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

**39th SESSION
1 – 3 November 2022**

Tuesday, 1 November 2022

**Agenda item 3. Good practices in and approaches to the
practical implementation of sustainability reporting
requirements**

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THE NEW COMMUNICATION ON PROGRESS

**Driving Corporate Transparency and Action
on the Ten Principles in Alignment with
Existing Frameworks**

Nov 2022

ADVANCING REPORTING ON THE TEN PRINCIPLES AND THE SDGs THROUGH THE NEW COMMUNICATION ON PROGRESS



Two requirements to be completed in the new Communication on Progress (CoP) digital platform:



CEO Statement of continued support

- Statement expressing continued support for the UN Global Compact and renewing the participant's ongoing commitment to the initiative and its principles



CoP Questionnaire

- A questionnaire on corporate actions and performance related to the Ten Principles and the SDGs



CoP Digital Platform

Both requirements will be completed through the new CoP digital platform

THE NEW CoP QUESTIONNAIRE



Framework designed to be specifically connected to the Ten Principles and to meet the needs of UN Global Compact participants, the UN Global Compact and its stakeholders.

Main features:

- Contains 52-74 questions (mostly multiple choice) connected to the Ten Principles and the SDGs
- Designed to help operationalize and accelerate impact on the Ten Principles
- Developed with input from a wide variety of stakeholders
- Builds on and aligns with existing frameworks (UNGP, ILO conventions) and reporting standards (e.g. GRI, ISAR GCI)
- All questions are mandatory and need to be completed prior to submitting
- There is no scoring or ranking associated with the CoP questionnaire

CONNECTION OF CoP QUESTIONS WITH ISAR GCI

CoP section	GCI aligned with CoP questions	
Governance	ISAR D.1.2., ISAR D.1.3.	Board composition (age, gender)
	ISAR C.1.1.	Women in managerial positions
Labour	ISAR C.3.2;	Incidence rate
Environment	ISAR B.3.1; ISAR B.3.2	Greenhouse gas emissions
	ISAR A3.3.	R&D investment (CoP: low-carbon R&D)
	ISAR B.1.3.	Water withdrawal
	ISAR B.2.1., ISAR B.2.3.	Waste
	ISAR B.4.1.	Air pollution
	ISAR B.5.1.	Renewable energy
	ISAR B.6.1.	Company sites next to key biodiversity areas
Anti-corruption	ISAR D.2.1.	Incidents of corruption

- GCI quantitative – CoP strong focus on processes and practices to drive learning on Ten Principles
- CoP questions are mandatory and participants include many SMEs
- CoP questions are tailored to Ten Principles: more focus on human rights and labor issues rather than economic indicators

THE NEW CoP: CONNECTION WITH EXISTING REPORTING FRAMEWORKS AND REGULATIONS



How does the new Communication on Progress relate to other sustainability reporting trends and regulations?

- The CoP is UN Global Compact's reporting and accountability framework, **tailored to the Ten Principles** and the needs of the UN Global Compact and its participants.
- The new CoP questionnaire draws from or is **aligned with existing reporting standards** and sustainability frameworks
- It is expected that **companies that produce reports according to relevant standards** (e.g. GRI or CSRD-ESRS), **will already have collected the data needed to complete the new CoP** questionnaire
- At the same time, through engagement with the UN Global Compact and by disclosing on the COP, **participating companies will be better prepared also to act and communicate on the topics covered by select regulations** (e.g. CSRD-ESRS)

HOW THE UN GLOBAL COMPACT CAN CONTRIBUTE TO A BETTER SUSTAINABILITY REPORTING INFRASTRUCTURE

- Raising capacity to drive corporate transparency and action together with partners
- Advocating the establishment of a global regulatory framework / standards that address both pillars of sustainability reporting (financial materiality and impact materiality)
- Addressing greenwashing
- Making data on the Ten principles and the SDGs available to stakeholders



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