DKSH advances Human Rights Due Diligence Across Asia Pacific



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Which SPP thematic track does your case study align with? People

Where does your case study sit within the procurement lifecycle?

- Assess Suppliers
- Evaluate Risk

What was the core challenge you were facing, and what was the context?

The healthcare sector relies on a large and complex value chain spanning multiple markets, suppliers, and service providers. As customers strengthened their due diligence expectations to align with evolving European human rights and sustainability requirements, DKSH Healthcare needed to systematically assess and manage risks across its Asia Pacific supplier network. With the region recognized as having exposure to certain labour, human rights, environmental, and business ethics risks, the challenge was to implement standardized assessment practices to demonstrate responsible supply chain management to customers and other stakeholders.

What approach did you take to tackle the challenge?

To address this challenge, DKSH Healthcare adopted a structured human rights due diligence approach aligned with PSCI principles and customer expectations.

We raised awareness and built internal capabilities through targeted education and engagement across procurement and business functions. Human rights considerations were embedded into supplier onboarding, screening, and procurement processes, including risk assessments and due diligence for new vendors. Suppliers were required to acknowledge our Business Code of Conduct, which incorporates human rights expectations. Internally, we established a cross-functional Human Rights Task Force and launched a Human Rights Policy endorsed by senior leadership. We also conducted value chain and supplier risk mapping based on ILO principles, enabling us to identify higher-risk areas and focus due diligence efforts where risks were most material, while aligning with PSCI audit standards.

Who was involved and how did you build buy-in (or not)?

Buy-in was built through a cross-functional Human Rights Task Force comprising representatives from procurement, sustainability, compliance, legal, HR, and key business functions. The initiative was sponsored by senior leadership, helping position human rights risk management as a business priority rather than a compliance exercise. Externally, value chain partners participated through risk assessments and due diligence activities. From a PSCI-aligned audit standpoint, support was driven by increasing client expectations and the recognition that effective human rights management is essential to maintaining trust, resilience, and responsible business practices across the value chain.

What was the outcome, and how did you measure the impact?

The initiative resulted in a stronger and more consistent approach to human rights due diligence and supplier risk management across our Asia Pacific operations. Impact was measured through third-party PSCI-aligned audits conducted in Laos (2023), Cambodia (2024), Thailand (2024), Malaysia (2025), and Hong Kong (2026). Across the five audits, only five findings were identified, with Cambodia and Hong Kong achieving zero findings. Findings identified in Laos, Thailand, and Malaysia were addressed through corrective action plans and successfully closed, demonstrating continuous improvement and the effectiveness of the controls implemented. Furthermore, our EcoVadis Labour & Human Rights score improved significantly from 70/100 in 2022 to 88/100 in 2025 and 2026, reflecting stronger governance, due diligence processes, and human rights management practices across the value chain.

This is a community-sourced case study
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What was the cost or investment required, and what have been the expected (or unexpected) business trade-offs or benefits?

Investment primarily covers internal expertise and staff time, complemented by local human rights specialists for market-level impact assessments. Resources also support capacity building, stakeholder engagement, and integration of human rights considerations into existing business processes and systems. Beyond regulatory readiness and risk management, participation in PSCI audits helps drive consistency in assessment outcomes across clients, reducing audit duplication and enabling a more harmonized approach to responsible business practices.

What were the key success factors?

Several factors contributed to the success of the initiative. Strong leadership support helped position human rights due diligence as a business priority and drive accountability across functions. Cross-functional collaboration between procurement, sustainability, compliance, legal, HR, and operational teams enabled human rights considerations to be embedded into existing processes. Alignment with internationally recognized frameworks, including the UN Global Compact Ten Principles, UN Guiding Principle on Business and Human Rights (UNGPs), PSCI Principles, and ILO standards, provided a clear foundation for implementation. Participation in the UN Global Compact Accelerator Programme further strengthened internal capabilities. Finally, value chain risk mapping enabled a targeted, risk-based approach, allowing resources and due diligence efforts to focus on the most material risks.

What was the "ugly truth" you encountered & what would you do differently next time?

The "ugly truth" was that implementing human rights due diligence across a large and complex value chain is far more resource-intensive than expected. Collecting reliable value chain information, aligning different functions, and translating broad human rights commitments into practical actions required sustained engagement and change management. We also found that value chain awareness varied significantly, making a one-size-fits-all approach ineffective. Looking back, we would have invested earlier in value chain risk mapping and stakeholder education to better prioritize efforts and build a common understanding of expectations. Our advice is to start with the most material risks, leverage existing processes, and focus on continuous improvement rather than pursuing perfection from the outset.

How would you recommend those with fewer resources approach this?

Organizations with limited resources can start small by focusing on their highest-risk suppliers, geographies, or business activities rather than assessing the entire value chain at once. Existing tools and processes, such as supplier onboarding, codes of conduct, and procurement reviews, can be leveraged to integrate basic human rights due diligence without significant additional investment. Publicly available frameworks such as the UN Global Compact Ten Principles, ILO standards, and PSCI resources can provide practical guidance. A phased, risk-based approach allows companies to build awareness, strengthen governance, and progressively expand their efforts as capabilities and resources grow.

For whom would you recommend this initiative?

This initiative is recommended for any organization with an extensive value chain, complex supplier networks, or operations in geographies with elevated social, environmental, or governance risks. As regulatory requirements and stakeholder expectations around responsible business conduct continue to evolve, companies can benefit from adopting a structured, risk-based approach to human rights due diligence. The approach is particularly relevant for organizations seeking greater visibility into supply chain risks, stronger supplier engagement, and more effective management of potential human rights impacts, regardless of sector or sustainability maturity.