

OECD Workshop

Corporate disclosure and responsible business conduct

Draft agenda

7 December 2017 (9h00-13h15)

OECD, Boulogne Conference Centre, Paris



■ Practical information

7 December 2017 (9h15-13h15) | [OECD Boulogne Conference Centre](#), Paris, France

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■ Registration

The workshop is by invitation only. Please contact Sama.ALTAHERCUCCI@oecd.org to register for the event.

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Corporate disclosure and responsible business conduct

Background

The demand for transparency and information on how companies deal with human rights, environmental, social and other "non-financial" issues has rapidly grown. A particular trend is increasing demand of information on how companies are identifying and addressing impacts in their supply chains. This trend has become particularly visible since the inclusion of provisions on supply chain due diligence in the OECD Guidelines for Multinational Enterprises¹ and other standards for responsible business conduct².

Under the OECD Guidelines, enterprises should "carry out risk-based due diligence, for example by incorporating it into their enterprise risk management systems, to identify, prevent and mitigate actual and potential adverse impacts." All OECD instruments providing guidance on due diligence in different sectors (minerals, extractives, agriculture, garment and footwear and the financial sector) contain recommendations on disclosure with respect to how enterprises identify and respond to various risks, including in their supply chains.³

A related trend is demand for information on how companies are dealing with climate change related impacts and risks, both in their own operations and in their value chains.⁴ This demand also concerns investors, who are being asked to disclose how they are integrating ESG and other responsible business conduct considerations in their decision-making.

A range of initiatives are responding to these demands for more sophisticated disclosure. The UK 2015 Modern Slavery Act and the French 2017 Law on duty of vigilance require companies to adopt plans to identify and address negative impacts in their supply chains, and to publish them⁵. The EU Directive on Non-Financial Disclosure requires disclosure on a wide range of topics, including on how companies deal with them in their supply chains⁶. The industry-led Task Force on Climate-related Financial Disclosure (TCFD) recently issued recommendations on

¹ OECD Guidelines on Multinational Enterprises <http://mneguidelines.oecd.org/guidelines>

² Other government-supported international standards on RBC include the UN Guiding Principles on Business and Human Rights, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

³ OECD sector guidance on due diligence: <http://mneguidelines.oecd.org/sectors>

⁴ A discussion on this topic was held in the OECD Green Investment and Financing Forum on 25-26 October 2017, www.oecd.org/cgfi/forum. See also OECD Centre on Green Finance and Investment: <http://www.oecd.org/cgfi>

⁵ Under the 2015 UK Modern Slavery Act, commercial organisations that do business in the UK and have a large global turnover are required to publish slavery and human trafficking statement as of 2017. This disclosure requirement mirrors that of California's 2010 Transparency in Supply Chains Act. The French 2017 law on the duty of vigilance (Loi n°2017-399 relative au devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre) requires large companies to develop, implement and publish a vigilance plan to prevent violations of human rights and environmental damage throughout their supply chains.

⁶ The 2014 EU Directive of non-financial and diversity information by certain large undertakings and groups (2014/95/EU) requires large companies, as of 2018, to publish reports on the policies they implement in relation to environmental protection, social responsibility and treatment of employees, respect for human rights, anti-corruption and bribery, and diversity on company boards.

how companies should disclose climate change-related risks and strategies⁷, while Article 173 of France's Law on Energy Transition for Green Growth requires climate change and ESG disclosure from institutional investors.

About this workshop

The purpose of this workshop is to take stock of, and discuss these developments. The discussions will provide an opportunity to share views from providers and users of such information, including on the challenges of obtaining meaningful information, and integrating it in decision-making. They will also contribute to better understand the role of governments and other actors in promoting transparency and providing incentives for disclosure. Finally, the discussions will feed into current reflections on how to better integrate sustainability and responsible business conduct standards into the financial system.

Structure

The workshop aims to maximise the time for exchange of experience and discussion. It will be divided into four sessions, each of which will be kicked off by one or two short presentations, followed by a discussion with participants around a set of indicative questions.

⁷ The final report of the industry-led Task Force on Climate-related Financial Disclosures (TCFD), issued in June 2017 contains detailed recommendations on how to make disclosure relevant for decision-making.

DRAFT AGENDA

Thursday, 7 December 2017 (9h00-13h15)

9:00– 9:15 Welcome and introduction

Mathilde Mesnard, Deputy Director for Financial and Enterprise Affairs, OECD

9:15 – 10:15 Trends and key developments on disclosure

Cristina Tébar Less, Head, Responsible Business Conduct (RBC) Unit, OECD and Tyler Gillard, Head of Sector Projects, RBC Unit, OECD

Disclosure in the OECD Guidelines for Multinational Enterprises and in OECD due diligence guidance tools

Wim Bartels, Partner & Global Head of Sustainability Reporting and Assurance, KPMG

Key findings of the KPMG Survey of Corporate Responsibility Reporting 2017

Questions for discussion:

- *What has been driving recent developments on corporate disclosure of information on "RBC issues", including in companies' supply chains?*
- *How is increasing demand for companies and investors to disclose information on supply chain due diligence influencing their business and investment strategies?*

10:15–11:00 What is changing for providers of information?

Tim Mohin, Chief Executive, Global Reporting Initiative, GRI

Ralitza Germanova, Corporate Governance Officer, International Finance Corporation, IFC, World Bank Group

Questions for discussion:

- *What are the key challenges of new demands for disclosure for companies?*
- *How can companies report in a way that responds to current demands?*

11:00–11:30 Coffee break

11:30–12:15 Are users receiving the information they need?

Stephanie Maier, Director, Responsible Investment, HSBC Global Asset Management, GAM

Ray Dhirani, Head, Sustainable Finance and Extractives, Corporate Stewardship, World Wildlife Fund, WWF

Questions for discussion:

- *How should disclosures be designed to make them most useful for investors and for other stakeholders?*
- *What other information mechanisms are needed to complement corporate disclosure?*

12:15–13:00 The role of governments

Roel Nieuwenkamp, Chair, OECD Working Party on Responsible Business Conduct

Questions for discussion:

- *What are useful government incentives to promote enhanced disclosure?*
- *How can government regulations on disclosure ensure that disclosure expectations are reasonable for companies and that disclosures are useful to users?*
- *Is a new international approach to disclosure needed?*

13:00–13:15 Conclusion and next steps