

Human Rights Maturity Framework for Investment Fund Managers



At the University of Sydney, respecting human rights goes to the heart of our vision to deliver world-class teaching and research that transforms peoples' lives. We are committed to taking meaningful action to address modern slavery risks in our investments.

The University has due diligence and annual reporting obligations to identify and address modern slavery¹ in our operations and supply chains under the Commonwealth *Modern Slavery Act 2018* and the NSW *Modern Slavery Act 2018*. These obligations include identifying modern slavery risks in externally managed investment portfolios and considering how to address areas of significant risk.

The University takes a shared responsibility approach to addressing modern slavery, supporting our investment fund managers to identify and mitigate modern slavery, through open dialogue, guidance and resources.

Human Rights Maturity Framework

The University's Human Rights Maturity Framework (pg. 2) is designed to support fund managers in identifying, assessing, and addressing human rights risks across their portfolios. Developed in alignment with the United Nations Guiding Principles on Business and Human Rights, the framework outlines progressive stages of maturity—from awareness building to developed practice—across key due diligence steps.

The framework provides a guide on integrating human rights considerations into investment processes, recognising that the operationalisation of each step may differ for managers, depending on your context, capacity and resources.

Learn more

- [UN Guiding Principles on Business & Human Rights](#)
- Investor Alliance for Human Rights – [Investor Toolkit on Human Rights](#)
- Walk Free – [Modern Slavery Business & Investor Toolkit](#)
- Walk Free – [Modern Slavery & Remediation: An Investor's Guide](#)
- Responsible Investment Association Australasia – [Investor Toolkit: Human Rights with a Focus on Supply Chains](#)

¹ Modern slavery is a serious violation of an individual's dignity and human rights. Exploitative practices, including human trafficking, forced labour, child labour, debt bondage and forced marriage, are all considered modern slavery and are serious crimes under Australian law.

Human Rights Maturity Framework

MATURITY	HUMAN RIGHTS DUE DILIGENCE STEPS			
	IDENTIFYING & MONITORING	ASSESSING & INTEGRATING	MEASURING & EVALUATING	ENGAGING WITH
AWARENESS BUILDING	<ul style="list-style-type: none"> Informed of human rights risks but no established screening process in place. Some ad hoc monitoring of human rights violations. 	<ul style="list-style-type: none"> Informed of human rights risks but no established process in place. 	<ul style="list-style-type: none"> No monitoring or evaluation in place. 	<ul style="list-style-type: none"> Request comment from portfolio companies on an identified human rights violation.
INITIATING	<ul style="list-style-type: none"> Screen portfolio for human rights violations, drawing on media and other sources. 	<ul style="list-style-type: none"> Integrate human rights into some stages of the investment lifecycle (e.g. negative screening) 	<ul style="list-style-type: none"> Some monitoring and evaluation of actions on human rights (focus on outputs, rather than outcomes). 	<ul style="list-style-type: none"> Engagement with portfolio companies on their response to identified human rights violations.
DEVELOPING	<ul style="list-style-type: none"> Screen portfolio regularly for human rights violations, drawing on media and other sources. Some proactive screening of risks, based on sector, product, geographic or company profile. 	<ul style="list-style-type: none"> Integrate human rights across several stages of the investment lifecycle, such as human rights included in responsible investment policy 	<ul style="list-style-type: none"> Monitoring and evaluation of the outcome of actions on human rights. 	<ul style="list-style-type: none"> Ongoing dialogue with portfolio companies on their approach to identifying, addressing and remediating human rights risks. Collaboration with other investment managers on human rights concerns.
DEVELOPED	<ul style="list-style-type: none"> Screen portfolio regularly for human rights violations, drawing on a variety of expert sources. Proactive screening of risks, based on sector, product, geographic or company profile. Adapt screening processes to specific sector, population or geographic factors to identify hard-to-find risks along the supply chain. 	<ul style="list-style-type: none"> Integrate human rights at all stages of the investment lifecycle from due diligence to ownership, including: human rights/modern slavery policy, human rights due diligence plan and human rights considered in portfolio selection and stewardship activities. Align approach with the UN Guiding Principles on Business and Human Rights. 	<ul style="list-style-type: none"> Monitoring and evaluation of the outcome of actions on human rights. Publicly report on outcomes, lessons learned and plans for future actions. Collaborate with other stakeholders to identify opportunities for shared learning and risk mitigation. 	<ul style="list-style-type: none"> Proactively engage with portfolio companies to identify, mitigate and remediate human rights risks. Require portfolio companies to have a grievance mechanism. Use leverage to hold portfolio companies accountable for remediation of human rights violations. Collaboration with other investment managers and stakeholders to collectively address human rights concerns.

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