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**UPDATED OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES
ON RESPONSIBLE BUSINESS CONDUCT**

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Preface

1. The *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* (the *Guidelines*) are recommendations addressed by governments to multinational enterprises. The common aim of the Adherents to the *Guidelines* is to encourage the positive contributions enterprises can make to economic, environmental, and social progress and to minimise the adverse impacts on the matters covered by the *Guidelines* that may be associated with an enterprise's operations, products and services. Responsible business conduct can enable the creation of a level playing field across global markets, foster a dynamic and well-functioning business sector, and enhance the business contribution to sustainable development outcomes, including solutions to address and respond to climate change.
2. The *Guidelines* are part of the *OECD Declaration on International Investment and Multinational Enterprises* [[OECD/LEGAL/0144](#)]. The Adherents to the *Guidelines* make a binding commitment to further their effectiveness in accordance with the *Decision of the Council on the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* [[OECD/LEGAL/0307](#)]. National Contact Points for Responsible Business Conduct play a central role in this regard.
3. The *Guidelines* are intended to encourage responsible trade and investment and thereby multiply the benefits of trade and investment through continuous engagement and improvement in all markets of the world. International trade and investment strengthen and deepen ties between countries and regions of the world and generate substantial benefits that are needed for societies to achieve sustainable development outcomes, including the creation of more and better jobs, skills development, provision of products and services that improve living standards, and access to finance and technology needed for the digital and green transitions.
4. The *Guidelines* express the shared expectation of the Adherents for responsible business conduct of enterprises operating in or from their countries and provide an authoritative point of reference for enterprises and for other stakeholders. They recommend that enterprises undertake risk-based due diligence to identify, prevent, mitigate and account for how they address actual and potential adverse impacts on matters covered by the *Guidelines*. In this regard, the *Guidelines* both complement and reinforce private and public efforts to define and implement responsible business conduct.
5. The *Guidelines* provide voluntary principles and standards for responsible business conduct consistent with applicable laws and internationally recognised standards. Matters covered by the *Guidelines* may be the subject of domestic law and international commitments. The *Guidelines* outline recommendations on responsible business conduct that may go beyond what enterprises are legally required to comply with. The recommendation from governments that enterprises observe the *Guidelines* is distinct from matters of legal liability and enforcement.
6. The ability of multinational enterprises to promote sustainable development is greatly enhanced when trade and investment are conducted in a context of open, competitive and appropriately regulated markets with rule of law and protection of civic space. Governments have an important role to play in supporting effective implementation of the *Guidelines*, including by creating an enabling policy environment to drive, support, and promote responsible business practices. Policy coherence at the national and

international level can foster alignment and harmonisation of responsible business conduct initiatives. A smart mix of government approaches and measures, which may include mandatory as well as voluntary approaches and capacity building and other accompanying measures, is relevant in this regard. The design of specific policies, legislation and other measures on responsible business conduct will be shaped by individual countries' political, administrative, and legal contexts.

7. The political, economic, environmental, social, physical and technological environment for international business is undergoing far-reaching and rapid change. The *Guidelines* themselves have evolved to reflect these changes. In the past decades, international trade and finance has grown significantly as a share of the global economy. Large enterprises still account for a major share of international trade and investment, while cross-border trade and investment by small- and medium-sized enterprises has also increased and these enterprises now play a significant role in international markets. Multinational enterprises, like their domestic counterparts, have evolved to encompass a broader range of business arrangements and organisational forms. Technological developments as well as strategic alliances and closer relations with suppliers and contractors tend to blur the boundaries of the enterprise. The rapid evolution in the structure of multinational enterprises is also reflected in their operations in emerging and developing economies, whose share of cross-border trade and investment is growing. In emerging and developing economies, multinational enterprises have diversified beyond primary production and extractive industries into manufacturing, assembly, domestic market development and services.
8. The nature, scope and speed of economic changes have presented new strategic challenges for enterprises and their stakeholders. Competitive forces are intense and multinational enterprises face a variety of legal, social and regulatory settings. Many multinational enterprises have demonstrated that respect for high standards of business conduct goes hand in hand with growth and profitability. Enterprises increasingly implement business models that pursue sustainable development and support coherence between economic, environmental and social objectives. Enterprises have also promoted social dialogue on what constitutes responsible business conduct and have worked with stakeholders, including in the context of multi-stakeholder initiatives, to develop guidance for responsible business conduct.
9. The adoption of the *Guidelines* in 1976, and their subsequent updates, reflect increased demand on business to follow principles and standards on responsible business conduct. The beginnings of this development can be dated to the work of the International Labour Organisation in the early twentieth century. The adoption by the United Nations in 1948 of the Universal Declaration of Human Rights was another landmark event. It was followed by the ongoing development of standards relevant for many areas of responsible business conduct. The OECD has contributed in important ways to this process through the development of standards covering such areas as the environment, the fight against corruption, consumer interests, corporate governance, science, technology and innovation, and taxation.
10. The *Guidelines* remain the leading international instrument on responsible business conduct. The Adherents to the *Guidelines* are committed to co-operating with each other and with other governments to further their implementation in partnership with the many businesses, trade unions and other non-governmental organisations that are working in their own ways toward the same end.

Chapter I. Concepts and Principles

1. The *Guidelines* are recommendations jointly addressed by governments to multinational enterprises. They provide principles and standards of good practice consistent with applicable laws and internationally recognised standards. Observance of the *Guidelines* by enterprises is voluntary and not legally enforceable. Nevertheless, some matters covered by the *Guidelines* may also be regulated by national law or international commitments.
2. Obeying domestic laws is the first obligation of enterprises. The *Guidelines* are not a substitute for, nor should they be considered to, override domestic law and regulation. Failure of governments to uphold the principles and standards consistent with the *Guidelines* or their associated international commitments does not diminish the expectation that enterprises observe the *Guidelines*. While the *Guidelines* extend beyond the law in many cases, they should not and are not intended to place an enterprise in situations where it faces conflicting requirements. However, in countries where domestic laws and regulations conflict with the principles and standards of the *Guidelines*, enterprises should seek ways to honour such principles and standards to the fullest extent which does not place them in violation of domestic law.
3. Since the operations of multinational enterprises extend throughout the world, international co-operation in this field should extend to all countries. Adherents to the *Guidelines* encourage the enterprises operating in or from their territories to observe the *Guidelines* wherever they operate, while taking into account the particular circumstances of each host country.
4. A precise definition of multinational enterprises is not required for the purposes of the *Guidelines*. While the *Guidelines* allow for a broad approach in identifying which entities may be considered multinational enterprises for the purposes of the *Guidelines*, the international nature of an enterprise's structure or activities and its commercial form, purpose, or activities are main factors to consider in this regard. These enterprises operate in all sectors of the economy. They usually comprise companies or other entities established in more than one country and so linked that they may co-ordinate their operations in various ways. While one or more of these entities may be able to exercise a significant influence over the activities of other entities in a group, their degree of autonomy within the group may vary widely from one multinational enterprise to another. Ownership may be private, State, or mixed. The *Guidelines* are addressed to all the entities within the multinational enterprise (parent companies and/or local entities). According to the actual distribution of responsibilities among them, the different entities are expected to co-operate and to assist one another to facilitate observance of the *Guidelines*.
5. The *Guidelines* are not aimed at introducing differences of treatment between multinational and domestic enterprises; they reflect good practice for all. Accordingly, multinational and domestic enterprises are subject to the same expectations in respect of their conduct wherever the *Guidelines* are relevant to both.
6. Governments wish to encourage the widest possible observance of the *Guidelines*. While it is acknowledged that small- and medium-sized enterprises may not have the same capacities as larger enterprises, Adherents to the *Guidelines* nevertheless encourage them to observe the *Guidelines*' recommendations to the fullest extent possible.

7. Adherents to the *Guidelines* should not use them for protectionist purposes nor use them in a way that calls into question the comparative advantage of any country where multinational enterprises invest.
8. Governments have the right to prescribe the conditions under which multinational enterprises operate within their jurisdictions, subject to international law. The entities of a multinational enterprise located in various countries are subject to the laws applicable in these countries. When multinational enterprises are subject to conflicting requirements by Adherents or third countries, the governments concerned are encouraged to co-operate in good faith with a view to resolving problems that may arise.
9. Adherents to the *Guidelines* set them forth with the understanding that they will fulfil their responsibilities to treat enterprises equitably and in accordance with international law and with their contractual obligations.
10. The use of appropriate international dispute settlement mechanisms, including arbitration, is encouraged as a means of facilitating the resolution of legal problems arising between enterprises and host country governments.
11. Adherents to the *Guidelines* will implement them and encourage their use. They will establish National Contact Points for Responsible Business Conduct that promote the *Guidelines* and act as a forum for discussion of all matters relating to the *Guidelines*. Adherents will also participate in appropriate review and consultation procedures to address relevant concerns regarding interpretation and implementation of the *Guidelines*, and to maintain their continued relevance in a changing world.

Chapter II. General Policies

Enterprises should take fully into account established policies in the countries in which they operate, and consider the views of other stakeholders. In this regard:

A. Enterprises should:

1. Contribute to economic, environmental and social progress with a view to achieving sustainable development.
2. Respect the internationally recognised human rights of those affected by their activities.
3. Encourage local capacity building through close co-operation with the local community, including business interests, as well as developing the enterprise's activities in domestic and foreign markets, consistent with the need for sound commercial practice.
4. Encourage human capital formation, in particular by creating employment opportunities and facilitating training opportunities for employees.
5. Ensure transparency and integrity in lobbying activities, and refrain from seeking or accepting exemptions not contemplated in the statutory or regulatory framework related to human rights, environmental, health, safety, labour, taxation, financial incentives, or other issues.
6. Support and uphold good corporate governance principles and develop and apply good corporate governance practices, including throughout enterprise groups.
7. Develop and apply effective self-regulatory practices and management systems that

foster a relationship of confidence and mutual trust between enterprises and the societies in which they operate.

8. Promote awareness of and compliance by workers employed by multinational enterprises with respect to company policies through appropriate dissemination of these policies, including through training programmes.
 9. Refrain from discriminatory or disciplinary action or otherwise engaging in reprisals against workers, trade union representatives or other worker representatives who make bona fide reports to management or, as appropriate, to the competent public authorities, on practices that contravene the law, the *Guidelines* or the enterprise's policies.
 10. Refrain from and take steps to prevent the use of reprisals, including by entities with which the enterprise has a business relationship, against any persons or groups that may seek to or do investigate or raise concerns regarding actual or potential adverse impacts associated with the enterprise's operations, products or services. This includes promoting an environment in which individuals and groups feel safe to raise concerns and, where relevant, contributing to the remediation of adverse impacts of reprisals when they occur.
 11. Carry out risk-based due diligence, for example by incorporating it into their enterprise risk management systems, to identify, prevent and mitigate actual and potential adverse impacts as described in paragraphs 12 and 13, and account for how these impacts are addressed. The nature and extent of due diligence depend on the circumstances of a particular situation.
 12. Avoid causing or contributing to adverse impacts on matters covered by the *Guidelines*, through their own activities, and address such impacts when they occur, including through providing for or co-operating in the remediation of adverse impacts.
 13. Seek to prevent or mitigate an adverse impact where they have not contributed to that impact, when the impact is nevertheless directly linked to their operations, products or services by a business relationship. This is not intended to shift responsibility from the entity causing an adverse impact to the enterprise with which it has a business relationship.
 14. In addition to addressing adverse impacts in relation to matters covered by the *Guidelines*, encourage, where practicable, entities with which an enterprise has a business relationship to apply principles of responsible business conduct compatible with the *Guidelines*.
 15. Engage meaningfully with relevant stakeholders or their legitimate representatives as part of carrying out due diligence and in order to provide opportunities for their views to be taken into account with respect to activities that may significantly impact them related to matters covered by the *Guidelines*.
 16. Abstain from any improper involvement in political activities.
- B. Enterprises are encouraged to:
1. Engage in or support, where appropriate, private or multi-stakeholder initiatives and social dialogue on responsible business conduct, while ensuring that these initiatives take due account of their social and economic effects on developing economies and of existing internationally recognised standards.

Chapter III. Disclosure

1. Enterprises should take into account established disclosure policies in the countries and sectors in which they operate, and consider the views and informational requirements of shareholders and other relevant stakeholders. Enterprises should disclose regular, timely, reliable, clear, complete, accurate and comparable information in sufficient detail on all material matters. This information should be disclosed for the entire enterprise, and, where appropriate, along business lines or geographic areas. Disclosure policies of enterprises should be tailored to the nature, size and location of the enterprise, with due regard taken of costs, business confidentiality and other competitive concerns.
2. Disclosure policies of enterprises should include, but not be limited to, material information on:
 - a) the financial and operating results of the enterprise;
 - b) enterprise objectives and sustainability-related information;
 - c) capital structures, group structures and their control arrangements;
 - d) major share ownership, including beneficial owners, and voting rights;
 - e) information about the composition of the board and its members, including their qualifications, the selection process, other enterprise directorships and whether each board member is regarded as independent by the board;
 - f) remuneration of members of the board and key executives;
 - g) related party transactions;
 - h) foreseeable risk factors;
 - i) governance structures and policies including the extent of compliance with national corporate governance codes or policies and the process by which they are implemented;
 - j) debt contracts, including the risk of non-compliance with covenants.
3. It is also important that enterprises communicate responsible business conduct information including as part of their responsibility to carry out due diligence. Some of this information may also be material under paragraph 2. Responsible business conduct information can include:
 - a) value statements or statements of business conduct intended for public disclosure including policies on responsible business conduct issues that articulate the enterprise's commitments to the principles and standards contained in the *Guidelines*, and its plans for implementing due diligence;
 - b) policies and other codes of conduct to which the enterprise subscribes, their date of adoption and the countries and entities to which such statements apply;
 - c) information on measures taken to embed policies on responsible business conduct issues into the enterprise's management and oversight bodies;
 - d) the enterprise's identified areas of significant impacts or risks, the adverse impacts or risks identified, prioritised and assessed, as well as the prioritisation criteria;
 - e) its performance in relation to the statements in paragraph 3(a) and the codes in

paragraph (b) including the actions taken to prevent or mitigate risks or impacts identified in paragraph 3(c) and (d), including where possible estimated timelines and benchmarks for improvement and their outcomes, including the enterprise's provision of or co-operation in any remediation;

- f) information on internal audit, risk management and legal compliance systems;
 - g) information on relationships with workers and other stakeholders;
 - h) additional information in line with disclosure recommendations on responsible business conduct information provided in Chapters IV and VI.
4. Enterprises should prepare and disclose information in accordance with internationally recognised accounting and disclosure standards, and refrain from publication of insufficient or unclear information. An annual external audit should be conducted by an independent, competent and qualified auditor in accordance with internationally recognised auditing, ethical and independence standards in order to provide reasonable assurance to the board and shareholders that the financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework. In order to enhance the credibility of responsible business conduct information, enterprises may seek external assurance attestation of such information.

Chapter IV. Human Rights

States have the duty to protect human rights. Enterprises should, within the framework of internationally recognised human rights, the international human rights obligations of the countries in which they operate as well as relevant domestic laws and regulations:

1. Respect human rights, which means they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.
2. Within the context of their own activities, avoid causing or contributing to adverse human rights impacts and address such impacts when they occur.
3. Seek ways to prevent or mitigate adverse human rights impacts that are directly linked to their business operations, products or services by a business relationship, even if they do not contribute to those impacts.
4. Have a publicly available policy commitment to respect human rights.
5. Carry out human rights due diligence as appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts.
6. Provide for or co-operate through legitimate processes in the remediation of adverse human rights impacts where they identify that they have caused or contributed to these impacts.

Chapter V. Employment and Industrial Relations

Enterprises should, within the framework of applicable law, regulations and prevailing labour relations and employment practices and applicable international labour standards, avoiding any unlawful employment and industrial relations practices, and in line with due diligence expectations described in Chapters II and IV:

1.
 - a) Respect the right of workers to establish or join trade unions and representative organisations of their own choosing, including by avoiding interfering with workers' choice to establish or join a trade union or representative organisation of their own choosing.
 - b) Respect the right of workers to have trade unions and representative organisations of their own choosing recognised for the purpose of collective bargaining, and engage in constructive negotiations, either individually or through employers' associations, with such representatives with a view to reaching agreements on terms and conditions of employment.
 - c) Contribute to the effective abolition of child labour, and take immediate and effective measures to secure the elimination of the worst forms of child labour as a matter of urgency.
 - d) Contribute to the elimination of all forms of forced or compulsory labour and take immediate and effective measures towards the elimination of forced or compulsory labour as a matter of urgency.
 - e) Be guided throughout their operations by the principle of equality of opportunity and treatment in employment and not discriminate against their workers with respect to employment or occupation on such grounds as race, colour, sex, age, religion, political opinion, national extraction or social origin, persons with disabilities or other status, unless selectivity concerning worker characteristics furthers established governmental policies which specifically promote greater equality of employment opportunity or relates to the inherent requirements of a job.
 - f) Provide a safe and healthy working environment in line with the ILO Declaration on Fundamental Principles and Rights at Work.
2.
 - a) Provide such facilities to workers' representatives as may be necessary to assist in the development of effective collective agreements.
 - b) Provide information in a timely manner to workers' representatives which is needed for meaningful negotiations on conditions of employment.
 - c) Provide information to workers and their representatives which enables them to obtain a true and fair view of the performance of the entity or, where appropriate, the enterprise as a whole.
3. Promote consultation and co-operation between employers and workers and their

representatives through legitimate processes, structures or mechanisms on matters of mutual concern.

4.
 - a) Observe standards of employment, contractual arrangements and industrial relations throughout their operations.
 - b) When multinational enterprises operate in other countries, wages, benefits and conditions of work offered across their operations should not be less favourable to the workers than those offered by comparable employers in the host country. Where comparable employers may not exist, enterprises should provide the best possible wages, benefits and conditions of work, within the framework of government policies and applicable international standards. These should be related to the economic position of the enterprise, but should be at least adequate to satisfy the basic needs of the workers and their families.
 - c) Maintain the highest standards of safety and health at work.
5. In their operations, to the greatest extent practicable, employ local workers and provide training with a view to improving skill levels, in co-operation with worker representatives and, where appropriate, relevant governmental authorities.
6. In considering changes in their operations which would have major employment effects, in particular in the case of the closure of an entity involving collective lay-offs or dismissals, provide reasonable notice of such changes to representatives of the affected workers and their organisations, and, where appropriate, to the relevant governmental authorities, and co-operate with the worker representatives and appropriate governmental authorities so as to mitigate to the maximum extent practicable adverse effects of such changes. In light of the specific circumstances of each case, it would be appropriate if management were able to give such notice prior to the final decision being taken. Other means may also be employed to provide meaningful co-operation to mitigate the effects of such decisions.
7. In the context of bona fide negotiations with workers' representatives on conditions of employment, or while workers are exercising a right to organise, not threaten to transfer the whole or part of an operating unit from the country concerned nor transfer workers from the enterprises' component entities in other countries in order to influence unfairly those negotiations or to hinder the exercise of a right to organize or bargain collectively.
8. Enable authorised representatives of the workers in their employment to negotiate on collective bargaining or labour-management relations issues and allow the parties to consult on matters of mutual concern with representatives of management who are authorised to take decisions on these matters.

Chapter VI. Environment

Enterprises play a key role in advancing sustainable economies and can contribute to delivering an effective and progressive response to global, regional and local environmental challenges, including the urgent threat of climate change. Within the framework of laws, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives, and standards, enterprises should conduct their activities in a manner that takes due account of the need to

protect the environment, and in turn workers, communities and society more broadly, avoids and addresses adverse environmental impacts and contributes to the wider goal of sustainable development. Enterprises can be involved in a range of adverse environmental impacts. These include, among others:

- a) climate change;
- b) biodiversity loss;
- c) degradation of land, marine and freshwater ecosystems;
- d) deforestation;
- e) air, water and soil pollution;
- f) mismanagement of waste, including hazardous substances

Important differences across environmental impacts are outlined in the commentary to this chapter, including with respect to climate change and how an individual enterprise's relationship to such impacts should be considered in the context of relevant frameworks.

In particular, enterprises should:

1. Establish and maintain a system of environmental management appropriate to the enterprise-associated with the operations, products and services of the enterprise over their full life cycle, including by carrying out risk-based due diligence, as described in Chapter II, for adverse environmental impacts, including through:
 - a) identifying and assessing adverse environmental impacts associated with an enterprise's operations, products or services, including through collection and evaluation of adequate and timely information regarding the adverse impacts associated with their operations, products and services and where activities may have significant adverse environmental impacts, preparing an appropriate environmental impact assessment;
 - b) establishing and implementing measurable objectives, targets and strategies for addressing adverse environmental impacts associated with their operations, products and services and for improving environmental performance. Targets should be science-based, consistent with relevant national policies and international commitments, goals, and informed by best practice;
 - c) regularly verifying the effectiveness of strategies and monitoring progress toward environmental objectives and targets, and periodically reviewing the continued relevance of objectives, targets and strategies;
 - d) providing the public, workers, and other relevant stakeholders with adequate, measurable, verifiable (where applicable) and timely information on environmental impacts associated with their operations, products and services based on best available information, and progress against targets and objectives as described in paragraph 1.b;
 - e) providing for, or co-operating in, remediation as necessary to address adverse environmental impacts the enterprise has caused or contributed to, and using leverage to influence other entities causing or contributing to adverse environmental impacts to remediate them.
2. Conduct meaningful engagement with relevant stakeholders affected by adverse environmental impacts associated with an enterprise's operations, products or services.

3. Consistent with the scientific and technical understanding of the risks, where there are threats of serious or irreversible damage to the environment, taking also into account human health and safety, not use the lack of full scientific certainty or pathways as a reason for postponing cost-effective measures to prevent or minimise such damage.
4. Maintain contingency plans for preventing, mitigating, and controlling serious environmental and health damage from their operations, including accidents and emergencies; and mechanisms for immediate reporting to the competent authorities.
5. Continually seek to improve environmental performance, at the level of the enterprise and, where appropriate, entities with which they have a business relationship, including by:
 - a) adopting technologies, where feasible best available technologies, to improve environmental performance;
 - b) developing and providing products or services that have no undue environmental impacts; are safe in their intended use; are durable, repairable and can be reused, recycled, or disposed of safely and that are produced in an environmentally sound manner that uses natural resources sustainably, minimises as far as possible energy and material input as well as generation of pollution, greenhouse gas emissions and waste, in particular hazardous waste;
 - c) promoting higher levels of awareness among customers of the environmental implications of using the products and services of the enterprise, including by providing relevant and accurate information on their environmental impacts (for example, on greenhouse gas emissions, impacts on biodiversity, resource efficiency, reparability and recyclability or other environmental issues).
6. Provide adequate education and training to workers in environmental, health and safety matters, including on the management of hazardous and non-hazardous materials and waste as well as the prevention of environmental accidents, as well as more general environmental management areas, such as environmental impact assessment procedures, public relations, and environmental technologies. Providing support, including capacity building on environmental management, to suppliers and other business relationships, particularly small- and medium-sized enterprises and small holders, where appropriate and feasible.
7. Contribute to the development of environmentally responsible and economically efficient public policy, for example, by means of partnerships or initiatives that will enhance environmental awareness and protection.

Chapter VII. Combating Bribery and Other Forms of Corruption

Adverse impacts on matters covered by the *Guidelines* are often enabled by means of corruption. As such, an enterprise's implementation of effective anticorruption measures is an important contribution to the avoidance of other adverse impacts covered by the *Guidelines*. Enterprises should not engage in any act of bribery or other forms of corruption.

In particular, enterprises should:

1. Not engage in any act of corruption, including the offering, promising or giving of any undue pecuniary or other advantage to public officials or employees of persons or entities with which an enterprise has a business relationship or to their relatives or associates. Likewise, enterprises should not request, agree to or accept any undue pecuniary or other advantage from public officials or the employees of persons or entities with which an enterprise has a business relationship. Enterprises should not use third parties or other intermediaries, including, *inter alia*, agents, consultants, representatives, distributors, consortia, contractors and suppliers and joint venture partners for channelling undue pecuniary or other advantages to public officials, or to employees of persons or entities with which an enterprise has a business relationship or to their relatives or associates.
2. Develop and adopt adequate internal controls, ethics and compliance programmes or measures for adequately preventing, detecting and addressing bribery and other forms of corruption, developed on the basis of a risk-based assessment, taking in to account the individual circumstances of an enterprise, in particular the enterprise risk factors related to bribery and other forms of corruption (including, *inter alia*, its geographical and industrial sector of operation, other responsible business conduct issues, the regulatory environment, the type of business relationships, transactions with foreign governments, and use of third parties). These internal controls, ethics and compliance programmes or measures should include a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, conflict of interest registers, records, and accounts, to ensure that they cannot be used for the purpose of engaging in or hiding bribery or other acts of corruption. Such individual circumstances and risks should be regularly monitored and re-assessed as necessary to determine the allocation of compliance resources and to ensure the enterprise's internal controls, ethics and compliance programme or measures are adapted and continue to be effective, and to mitigate the risk of enterprises becoming involved in bribery or other forms of corruption. These internal controls, ethics and compliance programmes or measures for preventing and detecting all forms of corruption should also include carrying out risk-based due diligence as described in Chapter II.
3. Prohibit or discourage, in internal company controls, ethics and compliance programmes or measures, the use of small facilitation payments, which are generally illegal in the countries where they are made, and, when such payments are made, accurately record these in books and financial records.
4. Ensure, taking into account the particular risks related to bribery and other forms of corruption, properly documented due diligence pertaining to the hiring, as well as the appropriate and regular oversight of agents, and that remuneration of agents is appropriate and for legitimate services only. Where relevant, an updated list of agents engaged in connection with transactions with public bodies and State-owned enterprises should be kept and made available to competent authorities, in accordance with applicable public disclosure requirements. Enterprises should take steps to ensure that their agents avoid exercising illicit influence and comply with professional standards in their relations with public officials.
5. Enhance the transparency of their activities in the fight against bribery and other forms of corruption and foster a culture of integrity. Measures could include (i) strong, explicit and visible support and commitment from the board of directors or equivalent governing body and senior management to the enterprise's internal controls, ethics and compliance programmes; (ii) a clearly articulated and visible corporate policy prohibiting bribery and

other forms of corruption, easily accessible to all employees and relevant third parties, including, *inter alia*, foreign subsidiaries, agents, and other intermediaries; and (iii) disclosing the management systems and the internal controls, ethics and compliance programmes or measures adopted by enterprises in order to honour these commitments. Enterprises should also foster openness and dialogue with the public so as to promote its awareness of and co-operation in the fight against bribery other forms of corruption. Enterprises are encouraged to disclose, without prejudice to national laws and requirements, any misconduct related to bribery and other forms of corruption, as well as the measures adopted to address cases of suspected bribery and other forms of corruption. These measures may include, but are not limited to, processes for identifying, investigating, and reporting the misconduct and genuinely and proactively engaging with law enforcement authorities.

6. Promote awareness of and compliance with enterprise policies and internal controls, ethics and compliance programmes or measures against bribery and other forms of corruption, among employees and persons or entities linked by a business relationship, through appropriate dissemination of such policies, programmes or measures and through training programmes and disciplinary procedures that take into account applicable language, cultural and technological barriers.
7. Not make illegal contributions to candidates for public office or to political parties or to other organisations linked to political parties or political candidates. Political contributions should fully comply with national laws including public disclosure requirements and should require senior management approval. This includes not obliging workers to support a political candidate or a political organisation.

Chapter VIII. Consumer Interests

When dealing with consumers, enterprises 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. In particular, they should:

1. Ensure that the goods and services they provide meet all agreed or legally required standards for consumer health and safety, including those pertaining to health warnings and safety information, and do not pose an unreasonable risk to the health or safety of consumers in foreseeable use or foreseeable improper use or misuse.
2. Provide accurate, verifiable and clear information that is sufficient to enable consumers to make informed decisions, including information on the prices and, where appropriate, content, safe use, environmental attributes, maintenance, storage, disposal of goods and services, and relevant e-commerce disclosures such as privacy issues, and information about available dispute resolution and redress options. The information should be presented in a comprehensible and easily accessible manner using plain language, while also regarding the needs of accessibility for consumers with disabilities. Where feasible this information should be provided in a manner that facilitates consumers' ability to compare products.
3. Provide consumers with access to fair, easy to use, timely and effective non-judicial dispute resolution and redress mechanisms, without unnecessary cost or burden.
4. Not make representations or omissions, nor engage in any other practices that are

deceptive, misleading, fraudulent unfair or that otherwise subvert consumer choice in ways that harm consumers or competition.

5. Support efforts to promote consumer education in areas that relate to their business activities, with the aim of, *inter alia*, improving the ability of consumers to: *i*) make informed decisions involving complex goods, services and markets, *ii*) better understand the economic, environmental and social impact of their decisions and *iii*) support sustainable consumption.
6. Protect consumer privacy by ensuring that enterprise practices relating to the collection and use of consumer data are lawful, transparent and fair, enable consumer participation and choice and take all reasonable measures to ensure the security of personal data that they collect, store, process or disseminate.
7. Co-operate fully with public authorities to prevent and combat abusive or deceptive marketing practices (including misleading advertising, and commercial fraud) and to diminish or prevent serious threats to public health and safety or to the environment deriving from the consumption, use or disposal of their goods and services.
8. Take into consideration, in applying the above principles, *i*) the needs of consumers, especially those who may be experiencing vulnerability or disadvantage, and *ii*) the specific challenges that e-commerce may pose for consumers.

Chapter IX. Science, Technology and Innovation

Scientific research and technological innovation have driven productivity in all sectors, as well as the ability of enterprises to conduct due diligence and contribute to sustainable development. Enterprises should, as appropriate, contribute to the development of local and national innovative capacity. In the context of development, financing, sale, licensing, trade and use of technology, including gathering and using data, as well as scientific research and innovation, enterprises should observe the *Guidelines* and comply with applicable national laws and requirements, including privacy and data protection requirements and export control regulations. In particular, enterprises should:

1. Carry out risk-based due diligence, as described in Chapter II, with respect to actual and potential adverse impacts related to science, technology and innovation.
2. Adopt, where practicable in the course of their business activities, practices that enable the voluntary, safe, secure and efficient transfer of technology and know-how on mutually agreed terms, as well as enhance access to and sharing of data to foster scientific discovery and innovations with due regard to the protection of intellectual property rights, confidentiality obligations, privacy, personal data protection, export controls and non-discrimination principles.
3. When appropriate, perform science and technology development activities in host countries to address local market needs, as well as employ host country personnel in science and technology development activities, and encourage and support their training, taking into account integrity, security and commercial needs.

4. When granting licenses for the use of intellectual property rights or when otherwise voluntarily transferring technology, do so on mutually agreed terms and conditions, with appropriate safeguards to prevent and mitigate adverse impacts, and in a manner that contributes to the longterm sustainable development prospects of the host country and respects export control regulations.
5. Where relevant to commercial objectives, develop ties with local higher education institutions, public research institutions and participate in co-operative research projects with local industry or industry associations, including small- and medium-sized enterprises and civil society organisations. Such co-operation should take into account effective risk management, ethical considerations, national security concerns, applicable laws and considerations of stakeholders. It should also recognise the value of open science and respect safeguards to preserve academic freedom, as well as research and scientific autonomy.
6. When collecting, sharing and using data, enhance transparency of data access and sharing arrangements, and encourage the adoption, throughout the data value cycle, of responsible data governance practices that meet standards and obligations that are applicable, widely recognised or accepted among Adherents to the *Guidelines*, including codes of conduct, ethical principles, rules regarding manipulation and coercion of consumers, and privacy and data protection norms.
7. Enterprises should support, as appropriate to their circumstances, co-operative efforts in the appropriate fora to promote an open, free, global, interoperable, reliable, accessible, affordable, secure and resilient Internet, including through respect of the freedoms of expression, peaceful assembly and association online, and consistent with the matters covered by the *Guidelines*.

Chapter X. Competition

Enterprises should:

1. Carry out their activities in a manner consistent with all applicable competition laws and regulations, taking into account the competition laws of all jurisdictions in which the activities may have anti-competitive effects.
2. Refrain from entering into or carrying out anti-competitive agreements among competitors, including agreements to:
 - a) fix prices;
 - b) make rigged bids (collusive tenders);
 - c) establish output restrictions or quotas; or
 - d) share or divide markets by allocating customers, suppliers, territories or lines of commerce.
3. Co-operate with investigating competition authorities by, among other things and subject to applicable law and appropriate safeguards, providing responses as promptly and completely as practicable to requests for information, and considering the use of available instruments, such as waivers of confidentiality where appropriate, to promote effective and efficient co-operation among investigating authorities.

4. Regularly promote employee awareness of the importance of compliance with all applicable competition laws and regulations, and, in particular, train senior management of the enterprise in relation to competition issues.

Chapter XI. Taxation

1. It is important that enterprises contribute to the public finances of host countries by making timely payment of their tax liabilities. In particular, enterprises should comply with both the letter and spirit of the tax laws and regulations of the countries in which they operate. Complying with the spirit of the law means discerning and following the intention of the legislature. It does not require an enterprise to make payment in excess of the amount legally required pursuant to such an interpretation. Tax compliance includes such measures as providing to the relevant authorities timely information that is relevant or required by law for purposes of the correct determination of taxes to be assessed in connection with their operations and conforming transfer pricing practices to the arm's length principle.
2. Enterprises should treat tax governance and tax compliance as important elements of their oversight and broader risk management systems. In particular, corporate boards should adopt tax risk management strategies to ensure that the financial, regulatory and reputational risks associated with taxation are fully identified and evaluated.