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Coherence by Design: Governing Corruption and Human Rights Risk as the Rules Fragment

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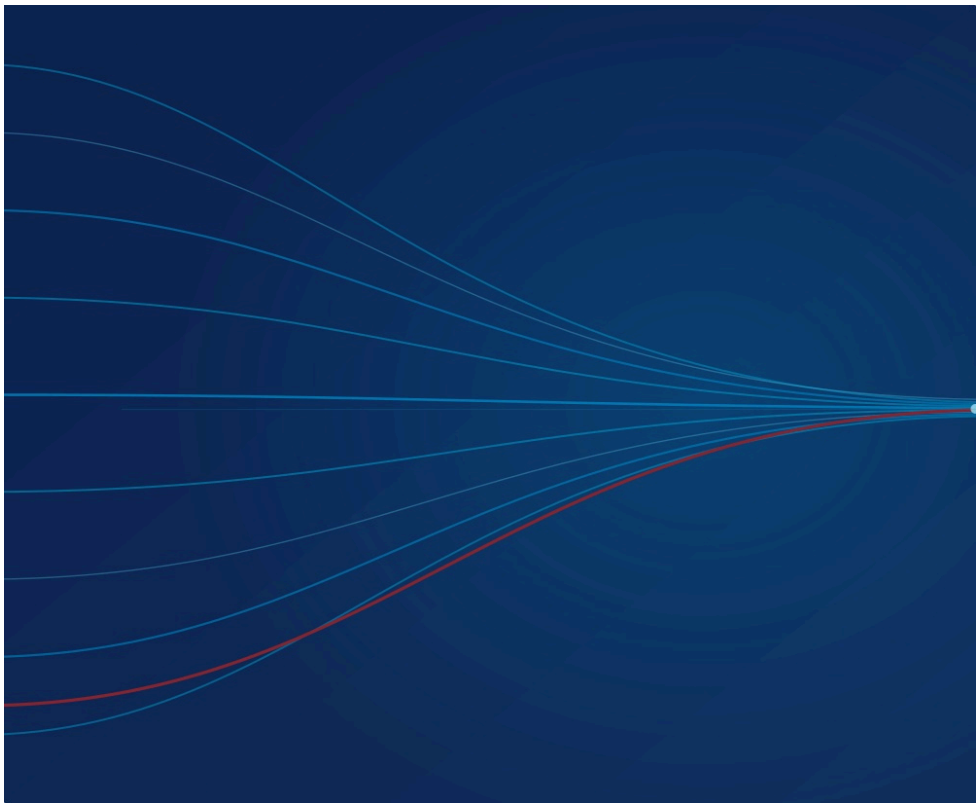

Leading with Integrity



The Coalition for Integrity is a non-profit, non-partisan 501(c)(3) organization. We work across business, government, and civil society to strengthen the systems that uphold accountability, transparency, and trust to support the foundations of credible governance and responsible business.

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I. Introduction

For much of the past three decades, multinational companies could build integrity and compliance programs around a set of converging international frameworks. In the conventional integrity domains—bribery and corruption, money laundering, fraud, and sanctions—the Foreign Corrupt Practices Act (FCPA), the Organization for Economic Cooperation and Development (OECD) Anti-Bribery Convention, and the Financial Action Task Force (FATF) standards established broadly compatible expectations across major economies. Local requirements never aligned perfectly, and companies had long managed friction across jurisdictions, but the frameworks moved in a shared direction. Just as important, a common programmatic template emerged for meeting those expectations, anchored in the U.S. Sentencing Guidelines' definition of an "effective compliance and ethics program" and mirrored in the risk-based due diligence model of the anti-money laundering framework: a single architecture that could be deployed globally with local tailoring.[1]

Business and human rights evolved along a parallel track. Over the last fifteen years, beginning with the UN Human Rights Council's endorsement of the UN Guiding Principles on Business and Human Rights in 2011 and the contemporaneous revision of the OECD Guidelines for Multinational Enterprises, business and human rights has emerged as a cognate integrity discipline.[2] Critically, when the Guiding Principles and the OECD Guidelines operationalized and structured corporate human rights responsibility, they did so through an architecture that tracked the conventional compliance template: a policy commitment, risk-based due diligence, tracking and communication of results, and grievance and remediation processes.[3]

Both architectures are now fragmenting—separately, though arguably in parallel. In conventional integrity, the United States has reoriented FCPA enforcement around national-interest criteria, following a brief pause,[4] while European enforcers coordinate and press ahead,[5] and the US has rolled back beneficial ownership reporting just as the EU builds a supranational anti-money laundering authority. In business and human rights, the EU's conduct-based mandatory due diligence model and the US strict-liability trade enforcement model impose fundamentally different obligations on the same companies—and the EU's own instruments now diverge internally. The shared direction that defined the last several decades is reversing.

In response, many companies have adopted a reactive posture, tracking and responding to each new regulatory signal as it arises. Surveys bear this out: regulatory change consistently ranks as the top challenge facing compliance functions, yet only about a fifth of compliance leaders describe their approach

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[1] U.S. Sentencing Guidelines Manual § 8B2.1 (U.S. Sentencing Commission 2023); U.S. Department of Justice, Criminal Division, *Evaluation of Corporate Compliance Programs* (September 2024), https://www.justice.gov/criminal/criminal-fraud/page/file/937501/dl?inline=; U.S. Department of Justice & U.S. Securities & Exchange Commission, *A Resource Guide to the U.S. Foreign Corrupt Practices Act* (2d ed. 2020); *see also* 31 U.S.C. §§ 5311–5336 (Bank Secrecy Act); Financial Action Task Force, *International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation* (2012) (as amended 2023).

[2] As used in this paper, business and human rights refers to the corporate responsibility to address adverse human rights impacts in operations and value chains, principally forced labor and modern slavery and the harms linked to conflict-affected sourcing, as distinct from the broader environmental, social, and governance agenda, with which it is sometimes grouped.

[3] UN Guiding Principles on Business and Human Rights (2011), GPs 15–24, 29–31, https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf; OECD, *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* (2023), pts. II, IV & VI, https://doi.org/10.1787/81f92357-en.

[4] Exec. Order No. 14209, Pausing Foreign Corrupt Practices Act Enforcement to Further American Economic and National Security (Feb. 10, 2025); U.S. Department of Justice, *Guidelines for Investigations and Enforcement of the Foreign Corrupt Practices Act* (June 9, 2025).

[5] Serious Fraud Office, Parquet National Financier & Office of the Attorney General of Switzerland, Founding Statement: International Anti-Corruption Prosecutorial Taskforce (Mar. 20, 2025); Serious Fraud Office, *Business Plan 2025–26* (2025).

as highly proactive.[6] The result is programs built for a more stable environment, managed by functions that are not well-connected to each other, at a moment when coherence matters.

The companies managing the current environment most effectively treat integrity as a single governance challenge rather than a set of parallel compliance obligations. Human rights and anti-corruption issues share underlying drivers—weak rule of law, limited accountability, conflict-affected environments—and their management relies on similar corporate structures, including risk-based due diligence and complaints mechanisms (albeit with nuances between regimes). [8] Building shared infrastructure for risk assessment, due diligence, and information flows conserves resources while making programs more adaptable. A shared integrity risk structure gives broader visibility when a new requirement arises, absorbs shifts in evidentiary and reporting standards without rebuilding systems, and is harder to scale back piecemeal, since an integrated structure cannot be dismantled one function at a time without a visible cost to the whole.

> A distinction between compliance and governance runs through this paper. Compliance asks whether a company is following the rules; governance asks how a company makes defensible decisions when the rules conflict, are absent, or are changing faster than programs can be updated. The emerging regulatory models divide precisely along this line—between regimes that test documentary proof and regimes that test governance systems.[7]

In working at the intersection of corporate integrity, compliance, and anti-corruption, Coalition for Integrity has seen how a holistic approach can strengthen integrity and help companies navigate an uncertain operating environment. This paper makes the case that companies are well served by managing these risks through one integrated integrity architecture rather than separate programs, and shows why doing so leaves a company more efficient, more accurate in what it detects, and more resilient as the rules keep shifting. The paper traces the parallel evolution, and now parallel fragmentation, of conventional integrity and business and human rights, and draws on a case study to examine what that looks like in practice.

II. Parallel Architectures: The Convergence of Conventional Integrity and Business and Human Rights

The Conventional Integrity Template

From the mid-1990s through the early 2020s, the dominant trajectory in conventional integrity frameworks was convergence. The FCPA, long an outlier, was internationalized through the OECD Anti-Bribery Convention and later the UN Convention against Corruption, while the FATF standards did the same for money laundering. [9] National implementation varied, but the frameworks moved in a shared direction, allowing companies to build programs that held together across borders.

Convergence extended beyond substantive prohibitions to program design. The template articulated in the U.S. Sentencing Guidelines—a periodic, risk-based assessment; written standards and procedures; board-level and senior-management oversight with allocated authority and resources; training and

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[6] *See* Compliance Week & Resolver, *Regulatory Compliance Trends Survey* (2025) (finding that respondents ranked regulatory change as their top challenge while only 20 percent described their organization's compliance approach as highly proactive).

[7] Jonathan Drimmer, Yousuf Aftab, Ruxandra Cana & Jeffrey G. Weiss, *Human Rights Due Diligence vs. Documentary Compliance*, Steptoe LLP (July 2026) (contrasting the documentary and traceability model reflected in US Customs and Border Protection guidance with the governance-based human rights due diligence model reflected in European Commission guidance).

[8] Aftab, Yousuf and Maria Luisa Saboya. Forthcoming 2026. *The Cambridge Handbook on Litigating Business and Human Rights Violations: Themes, Perspectives, and Prospects*, edited by Hassan Ahmad, Ekaterina Aristova and Rachel Chambers, Cambridge University Press.

[9] OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997); United Nations Convention against Corruption (2003); FATF, *International Standards*, *supra* note 1.

communication; ongoing monitoring, auditing, and verification; confidential reporting channels with protection against retaliation; and corrective action and remediation—was elaborated in the Department of Justice's Evaluation of Corporate Compliance Programs and the FCPA Resource Guide's "hallmarks of effective compliance programs," and became the reference architecture for integrity programs globally through documents such as the OECD Good Practice Guidance on Internal Controls, Ethics, and Compliance.[10]

The United Kingdom then supplied the "failure to prevent" offense. Under section 7 of the UK Bribery Act 2010, a corporation is exposed to liability for bribery by associated persons unless it can show it had adequate, risk-based procedures in place, the "adequate procedures" defense. Parliament subsequently extended this structure to the facilitation of tax evasion under the Criminal Finances Act 2017 and to fraud under the Economic Crime and Corporate Transparency Act (ECCTA) 2023.[11] The effect was to make the quality and reasonableness of a company's compliance system legally dispositive: the program is not merely mitigation at sentencing but the substance of the defense.

Business and Human Rights as a Cognate Integrity Discipline

Business and human rights emerged as a legal discipline over the last 15 years from a different tradition—international human rights law, stakeholder engagement, and impact assessment methodology rather than securities law and enforcement practice—but it converged on the same architecture. The UN Guiding Principles, endorsed in 2011, marked a fundamental shift in corporate human rights responsibility from a reputation-focused effort to a governance-based one, on which subsequent regulation and litigation could be built.[12] Critically, the Guiding Principles are intentionally structured around the compliance architecture familiar from the anti-corruption and financial crime contexts. Their requirement for a publicly available policy commitment to respect human rights mirrors the FCPA Resource Guide's first hallmarks of an effective program: a clearly articulated policy against corruption, embodied in a code of conduct accessible to all employees.[13] Their due diligence framework, covering impacts a company may cause, contribute to, or be linked to through its business relationships, aligns with the expectation that compliance programs detect and prevent the misconduct most likely to occur in a company's line of business.[14] And their emphasis on enabling harm reporting by stakeholders parallels the identification of trusted reporting mechanisms as a hallmark of well-designed compliance.[15]

The OECD Guidelines for Multinational Enterprises, revised in 2011 to incorporate the Guiding Principles and again in 2023, went further, treating human rights, anti-corruption, and environmental responsibility as dimensions of a single responsible business conduct obligation,[16] assessed through one methodology: the

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[10]U.S. Sentencing Guidelines Manual § 8B2.1, *supra* note 1; *Evaluation of Corporate Compliance Programs*, *supra* note 1; *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, *supra* note 1; OECD, Good Practice Guidance on Internal Controls, Ethics, and Compliance (2010), as revised in the 2021 Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions.

[11]Bribery Act 2010, c. 23, § 7 (UK); Criminal Finances Act 2017, c. 22, §§ 45–46 (UK); Economic Crime and Corporate Transparency Act 2023, c. 56, §§ 199–206 (UK) (failure-to-prevent-fraud offense in force Sept. 1, 2025).

[12]Aftab & Saboya, *supra* note 7.

[13]UN Guiding Principles, *supra* note 2, GP 16; *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, *supra* note 1 (identifying among the hallmarks of an effective program a clearly articulated, publicly available policy against corruption and a code of conduct accessible to all employees).

[14]UN Guiding Principles, *supra* note 2, GP 17; *Evaluation of Corporate Compliance Programs*, *supra* note 1.

[15]UN Guiding Principles, *supra* note 2, GPs 22, 29–31; *Evaluation of Corporate Compliance Programs*, *supra* note 1.

[16]OECD, *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*, *supra* note 2.

OECD Due Diligence Guidance applies a single six-step process to adverse impacts spanning human rights, labor, the environment, and bribery alike.[17]

The binding instruments that followed reproduce, almost feature for feature, the architecture of the modern corporate compliance program. The French loi de vigilance, the German Supply Chain Due Diligence Act, and the EU Corporate Sustainability Due Diligence Directive (CSDDD) each require risk-based assessment, written policies, management oversight, monitoring, complaints procedures, and remediation.[18] The genealogical link to anti-corruption compliance is clearest in the structure of liability: mandatory human rights due diligence grounds a standard of conduct whose breach is defined, and whose consequences are mitigated, by reference to the quality and reasonableness of the company's due diligence system—a compliance logic that anti-corruption and anti-money-laundering practitioners would find entirely familiar.[19]

Core Elements of the Corporate Human Rights Regime

Three regime types dominate the regulatory drivers of corporate human rights risk, distinguished by their operative legal mechanism. The first is mandatory disclosure: transparency statutes—the California Transparency in Supply Chains Act, the UK and Australian Modern Slavery Acts, and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act—compel covered entities to publish statements describing steps taken to address forced labor, without prescribing substantive conduct; the EU Corporate Sustainability Reporting Directive is the model's mature form.

The second is mandatory due diligence, in which the law prescribes conduct rather than mere disclosure, requiring companies to identify, prevent, mitigate, and account for adverse impacts across their operations and value chains. The French loi de vigilance and the German Supply Chain Due Diligence Act established the template the CSDDD sought to harmonize at Union level, with sectoral duties—the EU Conflict Minerals Regulation and the due diligence obligations embedded in the EU Batteries Regulation—operating alongside.

The third is trade regulation, or market-access conditionality, which enforces human rights norms at the border. The Uyghur Forced Labor Prevention Act (UFLPA) renders goods linked to the Xinjiang Uyghur Autonomous Region or to listed entities presumptively inadmissible to the United States; its EU analogue, the Forced Labour Regulation, prohibits placing on or exporting from the Union market any product made with forced labor. The categories are increasingly notional: few contemporary instruments are purely one thing, and a single supply chain risk can simultaneously trigger a reporting failure, a breach of a statutory duty of care, and the exclusion of goods at the border.

These regimes are complemented by two further mechanisms that operate through private enforcement and public spending. The first is civil liability, which gives victims a direct cause of action against companies and converts human rights harm into litigation exposure; the US Trafficking Victims Protection Reauthorization Act, whose civil remedy reaches those who knowingly benefit from participation in a venture engaged in forced labor, is the leading example.[20] The second is public procurement, in which governments use their purchasing power to set conduct standards for suppliers; the US Federal Acquisition Regulation requires federal contractors to

[17]OECD, *OECD Due Diligence Guidance for Responsible Business Conduct* (2018) (prescribing a six-step process: (1) embedding responsible business conduct into policies and management systems; (2) identifying and assessing adverse impacts in operations, supply chains, and business relationships; (3) ceasing, preventing, or mitigating adverse impacts; (4) tracking implementation and results; (5) communicating how impacts are addressed; and (6) providing for or cooperating in remediation when appropriate).

[18]*Compare* Loi n° 2017-399 du 27 mars 2017 relative au devoir de vigilance (Fr.); Lieferkettensorgfaltspflichtengesetz [Supply Chain Due Diligence Act] (Ger.); Directive (EU) 2024/1760 (CSDDD), arts. 5–16, *with* U.S. Sentencing Guidelines Manual § 8B2.1, *supra* note 1, *and* UN Guiding Principles, *supra* note 2, GPs 15–24.

[19]Directive (EU) 2024/1760, arts. 5–16 (transposing the OECD due diligence cycle); OECD Due Diligence Guidance, *supra* note 16.

[20] William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008, Pub. L. No. 110-457, § 221 (codified as amended at 18 U.S.C. § 1595(a)) (creating a civil remedy against any person who knowingly benefits from participation in a venture that the person knew or should have known was engaged in forced labor or trafficking).

prohibit trafficking-related activity, maintain compliance plans, and certify compliance, with suspension and debarment as the sanction.[21] Neither fits neatly within the three categories above, but both sharpen the incentives they create.

III. Parallel Fragmentation

Conventional Integrity: Divergence in Enforcement

The convergence in conventional integrity is now giving way to enforcement divergence, most visibly in foreign bribery. Executive Order 14209 paused new FCPA investigations in February 2025; the guidelines that lifted the pause in June reoriented enforcement around American economic competitiveness, national security, and transnational criminal organizations, and in the interim, the Department of Justice dismissed the prosecution of two former Cognizant executives while authorizing other pending cases to proceed to trial.[22] The United Kingdom moved in the opposite direction. In March 2025, the Serious Fraud Office (SFO) joined France's Parquet National Financier and the Swiss Office of the Attorney General to establish the International Anti-Corruption Prosecutorial Taskforce,[23] while the SFO accelerated its investigative pace and the ECCTA's failure-to-prevent-fraud offense came into force in September 2025.[24] While the outcomes of some of these efforts are yet to be seen, the trajectories are diverging. In the US, enforcement is narrowing to national-interest priorities even as European authorities move to coordinate and expand capacity. US authorities continue to bring the largest share of foreign-bribery cases, but a company's exposure may increasingly turn on which regime's priorities apply rather than on a more closely converged standard.

Money laundering shows the same pattern. In March 2025, FinCEN exempted all US-formed companies and US persons from beneficial ownership reporting under the Corporate Transparency Act—removing more than 99 percent of previously covered entities—and finalized that exemption in August 2026.[25] Over the same period, the EU adopted a single anti-money laundering rulebook and established a supranational Anti-Money Laundering Authority with direct supervisory powers over high-risk financial institutions.[26] On beneficial ownership transparency—for two decades a core plank of the FATF consensus—the US and the EU are moving in opposite directions.

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[21] Federal Acquisition Regulation, 48 C.F.R. subpt. 22.17 & 52.222-50 (prohibiting trafficking-related activity by federal contractors, requiring a compliance plan and certification for covered contracts above the applicable threshold, and authorizing remedies including suspension, debarment, and termination); see Exec. Order No. 13627 (Sept. 25, 2012).

[22] Exec. Order No. 14209, *supra* note 3; *Guidelines for Investigations and Enforcement of the Foreign Corrupt Practices Act*, *supra* note 3., United States v. Coburn, No. 2:19-cr-00120 (D.N.J.) (dismissed with prejudice Apr. 2, 2025); see also, e.g., United States v. Piñate (S.D. Fla.) (DOJ authorized to proceed, Apr. 2025); United States v. Hobson (DOJ authorized to proceed, Apr. 2025) (illustrating that other pending FCPA prosecutions continued).

[23] As of 2026, the Taskforce functions principally as a coordination and intelligence-sharing framework. Its significance here is as an indicator of European prosecutorial coordination and intent rather than of realized joint enforcement.

[24] Founding Statement: International Anti-Corruption Prosecutorial Taskforce, *supra* note 4; Serious Fraud Office, *Business Plan 2025–26*, *supra* note 4; Economic Crime and Corporate Transparency Act 2023, *supra* note 10.

[25] FinCEN, Interim Final Rule, Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension (Mar. 26, 2025), https://www.federalregister.gov/documents/2025/03/26/2025-05199/beneficial-ownership-information-reporting-requirement-revision-and-deadline-extension; FinCEN, Final Rule (announced Aug. 11, 2026; effective Aug. 14, 2026); U.S. Government Accountability Office, *Corporate Transparency: Treasury Should Address Gaps in Ownership Information Resulting from Expanded Exemptions*, GAO-26-107967 (May 2026) (noting the exemptions eliminate more than 99 percent of entities previously required to report).

[26] Regulation (EU) 2024/1624 of 31 May 2024 (Anti-Money Laundering Regulation); Regulation (EU) 2024/1620 of 31 May 2024 (establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism).

Business and Human Rights: Divergence Across and Within Jurisdictions

Business and human rights, having emerged as a cognate integrity discipline, has fragmented in parallel. The transatlantic divergence is between conduct-based and trade-based models. The EU has anchored corporate human rights responsibility in mandatory due diligence and disclosure: the CSDDD requires in-scope companies to identify, prevent, mitigate, and account for actual and potential adverse human rights and environmental impacts across their operations and, to a risk-based degree, their value chains.[27] The framework was narrowed by the Omnibus I amendments, which raised the scoping thresholds, deleted the EU-wide civil liability regime in favor of national law, and pushed the compliance deadline to July 2029.[28] But the core conduct obligation remains binding, and liability turns on the quality of the company's due diligence system.

The United States has taken a different path, anchoring human rights enforcement in trade law and strict liability. Section 307 of the Tariff Act of 1930 prohibits the importation of goods mined, produced, or manufactured wholly or in part with forced labor; US Customs and Border Protection (CBP) enforces the prohibition through withhold release orders (WROs) and findings, with 55 active WROs and 8 findings globally as of early 2026.[29] The UFLPA grafts onto Section 307 a rebuttable presumption that goods produced wholly or in part in the Xinjiang Uyghur Autonomous Region, or by listed entities, are made with forced labor; rebutting the presumption requires clear and convincing evidence.[30] Enforcement is intensifying: in June 2026, CBP issued new WROs beyond Xinjiang and published consolidated operational guidance spanning Section 307, the UFLPA, and the Countering America's Adversaries Through Sanctions Act (CAATSA).[31] Separately, the US has begun pressing trading partners to adopt and enforce their own forced-labor import bans. In June 2026, the US Trade Representative preliminarily found that 60 economies had failed to adopt or effectively enforce such prohibitions, conduct it deemed actionable under Section 301, and proposed tariffs of 10 to 12.5 percent. That determination remains subject to a comment period and is not final as of publication.[32]

These two models implement fundamentally different compliance logics. The CSDDD tests governance: whether the company has systems to identify, prevent, and remediate risk. Section 307 and the UFLPA test proof: whether the importer can establish, through supply chain mapping, traceability, and documentary substantiation, that a particular shipment is not the product of forced labor. The distinction is in what each regime tests, not in what a company must build: producing that proof depends on the same governance

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[27]Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02024L1760-20260318.

[28](Raising the thresholds to companies with over 5,000 employees and net worldwide turnover exceeding EUR 1.5 billion.) Hellewell, Sarah. *Corporate Sustainability Due Diligence Directive: Amendments under Omnibus I finalized*. DLA Piper, April 9, 2026, https://knowledge.dlapiper.com/dlapiperknowledge/globalemploymentlatestdevelopments/2026/corporate-sustainability-due-diligence-directive-amendments-under-omnibus-i-finalised; *see also* Directive (EU) 2025/1495 (Omnibus I), Official Journal of the European Union, 26 February 2026.

[29]19 U.S.C. § 1307; Trade Facilitation and Trade Enforcement Act of 2015, § 910 (repealing the consumptive demand exception); Congressional Research Service, *Section 307 and Imports Produced by Forced Labor*, IF11360 (updated 2026) (reporting 55 active withhold release orders and 8 findings as of January 2026).

[30]Uyghur Forced Labor Prevention Act, Pub. L. No. 117-78; U.S. Customs and Border Protection, *UFLPA Operational Guidance for Importers* (June 2022), https://www.cbp.gov/document/guidance/uflpa-operational-guidance-importers.

[31]U.S. Customs and Border Protection, *Forced Labor Enforcement Operational Guidance for Importers*, CBP Pub. No. 5560-0526 (June 2026), https://www.cbp.gov/sites/default/files/2026-06/fld_importer_guidance_final_06092026_0.pdf (superseding the 2022 UFLPA guidance and consolidating Section 307, UFLPA, and CAATSA enforcement);.

[32] Office of the United States Trade Representative, *Report on the Section 301 Investigation into Forced Labor* (June 2, 2026), https://ustr.gov/sites/default/files/files/Press/Releases/2026/USTR%20Report%20Sec%20301%20FL%20301%206-2-26%20FINAL%20for%20upload.pdf.

capacity, supply-chain visibility, controls and recordkeeping, that the conduct-based regime demands. Strong governance is necessary to satisfy the proof standard, even if it is not sufficient. The CBP and European Commission guidance documents issued within weeks of each other in mid-2026 reveal the competing visions directly, and satisfying one framework does not satisfy the other: multinational companies will increasingly need to operate under both models simultaneously.[33]

The fragmentation now runs within jurisdictions as well. The EU Forced Labour Regulation, applicable from December 2027, prohibits placing on or exporting from the Union market any product made with forced labor—in all sectors and as an obligation of result rather than effort: a best-in-class due diligence program that identified forced labor in the supply chain but failed to eliminate it earns no relief from possible sanctions.[34] The same company, for the same supply chain, thus faces an effort-based due diligence duty under the CSDDD and a strict, result-based prohibition under the Forced Labour Regulation—divergence not merely between Brussels and Washington but within the EU's own architecture.

The Limits of the Domestic Political Retreat

Amid a broader pullback from ESG, some US companies have grown quieter about their human rights and sustainability programs (greenhushing).[35] That can feel like a rational response to a changed enforcement climate, but the external risk landscape has not followed suit: forced labor enforcement at the US border is intensifying, not receding; CSDDD obligations remain on track for 2029 and continue to apply to US companies above the applicable thresholds; and the Forced Labour Regulation's strict prohibition arrives in 2027. Companies that reduce human rights programs in response to domestic political signals while remaining exposed to external obligations are accepting governance risk that may not become visible until an enforcement action or supply chain disruption forces it into view.

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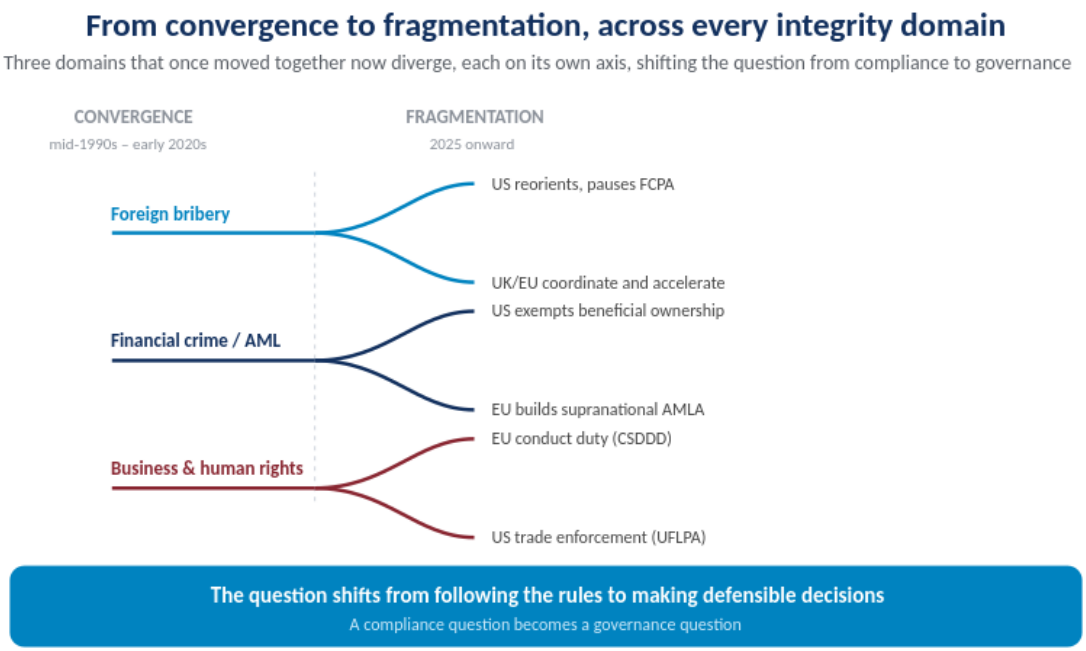
[33] Drimmer, Aftab, Cana & Weiss, *supra* note 6.

[34] Regulation (EU) 2024/3015 of 27 November 2024 on prohibiting products made with forced labour on the Union market (applicable 14 December 2027); European Commission, Guidelines on the application of Regulation (EU) 2024/3015 (July 2026); *see* Drimmer, Aftab, Cana & Weiss, *supra* note 6.

[35] Bloomberg Law, *'Greenhushing' Emerges as Anti-ESG Pressures Mount for Companies* (Feb. 2025); ESG Dive, *4 Trends That Will Shape ESG in 2026* (Jan. 8, 2026) (documenting companies deliberately downplaying or concealing sustainability programs in response to political scrutiny).



From Compliance to Governance

The consequence of fragmentation is that integrity overall, particularly for global companies, has become a governance challenge layered on top of compliance. In the anti-corruption and financial crime domains, a program calibrated to the enforcement posture of any single regulator is mis-calibrated by design: the Department of Justice's reorientation does not bind the SFO, the PNF, or the Anti-Money Laundering Authority, and conduct the United States declines to pursue may remain squarely within the jurisdiction of an increasingly coordinated European enforcement web. Following each rule remains necessary, as enforcement of individual regimes is intensifying, not relaxing, but the harder problem is making defensible decisions when the rules themselves conflict. Compliance asks whether the company is following the rules. When the rules conflict, are absent, or are administered by regulators with different priorities and evidentiary expectations, the operative question becomes how the company makes defensible decisions—a governance question. The durable response is to build governance capacity that holds across regulators and regimes rather than calibrating to any one of them.

Human rights present the same problem and the same answer. Companies whose human rights programs were built to satisfy specific disclosure requirements or respond to specific regulatory mandates are not equipped for an environment in which those requirements are unstable, contradictory, and enforced through divergent logics. Tracking each new signal, jurisdiction by jurisdiction, produces programs that are always catching up and rarely coherent. A more durable approach builds governance capacity that holds regardless of regulatory stability—drawing on the structural complementarities described in Section II and integrating both disciplines into the company's broader risk assessment and governance structures.

IV. The Case for Holistic Integrity: Human Rights and Anti-Corruption as Complementary Functions

The preceding sections have shown that fragmentation across both conventional integrity and human rights has turned integrity into a governance problem, one that no program calibrated to a single regulator can solve. What follows is the response: the case for integrating anti-corruption and human rights as a practical answer to the problem, grounded in how these risks behave and how the work of managing them is done. It

also lays the groundwork for the practical convenings and tools C4I will develop to help companies build cohesive programs.

A governance challenge requires governance capacity: the ability to make coherent decisions across functions and maintain a consistent posture when external signals pull in different directions. That is hard when the relevant functions are not talking to each other. Anti-corruption compliance and human rights due diligence remain distinct disciplines, typically housed in different parts of the corporation—a separation that persists even though, as Section II describes, the two now share a single, risk-based compliance architecture.

Integrating them is now as much a structural inevitability as a matter of good practice. The goal is not consolidation: the compliance function and the human rights function bring different expertise, regulatory obligations, and stakeholder relationships to the table. But both address overlapping risks through similar tools—risk-based due diligence, third-party screening, governance monitoring, escalation protocols—and running those tools in parallel silos produces a less complete picture of corporate risk than running them in coordination. The integration this paper suggests is lateral: shared strategy, shared information flows, coordinated governance, and common frameworks for making decisions when regulatory demands pull in different directions.

There is also an institutional argument, particularly relevant now. Human rights programs built primarily within ESG or sustainability functions are exposed: eleven state anti-ESG laws were enacted in 2025 alone, litigation over ESG-based proxy advice is underway, and some companies across sectors are reducing the visibility of sustainability programs under political pressure.[36] That pressure is largely absent from the anti-corruption and integrity space—FCPA enforcement has shifted, but the compliance framing has proven durable. Human rights programs grounded in risk management and legal obligation are better positioned than those justified primarily by disclosure frameworks or stakeholder expectations. In a volatile political and regulatory environment, programs that can articulate a clear risk-management rationale are harder to dismantle without creating visible gaps in the company's broader governance posture.

Nor is integration a novel proposal. The OECD Guidelines, the most widely referenced international standard for corporate conduct, already treat human rights, anti-corruption, and environmental responsibility as dimensions of a single governance obligation assessed through a unified risk-based due diligence framework,[37] and the UN Global Compact frames the same domains as a single set of commitments its signatories undertake.[38] Companies oriented around the OECD framework are already working this way; the opportunity is to make that convergence explicit and extend it into governance structures, information flows, and decision-making.

V. Lessons for Practitioners

The preceding analysis points to a single operational conclusion: companies should consider the benefits of managing the full panoply of integrity risk through an integrated architecture rather than in isolation. As corporate human rights responsibility has broadened—reaching deep into the upstream value chain—the expectations placed on companies have come to mirror those of the conventional compliance disciplines, and the legal exposure has hardened in step. The case for integration rests on four practical propositions

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[36] *See* Pleiades Strategy, *2025 Statehouse Report* (documenting eleven anti-ESG bills enacted by US states in 2025); ESG Dive, *US States Have Passed 11 Anti-ESG Bills in 2025 So Far* (July 2025); Tex. S.B. 2337 (2025) (restricting proxy advice based on ESG considerations and prompting First Amendment litigation by Glass Lewis and ISS).

[37] OECD Guidelines for Multinational Enterprises, *supra* note 15.

[38] UN Global Compact, The Ten Principles of the UN Global Compact, https://unglobalcompact.org/what-is-gc/mission/principles.

that together make an integrated program more efficient to build, more accurate in what it detects, and, for the most material harms, the only approach that captures the risk in full.

Four Propositions for an Integrated Program:

1) ***Shared risk proxies:*** corruption and human rights risk are strongly co-located, so tooling built to triage one can seed the other.
2) ***A common due diligence architecture:*** one OECD process covers human rights, labor, environmental, and bribery impacts alike.
3) ***Governance as a cross-cutting signal:*** how a counterparty manages one integrity risk predicts how it manages the others.
4) ***The most material harms are integrity crimes:*** forced labor and conflict financing are simultaneously human rights, corruption, and money-laundering problems.

First, *shared risk proxies*. The central challenge of due diligence across a sprawling, multi-tier value chain is not the absence of information but its abundance; effective risk management depends on directing finite assurance resources where the risk is greatest. Corruption and human rights risk are strongly co-located, which means the tooling built to triage one can seed the triage of the other. Transparency International describes corruption and human rights abuse as mutually reinforcing, with over two-thirds of countries scoring below 50 on the Corruption Perceptions Index.[39] The jurisdictions at the bottom of the CPI overlap substantially with those at the bottom of the human rights indices: the International Trade Union Confederation's (ITUC) worst countries for workers largely coincide with Walk Free's highest-prevalence forced labor jurisdictions.[40] Nor is the relationship merely visual: a cross-country study of 146 jurisdictions finds country-level corruption a highly significant predictor of modern-slavery prevalence.[41] For program design, this means existing corruption country-risk tiers are a defensible first-cut filter for human rights prioritization, and the reverse.

Second, *a common due diligence architecture*. The on-the-ground conduct of due diligence follows the same structure whether the target risk is corruption or human rights: risk assessment; third-party screening; a red-flag methodology; enhanced diligence and site-level verification where flags appear; audit; grievance channels; and remediation. That common structure is a feature of the governing standards, not a coincidence of practice: the OECD's Due Diligence Guidance applies one process to human rights, labor, environmental, and bribery impacts alike.[42] The mechanics, too, are shared: a labor-trafficking assessment and an anti-bribery assessment of the same supplier are, in practice, largely the same exercise.[43] The OECD's minerals guidance goes further still, addressing human rights abuses, support to armed groups,

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[39]Transparency International, *Corruption Perceptions Index 2024* (2025) (reporting that over two-thirds of countries score below 50 out of 100 and that billions of people live in states where corruption undermines human rights); *see also* Transparency International, *Corruption Perceptions Index 2021* (2022) (characterizing corruption and human-rights abuse as mutually reinforcing).

[40]*Compare* International Trade Union Confederation, *2025 ITUC Global Rights Index* (2025) (naming Bangladesh, Belarus, Ecuador, Egypt, Eswatini, Myanmar, Nigeria, the Philippines, Tunisia, and Türkiye the ten worst countries for workers, and rating conflict-collapsed states including Afghanistan, Libya, Somalia, and Yemen in its lowest tier), *with* Walk Free, *Global Slavery Index 2023* (2023) (finding the highest-prevalence countries to be conflict-affected, to practice state-imposed forced labor, and to have weak governance, and identifying Somalia, Libya, Iran, Eritrea, and North Korea as least responsive).

[41]Muhammad Nurul Houqe & Habib Zaman Khan, *Corruption, Sustainable Development Goals Performance and Modern Slavery Practices: An International Evidence*, 47 J. Acct. Literature 323 (2025) (finding, across 146 countries, that country-level corruption is a positive and highly significant predictor of modern-slavery prevalence, robust to instrumental-variable estimation); *see also* Michael Rauscher & Bianca Willert, *Modern Slavery, Corruption, and Hysteresis*, 64 Eur. J. Pol. Econ. (2020) (modeling forced labor as sustained by the bribery of corrupt inspectors).

[42]OECD Due Diligence Guidance, *supra* note 16.

[43]*See* Verité, *Corruption & Labor Trafficking in Global Supply Chains* (2013) (documenting that labor-trafficking and FCPA third-party due diligence share the same red-flag methodology, counterparty screening, and on-site assessment, and urging companies to fold labor trafficking into existing anti-corruption compliance programs).

bribery, and money laundering within a single diligence pipeline.[44] A company that has already built third-party screening, audit, and whistleblowing infrastructure for anti-corruption can therefore extend it to human rights at low marginal cost.

Third, *governance as a cross-cutting signal*. Because the quality of a counterparty's control environment is largely domain-general, assessing how a supplier or business partner manages one integrity risk yields a reliable signal about how it manages the others. The same institutional deficits that permit bribery tend to permit labor abuse: Walk Free treats corruption not as one risk factor among many but as a systemic failure that undermines a government's entire response to modern slavery—a shared governance driver that operates no less at the level of the firm.[45] It manifests concretely in the field: assessments undertaken for one integrity risk routinely surface the others—a corruption review of a labor broker exposes recruitment abuses; a labor audit exposes facilitation payments.[46] Diligence into a partner's anti-corruption governance is thus not wasted when the concern is labor rights; it is partial evidence already in hand.

Fourth, *the most material human rights harms are integrity crimes*. Two of the most material cross-sector human rights exposures, forced labor and the financing of conflict, are not merely analogous to integrity risks; they are integrity crimes. Forced labor and human trafficking are predicate offenses for money laundering: the ILO estimates that forced labor generates on the order of US$150 billion in illegal profits annually, FATF has mapped how those proceeds are laundered, and forced labor is itself frequently enabled by bribery in the recruitment corridors that feed it.[47] The conflict nexus is the same story in a different commodity: the trade in minerals from conflict-affected areas finances armed groups and launders the proceeds, conflict gold being the paradigm case, so that the OECD frames minerals due diligence as addressing human rights abuse, armed-group financing, and financial crime at once, often alongside sanctions exposure where those groups are designated.[48] For these highest-materiality harms, a single set of facts triggers human rights, anti-corruption, anti-money-laundering, and sanctions obligations simultaneously. Treating them in separate silos does not merely duplicate effort; it guarantees blind spots, because no single lens sees the whole of the risk.

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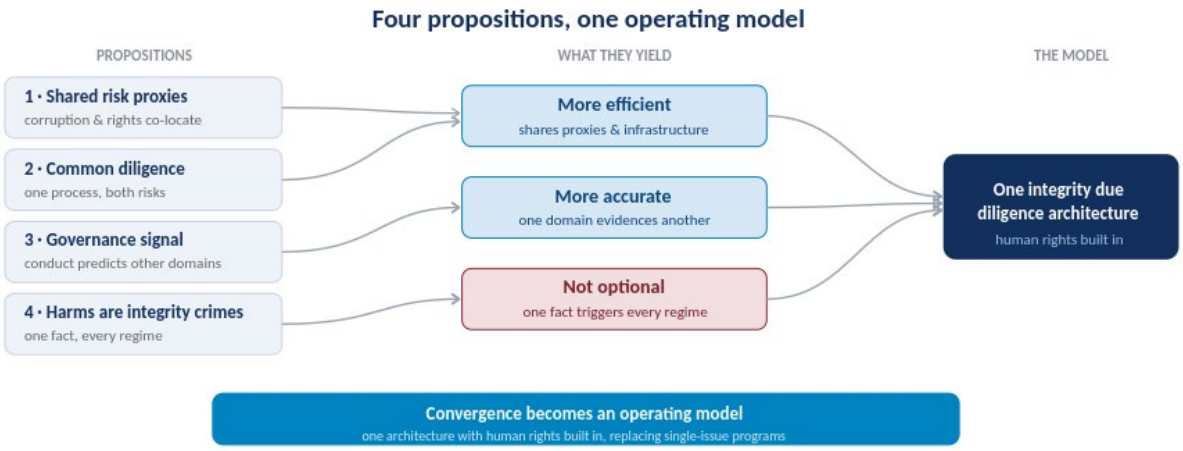
[44]OECD, *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* annex II (3d ed. 2016) (setting out one risk taxonomy spanning serious human-rights abuses including forced labor, support to non-state armed groups, and bribery, money laundering, and fraudulent misrepresentation of the origin of minerals).

[45]*See* Walk Free, *Global Slavery Index 2023: Methodology* (2023) (treating corruption and complicity as systemic failures that undermine a government's entire response to modern slavery); *cf. Evaluation of Corporate Compliance Programs*, *supra* note 1 (assessing program culture, resourcing, and accountability as cross-cutting markers of program quality).

[46]*See* Verité, *Corruption & Labor Trafficking in Global Supply Chains*, *supra* note 41 (reporting that on-the-ground assessments undertaken for one integrity risk routinely surface the others).

[47]Financial Action Task Force & Asia/Pacific Group on Money Laundering, *Financial Flows from Human Trafficking* (2018) (identifying human trafficking, including for forced labor, as a predicate offense for money laundering, and citing an ILO estimate of roughly US$150 billion in annual illegal profits); *see also* Verité & Freedom Fund, *An Exploratory Study on the Role of Corruption in International Labour Migration* (2016) (finding bribery and corruption to be structural features of the migrant-labor recruitment corridors that produce forced labor).

[48]OECD Minerals Guidance, *supra* note 42 (framing minerals due diligence as avoiding contribution to human-rights abuses, revenue to armed groups and organized crime, and links with financial crime); The Sentry, *Understanding Money Laundering Risks in the Conflict Gold Trade* (2020) (documenting conflict gold from the DRC, South Sudan, Sudan, and the CAR as a money-laundering vehicle for armed groups, criminal networks, and corrupt actors); Report from the Commission, COM (2024) 415 final (2024) (describing forced labor, exploitation by armed groups, bribery, and money laundering as co-located artisanal-mining risks in the DRC).



Taken together, these propositions convert convergence from an observation into an operating model. Integration is more efficient, because it shares risk proxies and diligence infrastructure across domains; it is more accurate, because a counterparty's governance in one domain is evidence of its conduct in another; and for the harms that matter most, it is not optional, because those harms are simultaneously human rights, corruption, and money-laundering problems that no siloed program can fully apprehend. Rather than running parallel, single-issue programs, companies should build one risk-based integrity due diligence architecture with human rights embedded within it from the outset.

Case Study: Airbus

To illustrate these points along with practical examples of their implementation, we draw from Airbus's approach to integrated anti-corruption and human rights practices in the period following its 2020 foreign bribery resolution. Airbus offers a useful illustration of the progress that is possible and the limitations created by a fragmented regulatory environment.

The company operates across commercial aircraft, defense, space, and helicopter divisions, with sales spanning many jurisdictions and supply chains running through high-risk geographies. Decades of intense multi-jurisdictional enforcement, blended with the massive scale of government contracts, have led defense and aerospace companies like Airbus to operate under some of the most mature and well-resourced anti-corruption compliance programs. Yet human rights due diligence in the defense divisions of these companies remains varied. Due diligence expectations also fall unevenly within a single corporate group: the defense sector faces distinctive, and in some respects narrower, downstream human rights due diligence treatment than commercial activity, so a defense business and a commercial-aviation business under same parent may carry different obligations.[49] The result is a sector with sophisticated compliance infrastructure that has not always extended to human rights risks at the same pace or depth.

[49] Baydas L. Human Rights Due Diligence Within the Arms Industry: Challenges, Practices and Opportunities. *Business and Human Rights Journal*. 2026;11(1):103-109. doi:10.1017/bhj.2025.1.

For Airbus, every defense product sales campaign goes through anti-corruption due diligence, led by the compliance function. For selected campaigns, that review is extended to include human rights checks embedded in the export licensing process by the export control team. To assess the risk of potential misuse of defense products in violation of human rights and international humanitarian law, Airbus has integrated a human rights due diligence process ahead of its export control compliance program: an assessment of product and country risk that enables a cross-functional top management decision before progressing to the export control stage.

Rather than treating human rights due diligence as an entirely new compliance burden, this process takes a risk-based approach and leverages robust structures already established for anti-corruption. The opportunity is particularly pronounced in aerospace and defense: defense portfolios inherently carry distinct, high-stakes risks under international humanitarian law and human rights law that demand specialized assessment, while CSDDD obligations provide only uneven external pressure.

A third party engaged through the supply chain or as a customer who is flagged for anti-corruption due diligence is thus assessed through the same digital tool that screens for human rights risk, with findings visible across functions. A whistleblower channel similarly consolidates reporting across all integrity violation types—fraud, corruption, human rights abuses, and whistleblower retaliation—into a single mechanism, helping ensure that issues that might go undetected in any one function alone are captured and routed through a single process.[50]

In one instance, after review of an alert initially categorized as a potential human rights breach, an associated business ethics component was identified and addressed by the compliance team—the kind of connection a siloed structure would likely have missed.

This approach reflects a deliberate governance philosophy. Rather than calibrating its compliance posture to the anticipated next enforcement action, the company has built processes and tools designed for resilience—intended to absorb regulatory shifts rather than be retrofitted each time the landscape changes—with cross-functional collaboration treated as an operational requirement.

Airbus's experience points to several considerations for compliance and human rights leaders in the aerospace and defense sectors. Shared due diligence infrastructure is achievable and creates real efficiencies. It does not on its own resolve when a human rights review is applied, which remains a governance judgment each company must make without clear regulatory guidance. And the absence of binding human rights due diligence obligations for defense companies means that extending human rights review to the full scope of anti-corruption due diligence depends on internal advocacy and board-level commitment rather than external compulsion.[51]

Airbus is a C4I corporate supporter. This case study was prepared by C4I based on interviews with the company and reviewed by Airbus for factual accuracy.

VI. CONCLUSION

The frameworks that governed corporate integrity for a generation are changing. While companies could once assume that the major economies were moving toward a shared set of expectations, and they could design programs on that assumption, that assumption has shifted on both the anti-corruption and human rights tracks, though to varying degrees. Foreign bribery enforcement increasingly depends on which enforcer's priorities apply, as US enforcement narrows and European authorities coordinate and press ahead; beneficial ownership transparency means one thing in Brussels and another in Washington; and a single supply chain can face an effort-based due diligence duty in Europe and a strict, result-based prohibition at the American border. The companies that treated each of these as a discrete compliance

[50] *Ibid*.

[51] Notably, Airbus is committed to acknowledging receipt of complaints within seven days, including those raised by third parties, such as contractors, direct or indirect suppliers, and local communities around Airbus's sites

problem, to be met with its own program and its own team, are discovering that the problems do not stay in their assigned boxes.

The right response is to start building systemic governance capacity that holds despite regulatory shifts rather than reacting jurisdiction by jurisdiction. The case for doing this is not aspirational but is in response to how these risks behave. Corruption and human rights abuses cluster in the same places, run through the same suppliers, and surface in the same audits. The tools for finding them are the tools a mature compliance function already owns. For the harms that carry the most exposure, forced labor and conflict financing, the human rights problem and the integrity crime are one and the same, reaching anti-corruption, anti-money laundering, sanctions obligations, and human rights together. A program that examines those facts through any singular lens will miss part of the systemic picture.

None of this requires companies to build something from nothing. The OECD Guidelines and the UN Global Compact already treat these domains as one governance obligation, and the firms that have organized around that model are already working this way. The task is to make the connection deliberate: to share the risk assessments, connect the information flows, and give the teams who manage these functions a common basis for decisions when regulatory demands pull in different directions. Companies that do this will spend less, see more, and prove harder to knock off course when the political winds shift against any one program. The Coalition for Integrity will build on this analysis with practical tools and convening to help companies put an integrated integrity architecture into operation.

In the current environment, the pressure to retreat is real, but the external obligations have not receded. Forced labor enforcement is intensifying and the CSDDD remains on track. Quieting a human rights program in response to political signals does not reduce a company's exposure when the obligations remain; it only reduces the company's visibility into that exposure. The more durable path is to ensure complementary human rights and integrity architecture that can manage the whole of the company's integrity risk as the single governance challenge it has become.



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