Problematic AI: Finding the Best Way Forward

How well do current regulations & policies address AI challenges?

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ARTICLE ONE

ABOUT ARTICLE ONE

We are a specialized strategy and management consultancy with expertise in human rights, responsible innovation, and sustainability.

What we believe

At Article One, we believe business can play a positive role in driving transformative change for society. This begins with respecting human rights, innovating responsibly, and transitioning business to be more sustainable and drive positive impact for people and planet. Throughout the journey, we seek to empower business to put people at the center of decisions at all levels.

What we do

We are trusted advisors working with leading companies and global organizations to identify challenges and pursue solutions that maximize positive impact while mitigating negative outcomes on business and society.
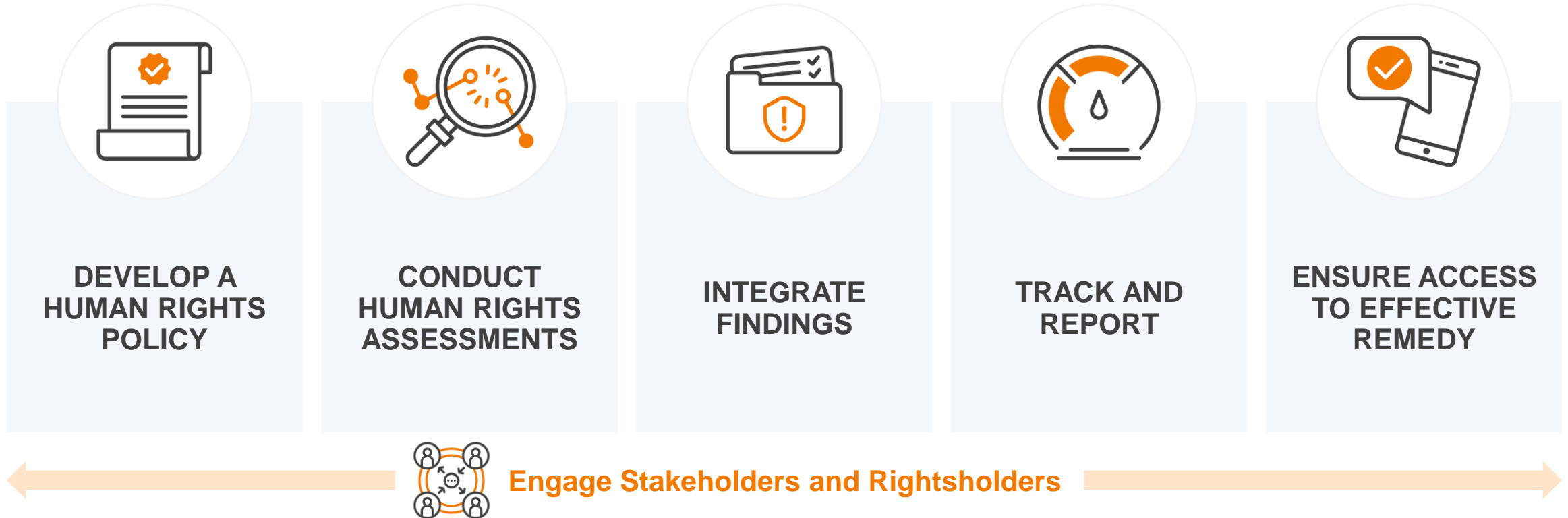
OUR VISION

Article One envisions a world in which business succeeds and all people are free and equal in dignity and rights.

OUR MISSION

Article One partners with the world's leading companies to drive transformative change that places people at the center of business.

UN GUIDING PRINCIPLES

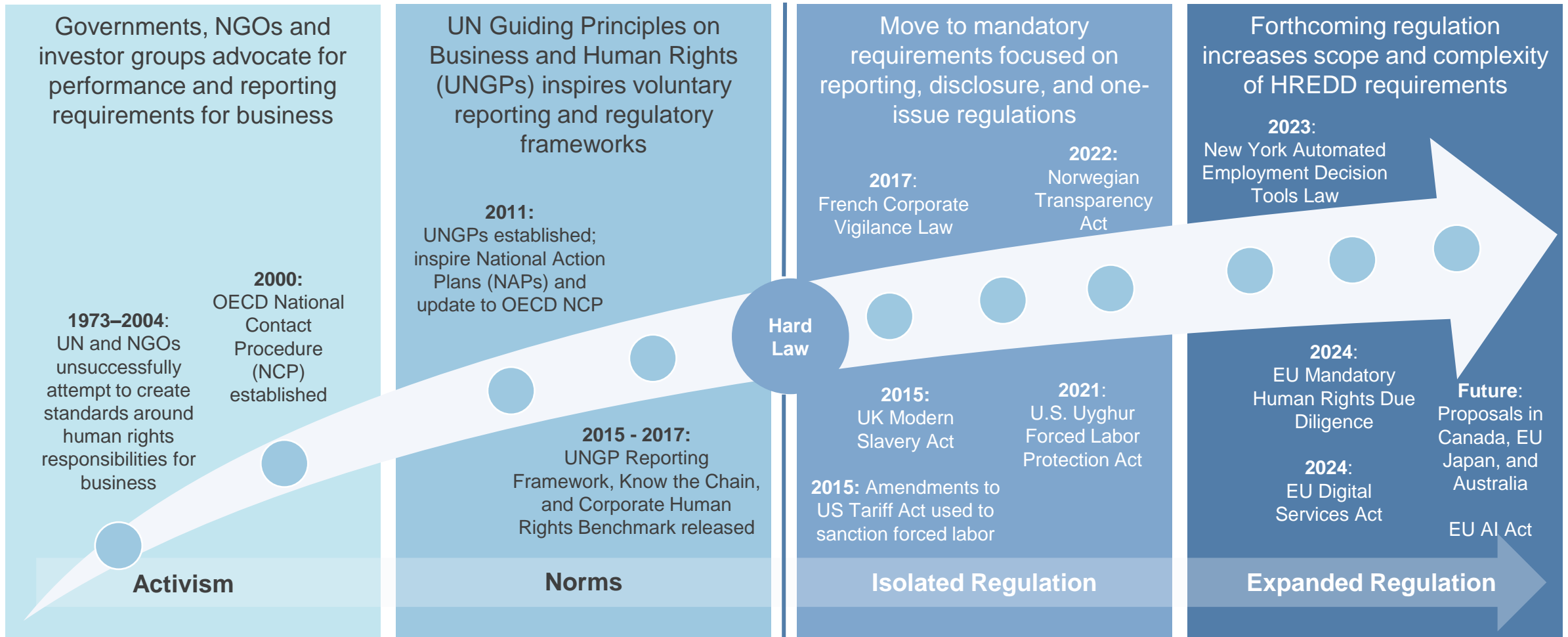The UN Guiding Principles ask companies to "know and show" respect for human rights by acting with due diligence.

DEVELOP A HUMAN RIGHTS POLICY

CONDUCT HUMAN RIGHTS ASSESSMENTS

INTEGRATE FINDINGS

TRACK AND REPORT

ENSURE ACCESS TO EFFECTIVE REMEDY

Engage Stakeholders and Rightsholders

Source: United Nations

INCREASING REGULATORY DEMANDS INTERSECT WITH AI

Soft norms related to business and human rights are increasingly hardening into legally mandated requirements for due diligence, governance, stakeholder engagement, and remedy.

| Governments, NGOs and investor groups advocate for performance and reporting requirements for business | UN Guiding Principles on Business and Human Rights (UNGPs) inspires voluntary reporting and regulatory frameworks | Move to mandatory requirements focused on reporting, disclosure, and one-issue regulations | Forthcoming regulation increases scope and complexity of HREDD requirements |

2000: OECD National Contact Procedure (NCP) established

1973–2004: UN and NGOs unsuccessfully attempt to create standards around human rights responsibilities for business

2011: UNGPs established; inspire National Action Plans (NAPs) and update to OECD NCP

2015 - 2017: UNGP Reporting Framework, Know the Chain, and Corporate Human Rights Benchmark released

Hard Law

2017: French Corporate Vigilance Law

2022: Norwegian Transparency Act

2015: UK Modern Slavery Act

2021: U.S. Uyghur Forced Labor Protection Act

2015: Amendments to US Tariff Act used to sanction forced labor

2023: New York Automated Employment Decision Tools Law

2024: EU Mandatory Human Rights Due Diligence

2024: EU Digital Services Act

Future: Proposals in Canada, EU Japan, and Australia

EU AI Act

Activism

Norms

Isolated Regulation

Expanded Regulation

THE RISE OF AI PRINCIPLES

The last 5 years have seen a proliferation of efforts to develop principles for ethical and rights respecting AI.

THE CHALLENGE OF OPERATIONALIZATION

Companies are focused on governance models to advance implementation of ethical principles.

Governance, implementation, & reporting

Note: This peer comparison is based only on publicly available information.

		salesforce	Microsoft	CISCO	Adobe	Google	Hewlett Packard Enterprise	workday	SAP
Remediation	Does the company commit to and/or describe how it will remediate any harm caused by their technology?		✓	✓	✓				
Company governance and oversight	Has the company set up a system of governance to oversee the implementation and enforcement of their principles?	✓	✓	✓	✓	✓	✓	✓	✓
Development of tools	Has the company developed any relevant tools to help implement the principles internally, or ethical practices more generally for an external audience?	✓	✓			✓	✓		✓
Processes at engineering level	Has the company developed any processes at the engineering level to ensure the implementation and enforcement of their principles?	✓	✓	✓	✓	✓		✓	
Ethics training	Does the company give any training to their employees on their principles?	✓	✓		✓		✓	✓	
External engagement	Does the company engage with external stakeholders, such as academics, CSOs, or government?	✓	✓	✓	✓	✓		✓	✓
External reporting	Does the company publish any public reporting on how they are implementing their principles?	✓	✓		✓	✓	✓		✓

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GOVERNANCE EXTENDING TO RESPONSIBLE USE OF AI

Companies that sell or deploy AI through partnership are increasingly focused on extending governance to due diligence for responsible product use. Several emerging strategies include:

Prohibitions on High-Risk Sales	• Maintaining lists of high-risk public sector entities where sales are prohibited, particularly key actors linked to conflict or human rights violations.
Foresight	• Engaging in scenario planning to map out rights-respecting responses and potential mitigations. • Planning for rights-respecting market entry as well as exits, including identifying triggers and red lines.
Sales Due Diligence	• Carrying out sales due diligence to identify end-users and customers. • Selling to enterprise-level customers only.
Leverage	• Exercising leverage through responsible use contract terms and use of human rights language in negotiations and advocacy efforts, including public affairs in the US and other relevant markets.

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