations and value chains as well as developing credible goals and outlining key corporate actions and internal targets that can help to provide clarity on the work ahead.

We recommend you read the first guide in the series, [Getting Started Guides: An Introduction](#), which explains our overall approach and the value of setting a clear strategy anchored in your company's most material issues. It also explains how you can leverage process-based interim targets to clearly outline and track the specific actions that your company needs to take to achieve its high-level goals.

A complete list of focus areas and sub-issues can be found in our guide [Scan: A Comprehensive List of Sustainability Issues for Companies](#).

This guidebook addresses **Respect for Rule of Law**, which is part of the broader sustainability issue of *Governance and Ethics*.

This guide provides a high-level overview of the importance of the rule of law. Complementary guides in the series on governance and ethics include [Getting Started Guides on:](#)

- Consumer Rights and Safe Products and Services;
- Data Oversight;
- Respecting Community and Traditional Knowledge;
- Anti-corruption and Anti-bribery;
- Advocacy, Lobbying, and Political Engagement;
- Fair Tax and Benefit Sharing;
- Legacy Impacts and Redress;
- Governance and Oversight;
- Aligned Executive Compensation;
- Accountability, Transparency, and Disclosure.

## 1

## SETTING THE STAGE – THE IMPORTANCE OF THE RULE OF LAW

The rule of law underpins democratic society – from governments to businesses to individuals, it serves as the guiding force that shapes the world as we experience it. Strong rule of law relies on the basis that all parties are held accountable to clear and predictable legislation that is aligned with international, national, and regional laws and standards that are equally enforced.

A strong rule of law is also an integral piece of the foundation for economic and social development. As the [United Nations Global Compact \(UNGC\) notes](#), “the rule of law is a key part of the enabling environment for responsible business” and “provides the basis for commercial certainty [...], long-term investment and growth, and sustainable development for all.”

Companies have a crucial role to play in advancing and upholding the rule of law to support a transition to a responsible and sustainable economy. As the [UNGC explains](#), businesses “not respecting human rights, engaging in corruption, and fuelling conflict all undermine the rule of law.” As the [Organisation for Economic Co-operation and Development \(OECD\) notes](#), “businesses are the engine of the economy - they shape our planet, the way we work, produce, consume and live. This is why responsible business is key to ensuring sustainable and resilient economies with better lives for present and future generations.”

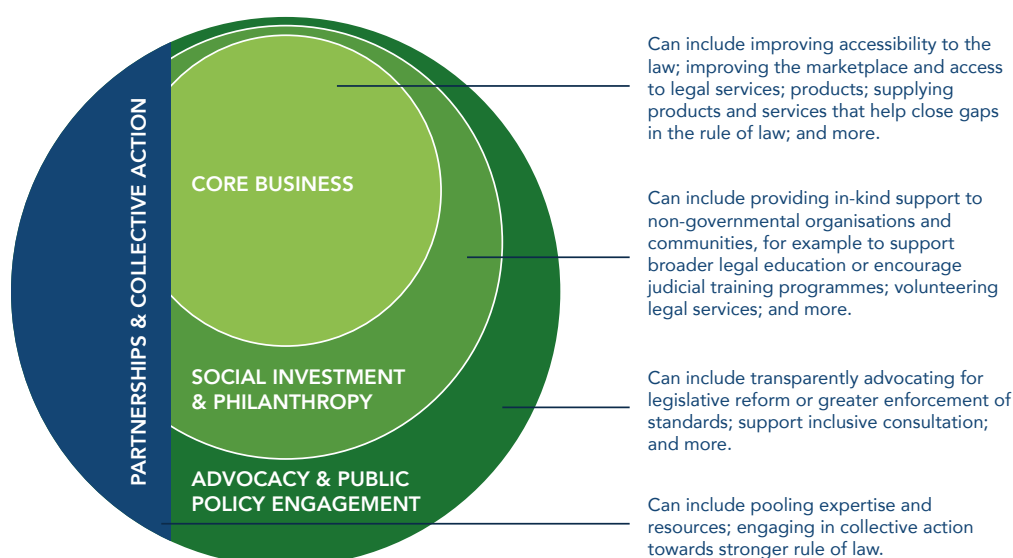
Underpinning the business approach to the rule of law are the [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#). These guidelines cover all [areas of business responsibility](#), organised into key thematic areas of human rights; employment and industrial relations; environment; bribery and other forms of corruption; consumer

interests; science; technology and innovation; competition; and taxation. The OECD guidelines provide guidance and recommendations for responsible business conduct, and while non-binding, they are the leading international standard for how companies should engage with and address impacts in these areas. The OECD guidelines are generally consistent with other internationally recognised standards and laws, however, some expectations may go beyond the legal obligations outlined in domestic laws in the regions where you and your value chain partners operate. While meant for multinational enterprises, the guidelines provide a reference point for other businesses seeking to understand the role of business in respecting and supporting the rule of law.

Broadly, business action on the rule of law can fall into two categories:

**Respect** and business compliance with universal principles and applicable laws that pose the minimum standards all businesses must abide by. This is a must do – companies cannot undermine the basic rule of law and, where international standards may exceed the standards placed by national or regional legislation, they must aim to meet the higher standard. In practice, this can cover aspects such as management policies, embedding respect for rule of law across the business and its key functions, and processes and procedures that address any impacts that the business has on the rule of law.

**Support** actions are voluntary and complement the mandatory actions of respect. This can include actions to strengthen legal frameworks, promote accountability, and more.



Adapted from: [UNGC](#)

*Note: Sustainability issues are generally systemic issues, because they are deeply interconnected and rooted in complex environmental, social, and economic systems. In these guides, a system threshold is defined as the point at which the resilience of an environmental, social, or economic system becomes compromised. This occurs when the total impacts imposed on the system exceed its capacity to assimilate those impacts.*

## SYSTEM THRESHOLD

Effective, credible, and strong legal systems are essential for the functioning of society. Businesses need to respect the rule of law in the regions where they operate and ensure that their actions abide by and uphold key international law instruments such as the International Bill of Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work. They also need to respect international conventions and guidelines for business enterprises, such as the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

Companies cannot violate rule of law for their own gain as it erodes the landscape of regulation for all. They need to take action to ensure their activities abide by legal frameworks where they and their value chain partners operate. Beyond compliance, companies can also undertake supportive actions to further strengthen the rule of law and accountability at scale.

### KEY TOPICS ASSOCIATED WITH RESPECT FOR RULE OF LAW:

- Respect for rule of law
- Respect for the spirit of the law
- Respect for international conventions and guidelines for business enterprises
- Respect for national legal systems
- Commitment and action to uphold the International Bill of Human Rights and other rights instruments such as UNDRIP and UNDROP
- Commitment and action to uphold ILO conventions
- Respect for the rights of nature (such as rivers granted legal personhood)

## 2

## KEY CONCEPTS

## THE LETTER AND SPIRIT OF THE LAW

**Rule of law**, as defined by the [World Justice Project](#), is “a durable system of laws, institutions, norms, and community commitment that delivers four universal principles: accountability, just law, open government, and accessible and impartial justice.”

|                                  |                                                                                                                                                                                                                                       |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accountability                   | The government as well as private actors are accountable under law.                                                                                                                                                                   |
| Just Law                         | The law is clear, publicised, and stable and is applied evenly.<br>It ensures: <ul style="list-style-type: none"> <li>• Human rights</li> <li>• Property rights</li> <li>• Contractual rights</li> <li>• Procedural rights</li> </ul> |
| Open Government                  | The process by which the law is adopted, administered, and adjudicated, and enforced are accessible, fair, and efficient.                                                                                                             |
| Accessible and Impartial Justice | Justice is delivered timely by competent, ethical, and independent representatives and neutrals who are accessible, have adequate resources, and reflect the makeup of the communities they serve.                                    |

Adapted from: [World Justice Project](#)

The rule of law depends on general social respect for the law, which requires that those with access to discretionary or relative power (such as businesses) not undermine this respect by wielding their relative power in a way that makes the law subservient to them (Ron & Singer, 2024 p. 69 -70)<sup>1</sup>. This means that businesses need to avoid engaging in activities that undermine social trust in the rule of law including key democratic practices like elections, public debate, and social movements.

Furthermore, a business can meet the letter of the law and still behave unethically. Business should respect “not merely the letter of democratically established law but the spirit of such laws: avoiding

taking advantage of lax enforcement, under specification, and loopholes, and recognising the expectation embodied in such directives as a moral constraint” (Ron & Singer, 2024 p. 62).

While the “letter of the law” means following the exact wording of rules to avoid fines, lawsuits or punishment, the “spirit of the law” means honouring the true purpose, fairness, and ethical intent behind those rules. Meeting basic legal minimums does not always mean a choice is fair or socially responsible. Responsible businesses comply not only with the letter of the law but consider its spirit, treating laws as collective decisions to be respected, not financial obstacles to be cleared.

<sup>1</sup> Ron, A. & Singer, A. (2024). *Everyone’s business: what companies owe society*. The University of Chicago Press.

Businesses operating only to the 'letter of the law' while ignoring its 'spirit' and relying on legal loopholes can cause public anger and long-term brand damage and may face legal challenges. For instance, when handling human rights legislation, courts around the world generally reject strict, narrow literalism. Instead, they interpret the law in a way that best fulfills its remedial and protective purpose, ensuring that individual protections are meaningful and effective rather than theoretical. Thus, businesses should consider the underlying moral and ethical intent behind a rule, rather than just its literal words, seeking to make fair choices that respect the true purpose of a rule, rather than exploiting technical loopholes.

Finally, each business operates within a unique context, engaging with a range of different regulatory and legal systems – additional research will be required to ensure that your business has a thorough understanding of the rule of law in the regions where you and your value chain partners operate.

Note. This section is not a comprehensive overview of all laws, agreements, or guidelines applicable to your company, but rather aims to offer an overview to further support your company's understanding and guide further internal research.

## EXPECTATIONS FOR RESPONSIBLE BUSINESS CONDUCT

[According to the OECD](#), Responsible Business Conduct refers to the policies, governance systems and actions through which an organisation conducts its business ethically and transparently, identifies and manages its impacts on people and the environment, respects human rights, and contributes to sustainable economic, social and environmental outcomes across its operations, value chains and business relationships.

In line with respecting the rule of law, businesses are expected to:

**Engage in fair market conduct:** Businesses should act in accordance with fair business, marketing and advertising practices and should take all reasonable steps to ensure the quality and reliability of the goods and services that they provide. We address this issue further in: [Consumer Rights and Safe Products and Services: A Getting Started Guide](#).

**Engage in fair competition and prevent corruption:** Businesses are expected to carry out their activities in a manner consistent with all applicable competition laws and regulations of all jurisdictions in which they operate to avoid anti-competitive effects. Business also need to ensure adequate governance and security measures are in place to prevent financial crimes including anti-corruption, anti-bribery, fraud prevention, and whistleblower protection. We address this issue further in Anti-corruption and Anti-bribery: A Getting Started Guide ([forthcoming](#)).

**Pay fair tax:** It is important that businesses contribute to the public finances of the countries where they operate by making timely payment of their tax liabilities. With respect to taxation, the OECD Guidelines for Multinational Enterprises explicitly call upon MNEs to comply with both the letter and spirit of the laws and regulations of the countries in which they operate. We address this issue further in Fair Tax and Benefit Sharing: A Getting Started Guide ([forthcoming](#)).

**Engage in responsible advocacy, lobbying, and political engagement:** Businesses should take care not to undermine social trust in the rule of law through their engagement in advocacy, lobbying, or political engagement. We address this issue further in Advocacy, Lobbying, and Political Engagement: A Getting Started Guide ([forthcoming](#)).

**Engage in responsible data oversight:** Businesses should embed privacy, cybersecurity, responsible artificial intelligence and ethical data governance throughout their governance, operations, product design, customer interactions, and business decision-making. We address this issue further in [Data Oversight: A Getting Started Guide](#).

## HUMAN RIGHTS AND THE RULE OF LAW

Both the [UN Guiding Principles on Business and Human Rights](#) and the [OECD Guidelines for Multinational Enterprises](#) set out expectations for businesses to respect human rights and uphold the rule of law, particularly in regions where a strong rule of law may be lacking.

All companies must ensure their activities adhere to internationally recognised human rights. Human rights are established in the [International Bill of Human Rights](#) and its guiding declarations and

treaties. [The Universal Declaration of Human Rights](#) outlines the “fundamental human rights to be universally protected.” This is accompanied by two key international treaties, the [International Covenant on Economic, Social and Cultural Rights](#) and the [International Covenant on Civil and Political Rights](#) that describe civil, political, economic, social, and cultural rights for everyone and the responsibilities of states to uphold them. At their core, human rights ensure that everyone can live a life of dignity and respect, without discrimination or deprivation. For more information on human rights, read [Human Rights: A Getting Started Guide](#).



Source: Embedding Project

In the context of work, human rights aim to prevent worker exploitation by the companies they work for or sell to, as well as prevent discrimination, unfair treatment, and unsafe work.

[The International Labour Organisation \(ILO\) Declaration on Fundamental Principles and Rights at Work](#) is an expression of commitment by governments, employers' and workers' organisations to uphold basic human values including:

- freedom of association and the effective recognition of the right to collective bargaining
- the elimination of all forms of forced or compulsory labour
- the effective abolition of child labour
- the elimination of discrimination in respect of employment and occupation
- a safe and healthy working environment

For more information and guidance on worker rights, please read the issue-specific guides in the [Getting Started Guides: Right and Wellbeing at Work series](#).

## UNIQUE GROUP RIGHTS

Specific communities also have unique group rights – such as children, women, Indigenous Peoples, persons with disabilities, and other groups – that are enshrined through additional treaties or declarations. Similarly to broader human rights, [the OECD Guidelines for Multinational Enterprises](#) sets expectations for businesses to pay “special attention to any particular adverse impacts on individuals [...] who may be at heightened risk due to marginalisation, vulnerability or other circumstances, individually or as members of

certain groups or populations, including Indigenous Peoples.” It references unique group rights established throughout UN instruments, including the rights of:

- Indigenous Peoples
- Persons belonging to national or ethnic, religious and linguistic minorities
- Women
- Children
- Persons with disabilities
- Migrant workers and their families
- And more

# F

## Free

Consent is given voluntarily and absent of coercion, intimidation, or manipulation. The process is self-directed by the community from whom consent is being sought unencumbered by coercion, expectations or timelines that are externally imposed.

# P

## Prior

Consent is sought sufficiently in advance of any authorisation or commencement of activities.

# I

## Informed

Engagement and type of information that should be provided prior to seeking consent and also as part of the ongoing process. Information should be accessible, clear, consistent, accurate, constant, and transparent and delivered in appropriate language and culturally appropriate format.

# C

## Consent

Refers to the collective decision made by the rights-holders and reached through the customary decision-making processes of the communities.

Source: [Institute for Human Rights and Business](#)

For example, Indigenous Peoples have a unique set of rights outlined in the [UN Declaration of the Rights of Indigenous Peoples \(UNDRIP\)](#). The Declaration describes collective and individual rights of Indigenous Peoples, including the right to self-determination and the right to autonomy or self-government, the right to be recognised as distinct peoples, rights to lands territories, resources, protections for cultural rights, and more. Crucially, it also includes the [right to free, prior, and](#)

[informed consent \(FPIC\)](#), which requires “obtaining consent from Indigenous Peoples (IPs) for any activities undertaken on their land.” Furthermore, the [United Nations Declaration on the Rights of Peasants and Other People Working in Rural Areas](#) articulates rights for peasants and is often viewed as complementing the rights outlined under UNDRIP. For further information on unique group rights, please read [Human Rights: A Getting Started Guide](#).

## RIGHTS OF NATURE

Beyond human and community rights, rights for the environment and nature are increasingly being legally recognised. [Rights of Nature](#) is a legal framework and instrument that aims to move beyond nature as merely property under law and recognise its intrinsic right to exist regardless of the value it provides to humans under law. This framework provides nature with its own legal standing, placing it on the same level as individuals and corporations, and is often used to protect and defend natural elements around the world. It moves beyond the limited anthropocentric legal system whereby nature is viewed simply with respect to its value to humans and is allowed to be subordinated for human or economic interests.

Well-known examples of Rights of Nature in action are the [recognition of the Whanganui River in Aotearoa/New Zealand as a legal person](#) to allow for its interests to be represented in court and [the rights of nature being embedded within the constitution of Ecuador](#), granting any person the ability to legally represent natural elements in court proceedings. Regions around the world are [increasingly adopting](#) the principles of Rights of Nature into laws and constitutions.

Rights of Nature is further strengthened by an interconnected legal framework through the Right to a Healthy Environment. The “[right to a clean, healthy, and sustainable environment](#)” has been declared as a human right by the United Nations Office of the High Commissioner on Human Rights (OHCHR). The framework has similarly allowed for a pathway for protecting and restoring nature in areas where Rights of Nature may be limited.

Human rights are now intrinsically interlinked with the realisation of rights for the environment



Adapted from: [Lawyers for Nature](#)

# 3

## KEY PLAYERS

A wide range of organisations globally play a role in data oversight.

The [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#) anchor the conversation on the role of business in respecting and supporting the rule of law.

The [Universal Declaration of Human Rights](#) outlines the “fundamental human rights to be universally protected.”

The [International Labour Organisation \(ILO\)](#) aims to promote social justice and internationally recognised human and labour rights.

The [United Nations Global Compact](#) offers guidance to businesses on a range of issues related to respecting the rule of law, including human rights, labour rights, anti-corruption, and more.

The [Global Alliance for the Rights of Nature \(GARN\)](#) is a network of organisations and individuals that aims to promote and implement the Rights of Nature across the world.

The [International Rights of Nature Tribunal](#) is an international governing institution provides a platform for legal analysis of cases based on the Rights of Nature framework.

## 4

## COMMITTING TO TAKE ACTION – MID- AND LONG-TERM COMMITMENTS

Below we outline a sample of mid- and long-term commitments to **Respect for Rule of Law** adopted by companies in our research. Common goals and/or commitments include variations of the following:

### Long-term goal: We will respect and comply with the letter and spirit of laws

- We commit to act in accordance with our values and in alignment with the letter and spirit of applicable laws, regulations and our own internal policies.
- We will comply with the letter and spirit of the law in all countries where we operate, respect corporate ethics, and develop fair business activities.
- We will comply with the letter and spirit of all laws/regulations, and refrain from illegal activity.
- We will engage in honest, fair, and transparent business practices with all our customers, shareholders, and vendors, comply with the letter and spirit of the law, and act in accordance with social decency.
- We are committed to complying with the letter and the spirit of environmental laws and regulations and to respecting the environment, wherever we work.

### Long-term goal: We will align our business with the recommendations posed by the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

- We will co-operate and consult responsibly with governments in the development and implementation of policies and laws.
- We will create policies that protect and facilitate the realisation of the rights of stakeholders.
- We will not seek or secure exemptions for regulatory frameworks related to human rights, environmental, health, safety, labour, taxation, and financial incentives.
- We will align our corporate governance and policies with national and international rule of law.

**Long-term goal: We will abide by all national and international rule of law where we operate**

- We will avoid actual, potential, or perceived conflicts of interest in our business decisions.
- We will remain committed to human rights in accordance with the UN Universal Declaration of Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.
- We will understand and embed considerations for Rights of Nature into our operations and engagements.
- We will comply with all applicable sanctions and restrictive measures.

**Long-term goal: We will undertake supportive actions to strengthen the rule of law in the regions where we and our supply chain partners operate**

- We will collaborate with governments, international, and non-governmental organisations to complement efforts to strengthen rule of the law.
- We will outline expectations for our business partners to show integrity and respect for all rights and laws by acting honestly, fairly, ethically and transparently.

*Are you setting new goals or interested in benchmarking your goals against leading practice? To help advance progress in credible corporate sustainability goals, the Embedding Project maintains a public goals database containing leading sustainability goals and commitments set by large companies globally. Explore our [Sustainability Goals Database](#) for more mid- and long-term goals on Respect for Rule of Law.*

## 5

## HOW TO GET THERE – PROCESS-BASED INTERIM TARGETS

*Note: The following proposed timelines are only for guidance and are based on the pace outlined by other companies. The timeframe for actions and work for each step needs to be embedded in your organisational context, which may require different time allocations.*

### DEVELOP A BASELINE UNDERSTANDING OF THE LETTER AND SPIRIT OF THE LAW IN YOUR ORGANISATION

Ensure that your organisation begins with a thorough understanding of the importance of rule of law – including not just the letter of law but also the spirit of law. Your company needs to embed the obligation to not undermine the lawmaking process, to not use power to escape the constraints placed by law, and abide by not only the exact wording but also the true purpose behind the laws. Evaluate where your organisation truly stands on this understanding. Is there room to improve communication and understanding around rule of law? While much of this understanding may already exist, it can be complemented through policies, workshops, and internal dialogue.

#### Examples of process-based targets:

- We will interface and establish the companies understanding of rule of law, including the importance of following the letter and spirit of law.
- We will begin efforts to complement or build upon internal understandings of the importance of the letter and spirit of law.

### UNDERSTAND THE LANDSCAPE OF REGULATION WHERE YOU OPERATE

Your organisation must have a thorough understanding of the landscape of regulation where you operate. Often, much of this baseline work should already be completed. Your company may

choose to develop and maintain a database of regulatory obligations that apply to your operations. This may be accompanied by an internal role or external third-party contract for ongoing monitoring of emerging or updated legislation to ensure that your company is consistently meeting obligations where you operate. Make the database available to various relevant teams in the organisation to connect policy and procedural elements of key topics within legislation to ensure any changes in legislation are adopted in the right departments.

#### Examples of process-based targets:

- By 20[XX], we will develop and maintain a database of regulatory obligations that apply to our company.
- By 20[XX], we will assign ongoing monitoring for regulatory changes relevant to our operations to an internal role.
- By 20[XX], we will contract an external third-party to monitor emerging or updated legislation related to our operations.
- By 20[XX], we will ensure the database is available and embedded within relevant teams.

### CREATE POLICIES AND STANDARDS RELATED TO RESPECTING RULE OF LAW

Create a range of policies that outline and clarify your organisation's expectations for decision-making and action on a range of issues that impact your engagements with rule of law. This can include procedures for respectful political engagement, guidelines for understanding and

embedding competition or other relevant laws in your organisation, policies for specific sub-issues related to rule of law and integrity, and more. Use these to incorporate considerations for rule of law at the core of strategic decision-making and align your organisation in intent. Ensure that these policies align with the OECD Guidelines for Multinational Enterprises on Responsible Business Guidance and internationally recognised rights and laws such as the Universal Declaration of Human Rights or UN Declaration for the Rights of Indigenous Peoples.

If your organisation operates across regulatory landscapes, certain policies may need to take a non-standardised approach and be adapted to local law and context while ensuring that respect for rule of law is upheld even in jurisdictions where a strong rule of law may be lacking.

### **CASE STUDY: EDP creates policies to comply with minimum social safeguards**

To ensure that respect for rule of law is embedded clearly within the organisation, [EDP Group](#) – a Portuguese utilities company – developed various policies that highlight the importance of compliance with legislation and avoiding unlawful conduct, particularly focusing in on legal frameworks around key sub-issues such as a Human and Labour Rights Policy and Integrity Policy. The policies cover positioning, standards, and legal references – they have implications for management structure and principles of action throughout the organisation. The policies align with key international guidelines and conventions, including the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, UN Guiding Principles on Business and Human Rights, and more. The company also emphasised the continuous nature of work towards improving governance practices to abide by rule of law.

### **Examples of process-based targets:**

- By 20[XX], we will create Competition Law Guidelines.
- By 20[XX], we will create a conflict-of-interest management procedure.
- We will outline our commitment to respect internationally recognised human and labour rights.
- We will embed zero tolerance for violation of laws in our business procedures.

### **TRAIN EMPLOYEES ON POLICIES AND PROCEDURES RELATED TO RESPECTING RULE OF LAW**

Once policies and procedures are created, provide training to relevant employees and roles to ensure that respect for rule of law (and the spirit of law) is embedded across your decision-making and operations. This can include a range of offerings, such as online training modules, face-to-face training for key topics, or other learning opportunities.

### **CASE STUDY: Yara trains employees on business conduct and compliance**

To support its commitment to respecting rule of law, [Yara](#) – a Norwegian chemical company – developed Code of Conduct e-learning modules for employees and tracked training and completion rates to understand progress on responsible business conduct across its organisation. The company also introduced face-to-face risk-based ethics and compliance training to further embed the learning into relevant roles and ensure it was transferred across all key business functions.

**Examples of process-based targets:**

- By 20[XX], we will develop a training programme on respecting the rule and spirit of law in our operating context.
- By 20[XX], we will achieve [X]% completion rate for training on our polices related to respecting the rule and spirit of law.

**BUILD A BUSINESS CASE TO UNDERTAKE SUPPORT ACTIONS BEYOND MANDATORY COMPLIANCE**

As a baseline, it is expected that your organisation already abides by the basic rule of law in the regional and international context you operate within. Responsible businesses comply not only with the letter of the law but consider its spirit, treating laws as collective decisions to be respected, not financial obstacles to be cleared. Build a business case for why your organisation should go beyond compliance and engage in support actions for rule of law and respecting the spirit of the law. Particularly in regions where a strong rule of law may be lacking, going beyond compliance can set the bar for other companies to strengthen their approach to rule of law.

You may choose to emphasise how a stronger rule of law strengthens the environment for businesses to operate within – for example, how it works to address the systemic challenges that restrict responsible business conduct. Strengthening the of rule of law helps to resolve situations of uncertainty, clarifies expectations under law to place all businesses at a level playing field, and discourages corruption so your organisation can engage in the competitive market fairly and ethically. Furthermore, as the [UNGC notes](#), “[w]here the rule of law is present, fewer people are excluded from economic activity, and the productive capacity of a country is increased.” Build a strong argument to align your company on intent and begin to do the groundwork needed to support responsible business conduct beyond mere compliance.

You may also take steps to engage leadership on rule of law such as undertaking workshops that raise awareness of the importance of rule of law, leverage your established business case, and emphasise the need for collective action. This can help set the tone from the top down to ensure support for rule of law is embedded deeply within your organisation.

**Examples of process-based targets:**

- By 20[XX], we will explore opportunities to support rule of law beyond mandatory compliance.
- By 20[XX], we will organise a workshop on supporting both the rule and the spirit of the law for leadership.

**COMPLEMENT GOVERNMENT ACTIONS**

As a baseline, it is expected that your organisation already abides by the basic rule of law in the regional and international context you operate within. Responsible businesses comply not only with the letter of the law but consider its spirit, treating laws as collective decisions to be respected, not financial obstacles to be cleared. Build a business case for why your organisation should go beyond compliance and engage in support actions for rule of law and respecting the spirit of the law. Particularly in regions where a strong rule of law may be lacking, going beyond compliance can set the bar for other companies to strengthen their approach to rule of law.

**Examples of process-based targets:**

- By 20[XX], we will strategically invest \$[X] in rule of law projects.
- By 20[XX], we will identify partnerships with international organisations to strengthen rule of law.
- By 20[XX], we will identify partnership opportunities with non-governmental organisations to collaborate on strengthening rule of law.

## RESOURCES

## GUIDANCE

## UNDERSTANDING RULE OF LAW

[Business for the Rule of Law Framework](#) from the UNGC can help you understand the business case for strengthening rule of law. It outlines how to support legal frameworks and public institutions through your core business practices, strategic social investment and philanthropy, public policy engagement, and partnerships. These strategies may be relevant to a number of different departments, but especially sustainability and public affairs.

[The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#) by the OECD provide recommendations that cover all areas of responsible business conduct, organised into key thematic areas of human rights; employment and industrial relations; environment; bribery and other forms of corruption; consumer interests; science; technology and innovation; competition; and taxation.

[Advancing Business Understanding of Peace, Justice, and Strong Institutions – Country Consultation Global Synthesis Report](#) by the United Nations Global Compact (UNGC) summarises the insights that emerged from consultations on operationalising SDG 16: Peace, Justice and Strong Institutions, which includes promoting rule of law. It elaborates on targets viewed as most relevant to the business landscape and highlights the sub-targets that emerged within each regional context across 14 countries.

[The Women, Business and the Law Report 2024](#) by the World Bank Group covers 10 key topics impacting women's economic empowerment: Safety, Mobility, Workplace, Pay, Marriage, Parenthood, Childcare, Entrepreneurship, Assets, and Pension. It outlines laws, supportive frameworks, and enforcement of these topics across 190 economies to identify legal barriers, guide reforms, assess the impact of laws on women, and more.

## RIGHTS OF NATURE

[The Universal Declaration of the Rights of Mother Earth](#) by the International Rights of Nature Tribunal is a civil society document presented in 2010 which begins to define nature with inherent legal rights. It provides a framing overview of the legal framework that has since evolved into the Rights of Nature movement.

[The Rights of Nature: Developments and implications for the governance of nature markets](#) from the Taskforce on Nature Markets can help you understand the emerging perspective that nature has fundamental rights and human beings have the legal authority and responsibility to enforce these rights on nature's behalf. It traces how this trend is being expressed in environmental law and the implications for nature-linked markets, including within nature credits and soft commodity markets. This paper points to a paradigm shift that will be most relevant to sustainability and legal practitioners. The Rights of Nature Timeline by the Global Alliance for the Rights of Nature (GARN) offers an overview of the Rights of Nature movement and its key milestones.

## TOOLS

The World Justice Project's [Rule of Law Index](#) offers insights into key rule of law indicators, including checks on government powers, corruption and transparency, fundamental and equal rights, open government, civic engagement, security, business regulation, and the functioning of regulatory, criminal, and civil justice systems.

[The Global Peace Index](#) by the Institute for Economics and Peace analyses trends and indicators on peace, determines its economic value, and explores how to develop peaceful societies. The annual report covers current conflicts, escalation hotspots, the role of peace in building resilience and more.

[The Corruption Perceptions Index](#) by Transparency International highlights the perceived levels of public sector corruption across countries, highlighting the role of corruption in hindering progress on climate change, human rights, and building a more resilient world.

[The Rights of Nature Map](#) by GARN offers an overview of Rights of Nature cases around the world.

Explore more curated resources on [Respect for Rule of Law](#) on our website.

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