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**Intergovernmental Working Group of Experts on  
International  
Standards of Accounting and Reporting  
(ISAR)**

**35th SESSION**

24 - 26 October 2018

Room XVII, Palais des Nations, Geneva

Wednesday, 24 October 2018

Morning Session

**High-Level panel**  
**Key trends in accounting and reporting and their impact on  
sustainable and inclusive development**

Presented by

Steve Waygood

Chief Responsible Investment Officer, Aviva, and  
member of the EU High-Level Expert Group on Sustainable Finance

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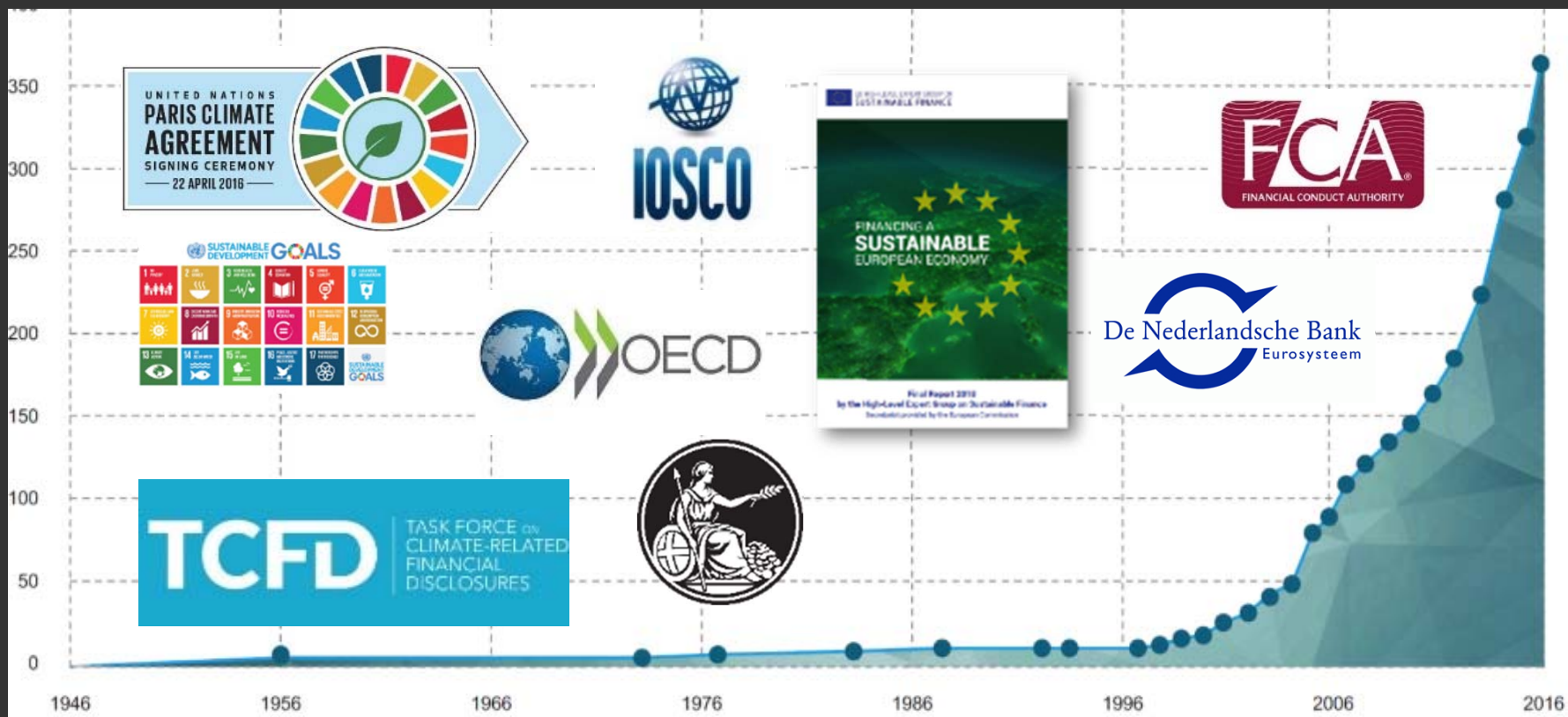


# Sustainability Policy & Regulation Inspiring New Growth : (SPRING)

**ISAR 35**

**24th October 2018**

# This trend is here to stay

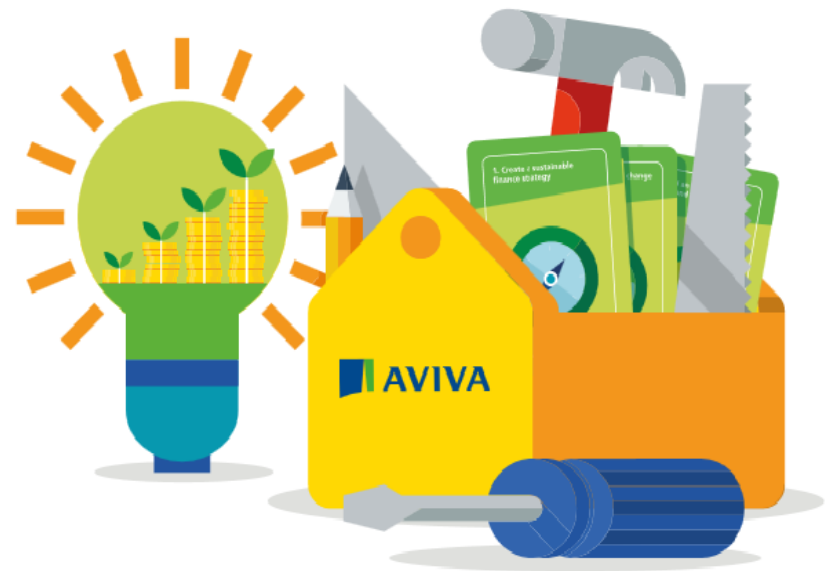


# Money Talks

## A sustainable finance policy toolkit

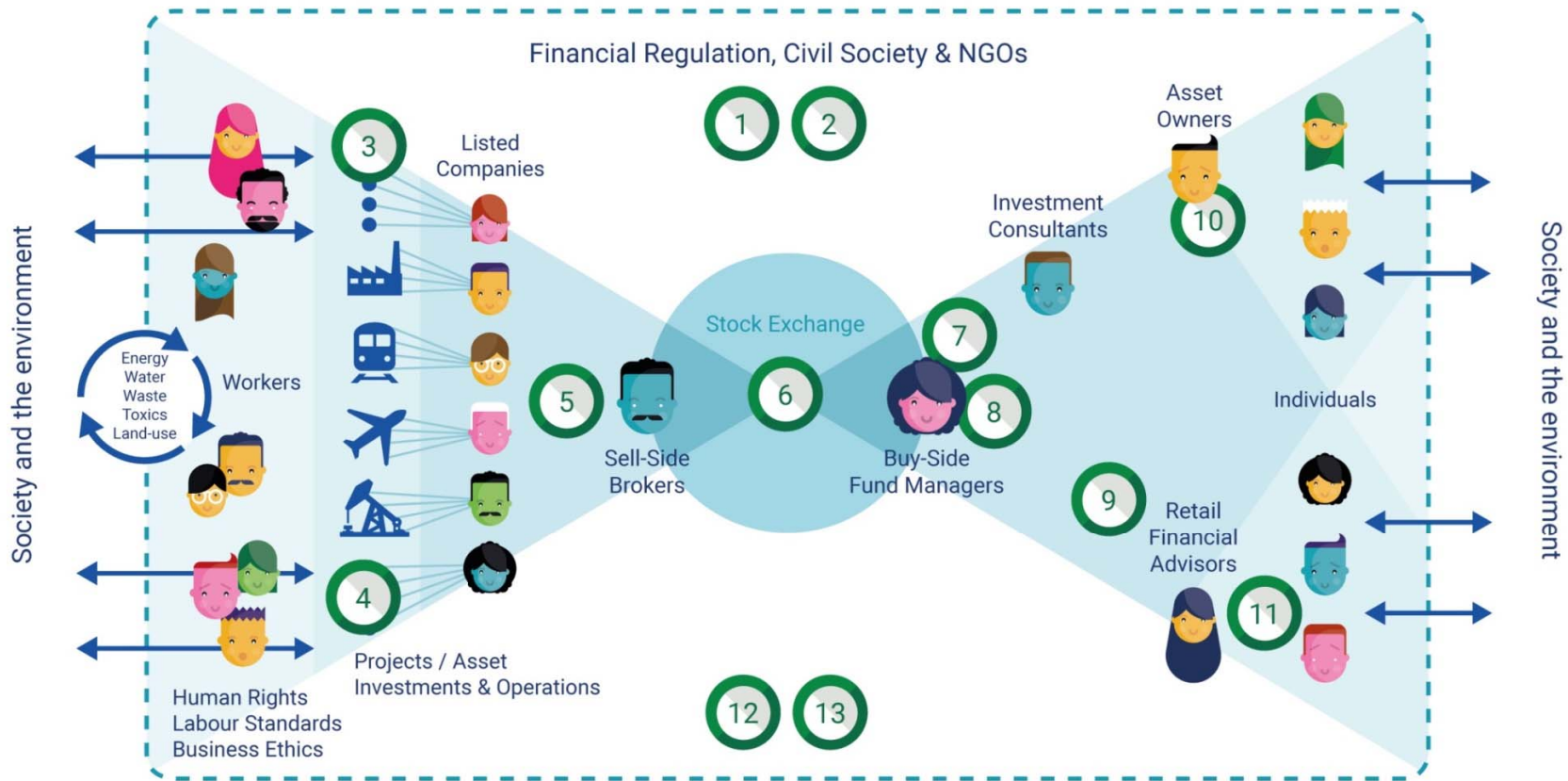
It's not enough to make the European economy more sustainable – we need a financial sector that can back it up. Sustainable finance is an idea whose time has come. This toolkit sets out ways to help make it happen.

[Get started](#)





# How your money is put to work



# Unlocking the power of companies through capital markets and society



[www.worldbenchmarkingalliance.org](http://www.worldbenchmarkingalliance.org)

The UN Sustainable Development Goals set out the future we want. The private sector will be central to their success.

The World Benchmarking Alliance will develop, fund, house and safeguard publicly available corporate SDG performance benchmarks.

Free corporate benchmarks aligned with the SDGs will help companies, investors and others drive change by raising awareness and promoting a corporate race to the top.

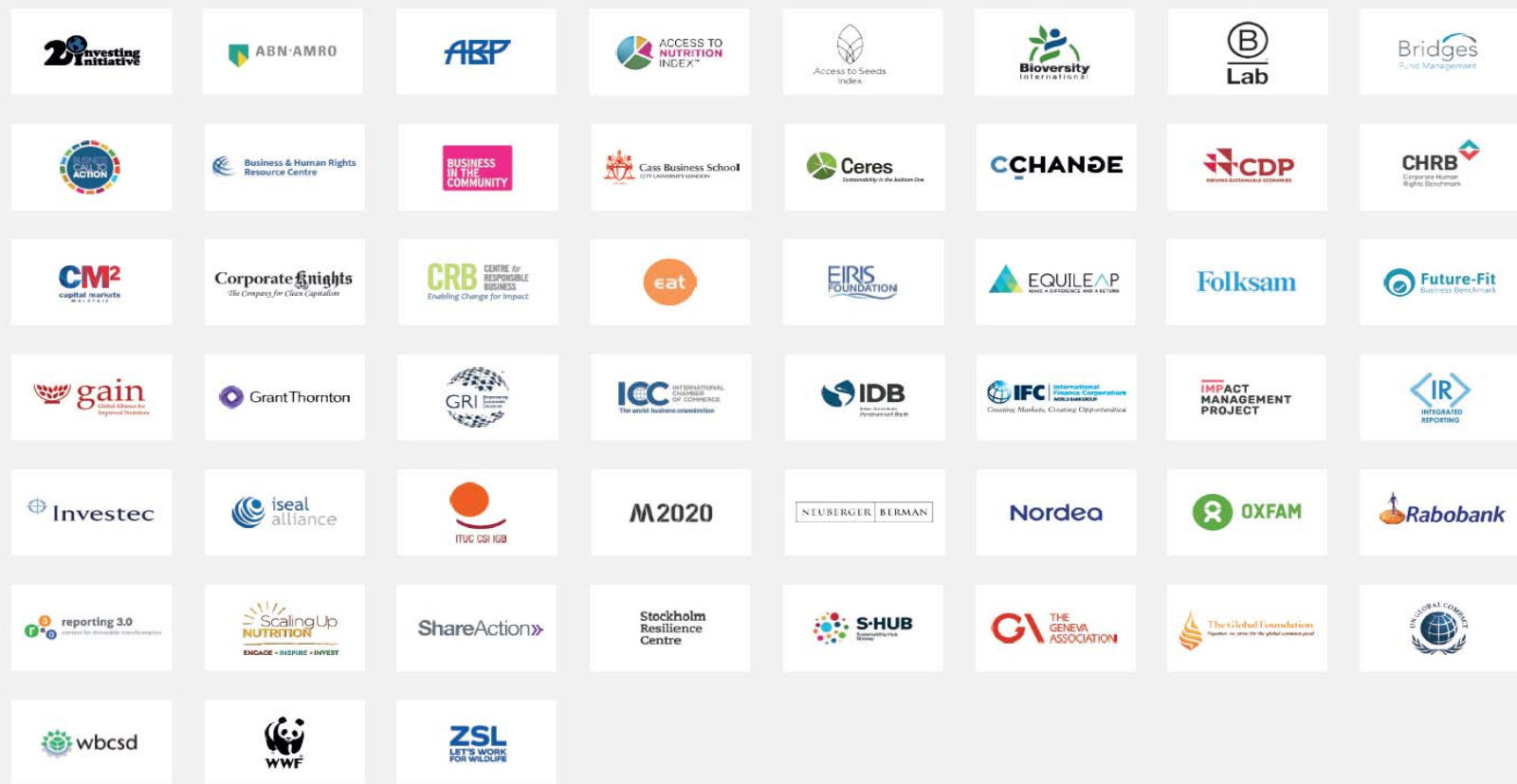
Successful benchmarks provide guidance on impact as well as a gap analysis. This improves understanding, promotes dialogue and drives positive change.

The WBA is itself a Partnership for the Goals (Goal 17) and includes representatives from finance, business, civil society, and government.



# The Alliance is growing

WBA Allies: The following organisations have endorsed the concept of the WBA.



# The Global Consultation

Figure 1: WBA Consultations from September 2017 to April 2018





# Case Study: Human Rights Benchmark

## Extractives

OVERALL AVERAGE: **29.4%**

Average score per Measurement Theme

The 41 largest extractives companies in the world were assessed against the CHRB's extractives criteria. The highest scoring Measurement Theme was Transparency, followed by Policy, with companies scoring lowest in Embedding Respect and Human Rights Due Diligence.

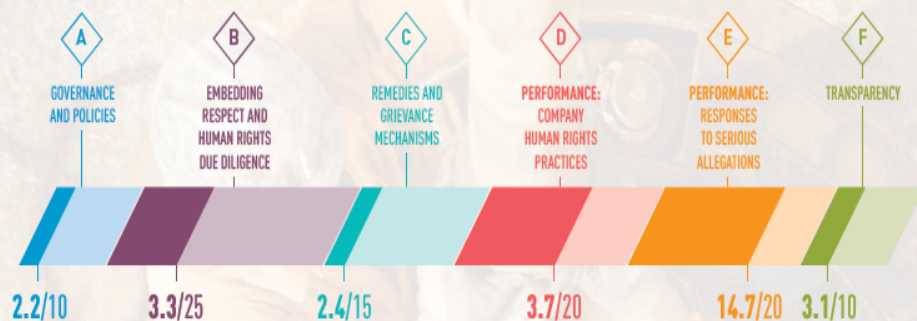


Table 13: Average Score by Measurement Theme (darker colour blocks indicate proportion achieved)

BAND RANGE	COMPANY	INDUSTRY	BAND RANGE	COMPANY	INDUSTRY
60-69%	BHP Billiton	EX	20-29% (cont.)	Canadian Natural Resources	EX
	Rio Tinto	EX		PetroChina	EX
50-59%		Norilsk Nickel		EX	
40-49%	Total	EX		Marathon Petroleum	EX
	Anglo American	EX		Anadarko Petroleum	EX
	Freeport-McMoRan	EX		Phillips 66	EX
	BP	EX		Lukoil	EX
	ConocoPhillips	EX		Surgutneftegas	EX
	Chevron Corporation	EX		Gazprom	EX
30-39%	Statoil	EX		EOG Resources	EX
	Royal Dutch Shell	EX		Valero Energy	EX
	Sasol	EX	Repsol	EX	
	Vale	EX	CNOOC	EX	
	Ecopetrol	EX	Eni	EX	
	Glencore	EX	Rosneft Oil	EX	
	Exxon Mobil	EX	China Shenhua Energy	EX	
	Suncor Energy	EX	10-19%	Petrobras	EX
	Occidental Petroleum	EX	0-9%	Coal India	EX
	20-29%	PTT	EX	China Petroleum & Chemical	EX
	Devon Energy	EX	Oil & Natural Gas Corporation	EX	
Goldcorp	EX	Grupo Mexico	EX		

# Having a communications impact

THE AUTHORITY ON GLOBAL FUND MANAGEMENT | FINANCIAL TIMES | Monday May 14 2016

**FTfm**

The new oil: How investors can keep water flowing PAGES 6-7

## Human rights activists name and shame giant companies

### Misconduct tip-off cases fall to lowest level

Groups warned over reputational damage and access to capital

**STREETS MONEY**

Kraft Heinz, the food and beverage company, and fashion businesses Macy's Inc, H&M and Prada have been criticised for a lack of transparency on human rights issues in their supply chains after failing to engage with a government and investor-backed group.

The Corporate Human Rights Benchmark – a non-profit based in London and New York that is backed by asset managers and pension funds including Aviva Investors, APF and Hermes, as well as the Swiss, Dutch and British governments – is to release a report this week.

It claims that some companies are paying more attention to issues relating to workers but it warns that a quarter of groups it has targeted in the clothing, agriculture and extractive industries have failed to engage, ignoring letters from an investor coalition that oversees \$70n in assets or will as investigations from OIGB.

The reluctance of some businesses to discuss human rights comes despite investor concern about supply chain risks after the collapse of the Rana Plaza factory in Bangladesh five years ago, where more than 1,000 workers died. Companies including Walmart, Primark, Matalan, Mango and H&M all used the parent factory.

Some investors are also increasingly worried about modern slavery. One senior executive at a UK pension fund said many big companies had slavery in their supply chains. Last year, more than 5,000 people were referred to British authorities as potential victims of slavery, up by a third in a year. In 2016, the cause of concern that applied both to Next continued on page 2

**OWEN WALKER**

The number of whistleblowing cases targeting asset management companies reported to the UK's Financial Conduct Authority has fallen to its lowest level since a regulatory push to encourage workers to flag up wrongdoing.

A freedom of information request to the FCA revealed that just 21 cases were reported in the watchdog last year, half as many as in 2014, with only three in the final quarter.

Revelations that Jon Staley, the chief executive of Barclays, tried to conceal a whistleblowing in 2016 have caused concern among governance campaigners. They fear that such behaviour could deter workers from coming forward with valuable information on corporate misconduct.

A regulatory probe was held into Mr Staley's actions and on Friday it was announced that he had been fined £640,000 – 15 per cent of his 2017 pay package. The Financial Conduct Authority and the Bank of England's Prudential Regulation Authority will also force Barclays to report annually on how it handles tip-offs.

The total number of whistleblowing reports that the FCA received came to 2,047 last year from a high of 3,360 in 2014.

Mark McKee, co-director at the Financial Inclusion Centre, a policy and research group, and former chairman of the FCA task committee, continued on page 2



Patema lost her son Nurul Karim and daughter Arifa in the 2013 Rana Plaza disaster




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# Preliminary Benchmark Pipeline



## Preliminary Benchmarking Pipeline

### Gender Equality & Woman Empowerment

*Gender equality throughout the value chain and empowering woman by providing better access to products and services*

### Climate Action

*Demonstrate pathways and progress towards low carbon economy.*

### Food System Transformation

*A social just transformation of food and agricultural value chains that meet nutritional needs, within the boundaries of the planet*

### Digital Inclusion

*Bridging the digital divide, creating digital inclusion for the 4 billion people who don't use the internet*



# What's next?

