



Business & Human Rights  
Resource Centre

# **Rights-respecting renewable energy value chains: a business and human rights perspective**

18 November 2025

# About Business & Human Rights Resource Centre

Business & Human Rights Resource Centre is an international human rights organisation with the world's largest information hub on business & human rights in 11 languages. Founded in 2002 by a group of former human rights and environmental advocates, business people, and academics.

***With partners and allies worldwide, we seek to put human rights at the heart of business to deliver a just economy, climate justice, and end abuse.***

We seek to deliver our vision through three strategic goals:

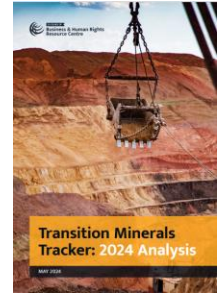
1. **Shared prosperity for society**
2. **Corporate duty of care for human rights and environmental justice**
3. **Safe and enabling environment in which communities can advocate for their rights, including through fair and free negotiations**



[Renewable energy benchmark](#)



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# Renewable energy and human rights benchmark

SEPTEMBER 2025



- The 2025 Benchmark assesses 35 leading companies across the renewable energy supply chain
  - *Human rights policies and practices*

Four key pillars:

- alignment with UN Guiding Principles on Business and Human Rights
- management of salient risk areas (land rights and labour rights etc.)
- the gap between company policy and practice
- low-carbon transition plans.

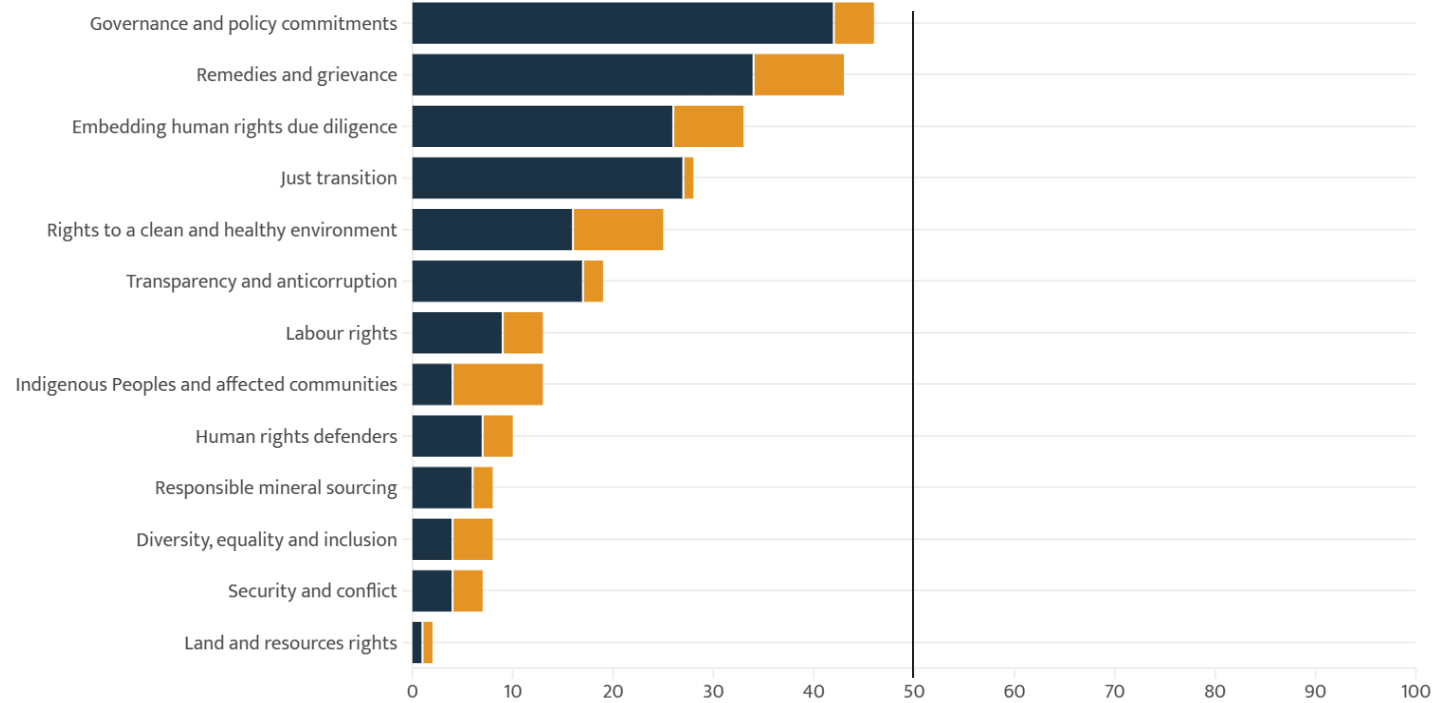
# 2025 Renewable Energy Benchmark: Key findings

1. **Wind and solar energy companies made progress on core human rights policies and practices in line with the UN Guiding Principles on Business and Human Rights** – with 18 out of 27 (67%) companies having improved or maintained their scores from the 2023 Benchmark.
2. **Scores remain very low on salient human rights issues** including land and resource rights, Indigenous Peoples' and affected communities' rights including benefit sharing, responsible mineral sourcing, and protecting human rights defenders.
3. **Project developers in the utility sector based in Europe continue to lead the pack, especially on core human rights policies and practices in line with the UN Guiding Principles on Business and Human Rights (UNGPs).**
4. **No company in the Benchmark currently publicly discloses its full solar supply chain**, which is a critical element in responding to risk of exposure to the severe issue of forced labour in Xinjiang Autonomous Uyghur Region, as referenced by UN experts.
5. **Oil and gas companies performed particularly poorly on share of capital expenditure for a low-carbon transition and climate emissions targets.** This is reflective of less ambitious emission targets and a recent refocus on oil and gas development.

# Where have companies made the most progress?

Average scores have increased across all themes in 2025 - but the average score is still below 50% even in the highest-scoring theme.

■ 2023 average score ■ Average score increase in 2025



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# 2025 Renewable Energy Benchmark: Deep dives

1. **Renewable energy companies should engage with their mineral supply chains and associated human rights abuses, or risk experiencing disruptions and delays, as the risk of social conflicts and litigation are mounting** – with long term consequences for the renewable energy sector. This remains nascent practice for most companies.
2. **Centring respect for Indigenous Peoples' rights in wind and solar operations is key** to follow international norms and manage risks of financial, legal, reputational and operational damage of conflict when Indigenous Peoples' rights are not respected.
3. **Meaningful engagement with communities has improved across the sector**, but companies should increase their focus on **shared prosperity**, building and retaining public support through **more inclusive and participatory business models**.
4. **Protecting human rights defenders (HRDs) and speaking out in defence of civic freedoms** – which are increasingly threatened – should not be considered a 'nice-to-have' policy and practice, but rather essential to build the sector's sustainability. The wind and solar sectors overall show relatively fast progress in adoption of policies on HRDs.

# Shared prosperity deep dive

**An encouraging start on shared prosperity, but this must translate into achieving the needs and aspirations of communities.** While there has been clear improvement on meaningful engagement with communities, companies must make progress on benefit sharing agreements that will see tangible results for communities.

*“ We see shared prosperity as...being able to leverage the opportunity for sharing positive benefits for the value created locally but also the value it creates for accelerating the transition. If done well, it is not a cost added to the green electron, but an element required to ensure deliverability.”*

**Adele Tharani**, Social Sustainability Manager, Ørsted

- No company has a formal policy commitment in place. Two project developers have better practices in place (Ørsted and Brookfield Renewables)
- Iberdrola recognises that communities have a right their own priorities in terms of how they may benefit from projects. In Scotland, the company has Community Energy Funds



# Shared prosperity : Recommendations

## Recommendations

- ➔ **Adopt a commitment to identify potential benefit and ownership sharing options** with affected communities and Indigenous Peoples, including through exploring co-ownership models.
- ➔ **Strengthen internal capacity and knowledge**, including at Board and senior management level and in sustainability departments on shared prosperity business models. Ensure engagement processes are well-planned and resourced.
- ➔ **Prioritise communities' right to decide on their own priorities** regarding how they may benefit from projects – refrain from adopting a 'one size fits-all' approach.



Annual RE investment is expected to increase exponentially, **much of it on IP lands and territories**. Indigenous Peoples must be at the forefront of the Just Transition

Highlighting practical examples of benefit-sharing and co-ownership, as well as lived experience of IPs, the opportunity of these business models, and their challenges and risks.

# Shared prosperity report: Findings

1. **Shared prosperity models are not CSR initiatives** - viable alternative non-extractive models, incl. co- ownership and co-management
2. **Benefit sharing does not replace FPIC** or other IPs Rights – benefit sharing must be premised on the collective consent of the affected Ips
3. **Trust, flexibility, fair negotiations and respect** are key components in moving forward
4. No **one-size-fits-all** approach, but there are clear central principles:
  - *Shared Prosperity*
  - *Corporate Human Rights due diligence*
  - *Fair negotiations*



# Shared prosperity report: Other findings

**Most experiences are currently in global North**  
*(Canada, US, Australia, N Zealand)*

*Growing interest in co-ownership in Colombia*  
*(e.g. Terra Initiative) and India, experiences of IPs*  
*leadership in RE: Cameroon, Guatemala, Nepal,*  
*Malaysia*

**Co-ownership can lead to better human rights outcomes, however, also presents risks**

**Social and financial risks for IPs include:**

- Lack of expertise in technical and managerial aspects may hinder fair participation
- Equity co-ownership does not guarantee benefits or financial returns

Additional complexity and upfront investment needed from RE Companies



**Benefits for IPs and RE companies:**

- Strengthening of community pride, affirmation of IPs' rights, employment, income, local infrastructure, energy literacy
- Effective IPs participation in decision-making, economic benefits
- Cultural preservation, mutually respectful relationships, better project design
- **For companies:** competitive advantage, reduction of risk, project stability

# Role of companies & investors

## Common pitfalls of benefit-sharing approaches

- ▶ Top-down pre-determined approach, with pre-determined benefits
- ▶ Ad-hoc CSR programs aimed at securing project approval of community members
- ▶ One-size fits all approaches to benefit-sharing
- ▶ IPs' decision-making systems and governance structures not fully understood or respected

## Good Practice regarding IPs benefit-sharing

- ▶ Co-create project, including the co-identification of benefits, in accordance with IPs' worldviews, priorities, and customary laws
- ▶ Binding agreements aligned with the long-term vision of IPs
- ▶ Adapted approaches to the specific situation, context, and priorities of the IPs in question
- ▶ All rightsholders and decision-makers need to be identified, including, where relevant, multiple IPs' representative institutions

▶ Rushed timelines seeking to get approval as fast as possible

▶ Respect IPs' own timelines, including allotting sufficient time to fully analyse information, make informed decisions, and build trust

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▶ Lack of funding for FPIC processes and effective participation in decision-making

▶ IPs have access to sufficient funding to convene, access capacity and advice, develop FPIC protocols, and ensure their full implementation

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▶ Lack of capacity and understanding of IPs' rights among company staff

▶ Company board, management, and staff should have sufficient capacity building regarding IPs' rights, history, culture, and decision-making structures

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▶ Lack of broader IPs community engagement

▶ Involve broad IPs community engagement, including with elders, women and youth, to incorporate all their priorities and perspectives into decision-making and the identification of impacts and benefits

# Shared prosperity : Recommendations

## States

- Enabling environment + human rights fulfilment – to prevent coercion
- Direct funding for RE capacity building for IPs
- Require minimum IPs' equity ownership
- Equitable benefit-sharing as part of mandatory due diligence
- Public database of negotiated agreements to enable learning

## RE companies

- Policies with board oversight on due diligence, IPs' rights, FPIC and fair and equitable benefit-sharing, zero-tolerance to attacks of IP HRDs
- Fair and equitable benefit-sharing models (procedural and substantive elements)
- Structure tenders and contracts to require contractors to respect FPIC, and incorporate IPs' rights and interests and values

## Financial actors

- Evidence of FPIC and fair and equitable benefit-sharing where projects affect IP territories
- Develop financial vehicles supportive of fair and equitable benefit-sharing
- Directly support Indigenous-led RE projects, including those led by IP youth and women



# Thank you



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Indigenous Peoples  
and the Just Transition

## Exploring shared prosperity:

Indigenous leadership and  
partnerships for a just transition

