

# STRENGTHENING CORPORATE REPORTING ON SUSTAINABLE DEVELOPMENT GOAL 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

PRACTICE PAPER



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IN SUPPORT OF THE UNITED NATIONS GLOBAL COMPACT'S ACTION  
PLATFORM ON PEACE, JUSTICE AND STRONG INSTITUTIONS

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## ABOUT THE ACTION PLATFORM ON PEACE, JUSTICE AND STRONG INSTITUTIONS

The United Nations Global Compact's Action Platform for Peace, Justice and Strong Institutions comprises highly engaged businesses, Global Compact Local Network representatives, UN partners, governments, and other leading experts and civil society partners. Consistent with the spirit of the UN Global Compact's Ten Principles and the UN Sustainable Development Goals – particularly Goal 16 – the Action Platform for Peace, Justice and Strong Institutions aims to promote global business standards in understanding, implementing and reporting on businesses' engagement in these areas.

*The expected outcomes of the Action Platform are:*

- Bold leadership through a CEO-supported Statement on uniting businesses and governments for renewed global cooperation launched during the 75th session (and anniversary) of the United Nations General Assembly.
- Consultation workshops to explore trends at the national level and promote collective action towards policy development and strategic partnerships.
- Development and adoption of the "Understand, Implement, Report" Framework, highlighting the importance of SDG 16 to corporate DNA and fostering relationships with governments, investors, and civil society.
- Enhanced relationships and strengthened commitments between businesses and governments to advance Goal 16 at the national and international level.

The patrons of the Action Platform include Baker McKenzie, L'Oréal, and Nestlé; the participants include Anglo American, APCO Worldwide, Enel, Leonardo, Linklaters, LRN Corporation, Oando, RELX, Safaricom, Sumitomo Chemical, Thomson Reuters and White & Case; and the partners include; UN-led Global Alliance for Reporting Progress for Peaceful, Just and Inclusive Societies, CEELI Institute, PeaceNexus, Transparency International, World Business Council for Sustainable Development (WBCSD) and World Economic Forum Partnering Against Corruption Initiative (PACI).

## FOREWORD

The PeaceNexus Foundation works to increase private sector awareness of and contributions to SDG 16 (Peace, Justice and Strong Institutions). We do so as an investor in the Cadmos Peace Investment Fund which we co-created and provided with seed capital. This engagement fund invests in progressive companies with high impact in fragile and conflict-affected countries and engages with these companies on their contribution to SDG 16. Through this engagement, we understand that it remains unclear what it means for a company to contribute to SDG 16. Many companies struggle to know what to report on and welcome further guidance.

The UN Global Compact Action Platform for Peace, Justice and Strong Institutions aims to provide global business standards in understanding, implementing and reporting on business engagement in these areas. It provides a forum for businesses, civil society, investors, governments and the UN to engage in meaningful dialogue that results in concrete action towards improving accountability, integrity and transparency within businesses and the countries in which they operate.

To support the Action Platform's work, we have commissioned this study, in collaboration with UN Global Compact, to review company perspectives on the relevance of SDG 16 and to propose a framework that could be applied for reporting purposes. This study suggests starting with a select number of SDG 16 targets that closely align with the companies' social and corporate governance commitments and proposes example indicators for reporting.

One of the findings is that while companies also contribute to global governance through their external engagement with other stakeholders, there is no consensus on what counts towards this. This is both a key challenge and a key opportunity of the SDG framework. In an era where many companies see their purpose as more than the sum of their products and profits, SDG 16 allows companies to speak to their broader role in shaping societies and institutions.

We hope that the Action Platform uses this study, not only to further the aim of greater standardisation, but also to encourage companies to use the SDG 16 framework to showcase the creative ways they speak up and work with others to support the SDG that enables all others – that of building strong institutions and just and peaceful societies.



**Catriona Gourlay**  
Executive Director  
PeaceNexus Foundation



## EXECUTIVE SUMMARY

This document reviews the status of corporate reporting on United Nations Sustainable Development Goal 16 (SDG 16), covering Peace, Justice and Strong Institutions, and provides guidance for further improvements.

This research was commissioned by the PeaceNexus Foundation, in collaboration with the UN Global Compact Action Platform for Peace, Justice, and Strong Institutions. This paper contributes to the Action Platform's objectives of translating the relevance of SDG 16 for the private sector. It also illustrates how businesses can contribute to achieving this Goal, internally through corporate governance and externally through global governance, and demonstrates how companies can document their contributions towards SDG 16 as part of their corporate reporting.

### FINDINGS

Drawing on a desk review, interviews with investors, rating agencies, company representatives and a survey, the research has delivered the following key insights:

- Companies see the SDGs as a complementary framework against which they can report, alongside their ESG/Sustainability reporting frameworks.
- On SDG 16, most of the interviewees were '(very) informed' about the Goal and the targets that it seeks to achieve.
- 84% of investors and ratings agencies considered SDG 16 as '(very) relevant' for companies to report on.
- However, the interviewed companies did not view SDG 16 as highly relevant to their businesses, or they felt that other Goals were more important for them and their shareholders. Some also felt that the issues covered by SDG 16 were too difficult to contribute to and report on, or that SDG 16 is the primary responsibility of governments. This matches earlier research highlighting that SDG 16 is among the Goals least reported on by companies.
- Companies that report on issues covered by SDG 16 do not make an explicit link to SDG 16. For example, while companies report on their contribution to human rights,

anti-corruption efforts and adherence to the rule of law, they do not mention this as a contribution to SDG 16.

- Given the perceived difficulty of reporting on SDG 16, companies value practical guidance.

### GUIDANCE

Against the background of these findings, this practice paper develops guidance on how to report in a comparable way on what interview partners considered the most operationally relevant SDG 16 targets. While the scope of the report is limited to these specific targets, it does not reflect a greater importance of these targets for companies, nor the role business can play in advancing the other targets under this Goal.

The report identifies three indicators for each target that relate to:

#### Corporate Governance

1. Commitment of the company (policies)
2. Evidence of implementation of this commitment (including disclosure of incidents of non-compliance)

#### Global Governance

3. How the company engages on the targets with external stakeholders

For illustrative purposes, company examples were provided for each target and indicator.

The proposed indicators have been validated through a survey among interview partners, members of the Action Platform and portfolio companies of the Cadmos Peace Investment Fund. The survey findings include:

- Consensus that the proposed indicators for (1) company commitment and (2) disclosure, are useful and meet the validation criteria.
- Indicators related to (3) company external engagement need to be further developed, as there was a wider divergence of opinion on their relevance and appropriateness.

Proposed indicators for the five most operationally relevant SDG 16 targets, according to interview partners.

## 16.2

### END ABUSE, EXPLOITATION, TRAFFICKING, AND ALL FORMS OF VIOLENCE AGAINST AND TORTURE OF CHILDREN.

Commitment & Statement	1	Availability of a company statement and communication on the commitment and implementation of actions regarding upholding the rights of children.
Disclosure	2	Disclosure of incidents related to child labour and/or hazardous work of young workers in own operations and along the value chain, including suppliers that are considered to pose a risk and measures implemented to address such risks.
Engagement	3	Engagement by the company in public activities against violence against children.

## 16.3

### PROMOTE THE 'RULE OF LAW' AT THE NATIONAL AND INTERNATIONAL LEVEL AND ENSURE EQUAL ACCESS TO JUSTICE FOR ALL.

Commitment & Statement	4	Statement and communication of commitment regarding adherence to and respect for the rule of law (international, home and/or host country, whichever is more extensive).
Disclosure	5	Disclosure of incidents of non-compliance, provision of access to non-judicial grievance mechanisms and remedial action taken for employees, stakeholders in the value chain and affected communities.
Engagement	6	Evidence of engagement in activities or public action to promote the rule of law at the international level and the national level of the countries in which the company operates.

## 16.5

### SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY IN ALL THEIR FORMS.

Commitment & Statement	7	Publication, as well as internal and external communication of a public commitment, stating that (and how) the company works to counter corruption in all its forms, including bribery and extortion.
Disclosure	8	Disclosure of the processes and guidelines in place to identify and mitigate risks relating to all forms of corruption and bribery at all operations and in the value chain, as well as tracking and disclosing respective incidents.
Engagement	9	Evidence of the company's engagement with governments and relevant third parties' respective initiatives aimed at reducing corruption and bribery outside of the company's own operations.

# 16.6

## DEVELOP EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS AT ALL LEVELS.

Commitment & Statement	10	A: Publication of the company's corporate governance structure and ownership. B: Publication of the company's responsible tax strategy, including its commitment to paying a fair share of taxes in all countries in which it operates.
Disclosure	11	A: Disclosure of the size, independence, diversity, and adequate experience of the members of the Board of Directors. B: Disclosure of the taxes paid on a country by country basis, types of taxes paid, and exemptions received.
Engagement	12	Private sector contribution and investment in public sector capacities and capabilities.

# 16.B

## PROMOTE AND ENFORCE NON-DISCRIMINATORY LAWS AND POLICIES FOR SUSTAINABLE DEVELOPMENT.

Commitment & Statement	13	Issuance of public commitment, stating that the company will work against any form of discrimination, including accompanying behavioural guidelines and measures to assess risks related to discrimination.
Disclosure	14	Disclosure of the percentage of individuals in each diversity category (gender, age groups, minority/vulnerable groups) per job group/ management level, providing average remuneration and discrimination complaints received.
Engagement	15	Evidence that the company actively engages in activities and speaks out against discrimination in all forms and engages in public action against discriminatory laws in its countries of operation.

### CONCLUSION

The research highlights the importance of clarifying what to report on for SDG 16, starting with the targets that were selected as most operationally relevant by interviewees and by providing clear guidance for measuring policy commitments and operational practice in line with them. The research also points to a variety of ways that companies engage outside their core business practices in advancing SDG 16.

### NEXT STEPS

These findings will be used to:

- Inform the reporting section of the envisaged Understand, Implement and Report (UIR) framework that will be published by the Action Platform in 2021.
- Inform the UN Global Compact's internal reviews of reporting standards, including its own Communication on Progress.
- Become part of the engagement with portfolio companies of the Cadmos Peace Investment Fund, with the view that they can set an example for reporting on SDG 16.
- Be presented to the participants of the Action Platform for further discussion around next steps.
- Be shared during the Action Platform's country consultations, to raise awareness and invite feedback on improving company reporting on SDG 16.

# INTRODUCTION



The PeaceNexus Foundation, with the support of the UN Global Compact's Action Platform for Peace, Justice, and Strong Institutions commissioned *engageability* and *swisspeace* to conduct background research on the status of **Corporate Reporting on SDG 16**. The report provides evidence on how companies currently understand and implement this Goal and how they report on their contributions to achieving it.

Specific objectives for the research include:

- Document reporting initiatives on SDG 16 currently undertaken by companies, investors/banks, and other relevant entities,
- Identify priority indicators that multinationals can refer to when they report on SDG 16 for the benefit of their investors and other stakeholders, and
- Inform the normative standard 'Understand, Implement, Report Framework (working title) of the Action Platform, to be published in 2021.

The research is part of the efforts undertaken by the UN Global Compact's **Action Platform on Peace, Justice & Strong Institutions**. The Action Platform aims to provide companies with information that underlines the relevance of SDG 16 and related issues for their businesses, explains risks and opportunities, and links reporting on SDG 16 to their ESG/Sustainability and other corporate reporting.

A broad set of stakeholders were consulted. Interviews were conducted with ten investors and financial institutions, seven rating agencies and similar organisations, as well as seven company representatives. These interviews served to compare the perspective of companies with those of investors and rating agencies. A desk-based stocktaking of SDG 16 reporting was also undertaken. The report proposes 15 indicators for corporate reporting on SDG 16. These have been reviewed and validated by 23 stakeholders from the Action Platform and company representatives of the Cadmos Peace Investment Fund.

The report covers:

- **Chapter 1**  
The importance of SDG 16 and reporting on this goal.
- **Chapter 2**  
Results of the stocktaking exercise on current SDG 16 company reporting initiatives and on initiatives and standards guiding SDG reporting, as well as on the findings drawn from in-depth interviews carried out with investors, rating agencies and companies.
- **Chapter 3**  
Suggested indicators for reporting on the most operationally relevant SDG 16 targets, with corporate practice examples.

A series of annexes is cross-referenced, where relevant.



# CHAPTER 1

## THE IMPORTANCE OF REPORTING ON SDG 16



In 2015, all Members States of the United Nations adopted the 17 Sustainable Development Goals (SDGs) as an urgent call for action. SDG 16 focuses on Peace, Justice and Strong Institutions and is defined as follows:



**Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels.**

Conflicts and instability not only affect their citizens and the environment, they also pose considerable risks to businesses. Although governments play a primary role in delivering peace, justice and strong institutions, how companies conduct their business also has direct and indirect impacts on peace, justice and institutional strength. As part of responsible business conduct, companies can directly contribute to equitable growth and social inclusion and to developing strong government institutions that provide support to peace and justice.

*“Our company’s commitments, long-term strategy and stakeholder expectations make SDG 16 extremely relevant. Topics of SDG 16 are the fundamentals of doing business. Private and Public sectors both should do their part to secure the goals of SDG16, not only for business but for society as a whole.”*

**ESTEBAN MEZZANO**  
General Counsel Operations and Sustainability, Nestlé

The COVID-19 pandemic may be further adding to inequality and social divisions. For some, a focus on SDG 16 goes hand in hand with proactively preventing and managing social divisions and their risks to operations.

*“A company that commits to SDG 16 is supposedly equipped and prepared to face social risks, including human rights, labour disputes or supplier relations.”*

**SIMON PERRIN**  
Specialist Responsible Investment, Mirabaud Wealth Management

Furthermore, progress on SDG 16 is critically important for achieving other SDGs. Investors and standard setting agencies have stated that it is indispensable to report on SDG 16 due to its fundamental impact on the business environment.

*“Companies, investors, and other capital markets participants can play a critical role—not only as providers of capital but as sources of innovative and collaborative solutions to achieve the SDGs.”*

**SONAL DALAL**  
Director of Civil Society and NGO outreach, SASB

However, despite the myriad of existing principles and guidance frameworks related to human rights and socially responsible business, there is no emerging consensus on how companies could report on SDG 16 in a more uniform and comparable way. For example, companies report on human rights due diligence, risk assessments, and grievance mechanisms in response to the expectations set out in *UN Guiding Principles on Business and Human Rights*, but they do not necessarily associate this work with SDG 16. Similarly, it remains unclear how other key voluntary reporting frameworks link with SDG 16. To illustrate, some elements of SDG 16 can be found in the *Voluntary Principles on Security and Human Rights*, the *OECD Guidelines for Multinational Enterprises and the associated Guidance on for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*.

Drawing on existing guidance, this report proposes indicators that companies can use more readily, and with precise descriptions and supporting questions offered to facilitate their easy and prompt adoption. To ensure that those companies that already work with existing frameworks or indicators can build on their work and experiences, relevant related initiatives and frameworks have been mapped against each indicator. In addition, the linkages to other SDGs and topics covered under the broad theme of sustainability are also shown. The expectation is that this will encourage more systemic considerations of SDG 16 and support SDG 16 reporting.

## CHAPTER 2

### HIGHLIGHTS OF THE STOCKTAKING EXERCISE AND STAKEHOLDER INTERVIEWS



75% of the interviewees (see Annex 5) reported that they were “(very) informed” about SDG 16 and its targets. 84% of investors and ratings agencies considered SDG 16 as “(very) relevant” for companies to report on. At the same time, 70% of the company representatives interviewed felt that SDG 16 and the associated topics did not affect their business, or that other topics were more important, for example because the company’s stakeholders focus more on those. In addition, SDG 16 related topics were felt too difficult to investigate and report on. There is clearly a gap between how investors and standard-setting agencies understand the relevance of SDG 16 and how companies view it.

This is further reflected in the fact that SDG 16 remains among those SDGs that companies report on the least. The UN Global Compact Progress Report 2019<sup>1</sup> found that only 28% of companies are taking action on SDG 16, and 50% of companies reported overall positive impact on the Goal. Furthermore, according to WBCSD’s Reporting Matters<sup>2</sup> analysis from 2019, only 38% of the 159 reports specifically addressed SDG 16. The Focused Reporting Assessment<sup>3</sup> undertaken by *engageability* in 2019 showed the same result: while 47% of the analyzed international companies reported on peace and cooperation, only 16% link this reporting specifically to SDG 16.

- **Although standard setting agencies and investors consider it very relevant that companies report on SDG 16, it is among the three SDGs that companies report on the least.**
- **Most companies report on their anti-corruption and human rights policies, but few link this information explicitly to SDG 16.**

#### 2.1 CHALLENGES

- Irrelevance for companies and their operations because this Goal is:
  1. ‘overshadowed’ by SDGs that are perceived as more urgent, such as climate change;
  2. considered the responsibility of government and, therefore, action on this Goal is considered to fall within the remits of states and their governments;

- Lack of guidance (e.g. uncoordinated SDG 16 reporting initiatives), demonstrated by examples of corporate reporting on this Goal showing large divergence;
- Difficulty quantifying and measuring progress on all SDGs, especially on SDG 16: Although the topics addressed by SDG 16 are considered relevant, the goal itself is considered less relevant compared to other SDGs. Applying targets to this Goal is also particularly difficult.

#### 2.2 OPPORTUNITIES

- Companies are currently setting their 2025/2030 targets, creating new opportunities to refocus on SDG 16 and formulate new targets.
- Investors and standard-setting agencies have highlighted that SDG 16 and underlying topics are highly relevant for companies. Nudged in this direction by shareholders, companies should recognize the strategic importance of SDG 16.
- Initiatives such as the Action Platform and the Cadmos Peace Investment Fund are useful opportunities for exchange between different stakeholders and to support companies with their SDG 16 related efforts.

#### 2.3 SUGGESTED SOLUTIONS

- Raise awareness of the relevance of SDG 16 targets to business and investor communities.
- Provide an overview of disclosure topics and the links between SDG 16 and other SDGs.
- Offer an easy-to-understand description of indicators that speak to the SDG 16 targets, including how to measure progress and how to compare companies.
- Identify relevant business actions to support achieving SDG 16.
- Highlight corporate practice examples that demonstrate what businesses are already doing on SDG 16 related topics.

# CHAPTER 3

## SUGGESTED INDICATORS FOR REPORTING ON SELECTED SDG 16 TARGETS



### 3.1 TARGET SELECTION

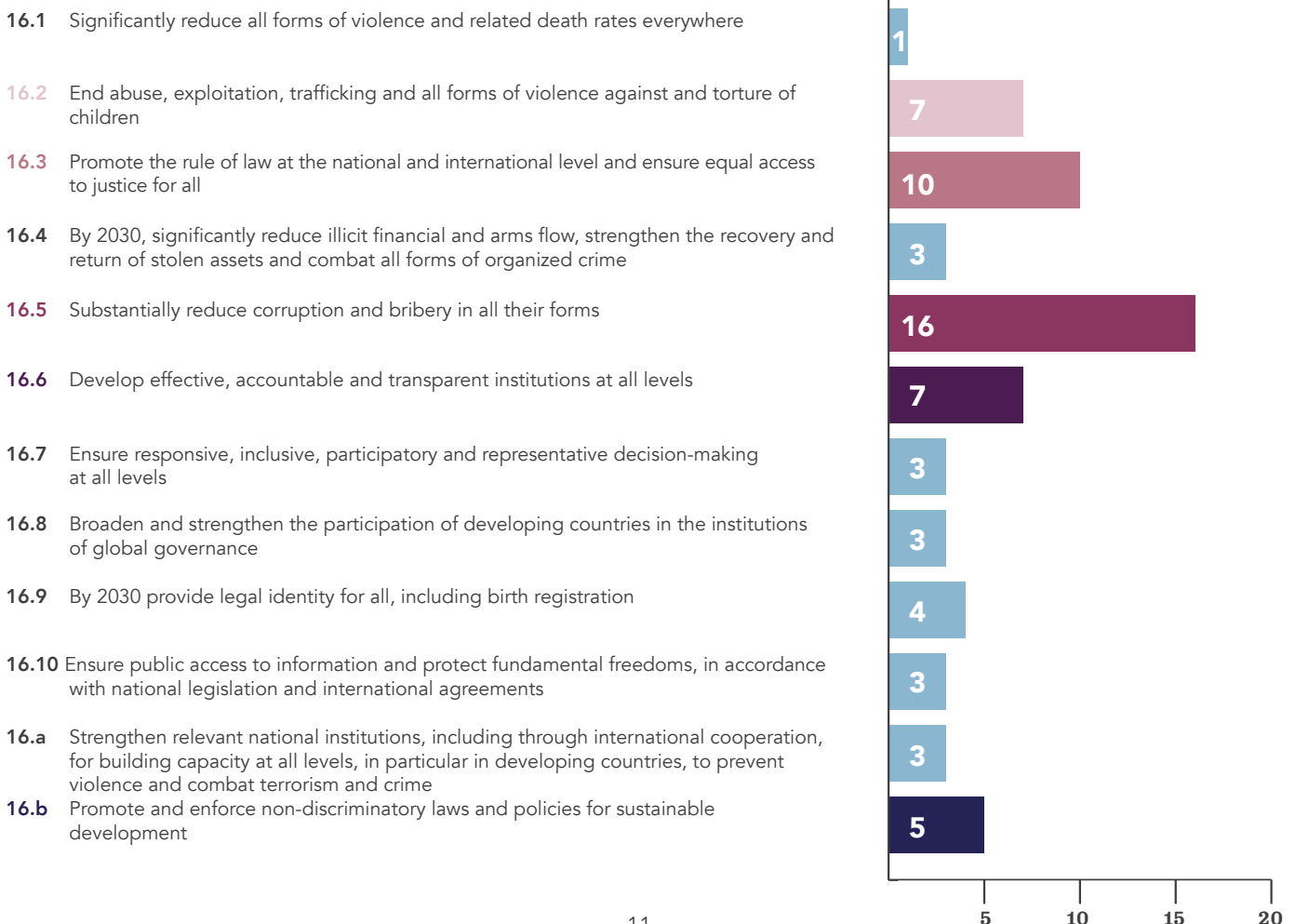
Developing guidance on how companies can report on SDG 16 followed two steps:

1. Specify the SDG 16 targets that interviewed companies, standard setting agencies and investors flagged as most operationally relevant.
2. Identify three indicators for each target.

In the first step, interview partners were asked to identify the SDG 16 targets which they considered the most operationally relevant for companies. Their responses pointed to the following five targets:

Companies, standard-setting agencies, and investors agreed that SDG 16.5 is the most operationally relevant. Companies perceived SDG 16.2 as the second most relevant target, while standard setting agencies and investors viewed SDG 16.3 as more important.

Figure 1: Number of mentions of targets by interview partners.



In the second step, three indicators were developed for each of these five SDG 16 targets. These indicators were selected based on an overview of current initiatives and standards as indicated in Annex 2. These include, among others, the Corporate Human Rights Benchmark, the UN Guiding Principles on Business & Human Rights and the UN Guiding Principles Reporting Framework, UN Global Compact 10 Principles and Future Fit.

Each set of three indicators that we propose for the five SDG 16 targets covers:

- (1) The **commitment** of the company.
- (2) The **disclosure** of implementation of this commitment (including disclosure of incidents of non-compliance).
- (3) External **engagement** on the issue.

Indicators for commitment and disclosure usually relate directly to the company and its activities (corporate governance). Indicators for the company's engagement go a step further and, for example, relate to how it exchanges on the respective topic with third parties and non-governmental organisations (global governance). However, this also means that the engagement indicators are not relevant (and/or appropriate) to the same extent in all country and project settings. Since various 'evidences' of engagement would qualify, comparability is of lesser importance.

We have applied the following main features of good indicators:

1. **Comprehensibility:** Is the indicator self-explanatory and easy to understand?
2. **Measurability:** Is it possible and feasible to measure the indicator?
3. **Impact orientation:** Is the indicator useful to measure companies' impact?

To encourage reporting, corporate practice examples are provided. The examples have been selected based on:

- i) the novelty of their approaches;
- ii) disclosure and transparency, i.e. openness to reporting on challenges and disclosing risks related to these; and
- iii) engagement that is observed to be impact oriented.

To ensure stakeholder groups consider the suggested indicators useful, participants of the Action Platform and companies of the Cadmos Peace Investment Fund were asked to review the proposed 15 indicators based on their comprehensibility, measurability, and impact orientation. Annex 6 shows the results of this validation exercise. The main feedback was that, while indicators for commitment and disclosure were universally clear, indicators for engagement depend on country and project setting and are not equally relevant (or appropriate) across all five focus SDG 16 targets.



3.2 INDICATORS (3 INDICATORS FOR EACH OF THE 5 SDG 16 TARGETS) AND PRACTICE EXAMPLES

# 16.2

## END ABUSE, EXPLOITATION, TRAFFICKING, AND ALL FORMS OF VIOLENCE AGAINST AND TORTURE OF CHILDREN

Categories	Indicator	Description	Supporting questions to help companies understand how well they address the indicator	Related indicators (details in appendix)	Related SDGs
<b>Commitment &amp; Statement</b>	1. Availability of a company statement and communication on the commitment and implementation of actions regarding upholding the rights of children.	Development, implementation, and communication of a child protection Code of Conduct (either as a policy on its own or as part of the company human rights policy or similar document) that describes the company’s commitment to support the upholding of the rights of children and how the company implements actions to meet this responsibility.	<ul style="list-style-type: none"> <li>• Does the company’s statement, as a minimum, include the recognition of the core principles underpinning children’s rights?</li> <li>• Does it state the company’s commitment to support the rights of children, be it in the context of core business activities, strategic social investments and philanthropy?</li> <li>• Does the company clearly communicate the commitment as well as its implications to employees, suppliers, and other affected stakeholders?</li> </ul>	<ul style="list-style-type: none"> <li>• The Women’s empowerment principles (see here)</li> <li>• UNICEF Voluntary principles (see here)</li> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>• UNGPs (see here)</li> </ul>	<p><b>5.3.1</b> – Child Marriage</p> <p><b>8.7.1</b> – Child Labour</p>
<b>Disclosure</b>	2. Disclosure of incidents related to child labour and/or hazardous work of young workers in own operations and along the value-chain, including suppliers that are considered to pose a significant risk, as well as related measures implemented to address these risks.	Identify operations and suppliers considered to have significant risk for incidents of child labour and young workers exposed to hazardous work. As a minimum, disclose the following: <ol style="list-style-type: none"> <li>Type of operation (such as manufacturing plant);</li> <li>Countries or geographic areas with operations and suppliers considered at risk;</li> <li>Measures implemented to address these risks.</li> </ol>	<ul style="list-style-type: none"> <li>• Does the company disclose the total number and nature of confirmed cases of child employment and/or hazardous work of young workers in own operations and in the value-chain (the reporting should – as a minimum – include the region, sector, form of employment and the number of affected children/young workers).</li> <li>• Does the company disclose the measures it has taken, or is taking, to prevent such cases and to mitigate these risks or reoccurrences as well as their results?</li> <li>• Does the company engage critically with the questions of why an incidence may have occurred and what are the root causes? (e.g. no suitable/ trusted childcare provision)</li> </ul>	<ul style="list-style-type: none"> <li>• GRI 408-1 (see here)</li> <li>• The World Bank SDG Atlas (see here)</li> <li>• UNICEF Voluntary principles (see here)</li> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>• UNGPs (see here)</li> </ul>	
<b>Engagement</b>	3. Engagement by the company in public activities against violence against children.	Evidence of public communication or action by the company or its individual operations against violence against children or young workers in the countries where the company has operations.	<ul style="list-style-type: none"> <li>• Does the company engage with and disclose its collaboration with governments, social partners, business peers, communities, suppliers, customers, trade unions or other stakeholders to promote education and solutions to combat the root causes of child labour? What are the engagement mechanisms?</li> <li>• Is there evidence that the company publicly engages in effective and sustainable actions against violence against children?</li> </ul>	<ul style="list-style-type: none"> <li>• UNICEF Voluntary principles (see here)</li> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>• UNGPs (see here)</li> </ul>	

# 16.2

## PRACTICE EXAMPLE:

### LINDT & SPRÜNGLI

#### ELIMINATING CHILD LABOUR AND IMPROVE LABOUR CONDITIONS IN THE COCOA VALUE CHAIN<sup>4</sup>

Activity	Chocolatier and confectionery company
<b>SDGs</b>	Lindt & Sprüngli publishes an interactive sustainability report since 2010 and reports according to the SDGs. The company defined five highly relevant SDGs which are addressed through the Lindt & Sprüngli Farming Program. Within the programme, the company ensures a secure livelihood for farmers' families in the whole value chain and implements an action plan against child labour.
<b>Commitment</b>	Lindt & Sprüngli officially states that the company strongly condemns all forms of child labour. Through the Lindt & Sprüngli Farming programme, the company improves the livelihoods of farmers and their communities and consequently reduces the risk of child labour. The programme further allows the traceability and verification as well as the identification of potential cases of child labour.
<b>Disclosure</b>	The company reports on the implementation of a Child Labour Monitoring and Remediation System (CLMRS) and sets corresponding measurable and quantifiable value targets to be reached in specific timeframes.
<b>Engagement</b>	Lindt & Sprüngli does not rely on third-party labels for its cocoa. Instead, the company pays a premium of \$60 on each ton of cocoa sourced from Source Trust, a foundation run by cocoa trader Armajaro. The Lindt and Sprüngli Cocoa Foundation initiative tracks cocoa beans back to the community in which they are grown, which is the first step to supply chain transparency and the elimination of slave and child labour. Within the Farming programme, the company focuses on Training and Awareness-raising, Identification of prohibited child labour and Elimination of child labour.



# 16.3

## PROMOTE THE RULE OF LAW AT THE NATIONAL AND INTERNATIONAL LEVEL AND ENSURE EQUAL ACCESS TO JUSTICE FOR ALL

Categories	Indicator	Description	Supporting questions to help companies understand how well they address the indicator	Related indicators (details in appendix)	Related SDGs
<b>Commitment &amp; Statement</b>	4. Statement and communication of commitment regarding the adherence to and respect for the rule of law (international, home or host country, whichever is more extensive).	Publication and communication of the company's values, principles, standards, and norms of behavior for all countries of operations, as well as a statement that describes under which rule of law, at the national and international level, the company operates.	<ul style="list-style-type: none"> <li>Which company documents provide the relevant information and do these documents describe how the company ensures access to justice for employees and other stakeholders in the value chain?</li> <li>Do the statement and documents describe which standard of law the company adheres to and if this is the highest standard applicable in either the country of the HQ or the country of operation?</li> </ul>	<ul style="list-style-type: none"> <li>GRI 102-16 (see here)</li> <li>PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>UNGPs (see here)</li> </ul>	<p><b>10.2.1</b> – Population Living Below 50 Per Cent of Median Income</p> <p><b>11.1.1</b> – Urban Population Living in Slums</p>
<b>Disclosure</b>	5. Disclosure of incidents of non-compliance, provision of access to non-judicial grievance mechanisms and remedial action taken for employees, stakeholders in the value-chain and for affected communities.	Disclosure of the number and nature of incidents of non-compliance with laws, regulations and voluntary codes, as well as the details of the workings of the access to justice and or non-judicial grievance mechanism and communication of the measures taken to ensure access for all relevant stakeholder groups.	<ul style="list-style-type: none"> <li>What is the total number and amount of significant fines and non-monetary sanctions for non-compliance with laws and/or regulations?</li> <li>Have cases been brought to dispute resolution mechanisms, and if so, how many and of what nature?</li> <li>How does the company communicate the measures that it is taking to ensure access to non-judicial grievance mechanisms for all relevant stakeholder groups?</li> <li>Does the company provide a link to ensure access to non-judicial?</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable development solutions network (see here)</li> <li>GRI 206-1</li> <li>GRI 307-1</li> <li>GRI 416-2</li> <li>GRI 417-2</li> <li>GRI 417-3</li> <li>GRI 418-1</li> <li>GRI 419-1</li> <li>GRI 102-17 (see here)</li> <li>The Poverty Footprint (see here)</li> <li>UNGPs (see here)</li> </ul>	
<b>Engagement</b>	6. Evidence of engagement in activities or public action to promote the rule of law at the international level and at the national level of the countries where the company operates.	Company is supporting, rather than undermining the development of functioning state institutions that can develop, improve and implement law.	<ul style="list-style-type: none"> <li>Does the company engage with governments in the context of legislative review processes?</li> <li>Is there evidence of engagement in public action at the international or national level in the company's countries of operation?</li> </ul>	<ul style="list-style-type: none"> <li>GRI 102-17 (see here)</li> <li>PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>The Poverty Footprint (see here)</li> <li>UNGPs (see here)</li> </ul>	

# 16.3

EXAMPLE FOR:

## H&M GROUP

TRANSPARENT REPORTING ON WORKING HOUR ISSUES AND ENGAGEMENT FOR FAIR LIVING WAGES AND LAND RIGHTS<sup>5</sup>

Activity	Textile manufacturers and retailers
<b>SDGs</b>	H&M Group provides an online sustainability report that contains a chapter focusing on the company's direct and indirect influence, or the contribution through partnerships on each of the SDGs. According to that chapter, SDG 16 is directly and indirectly addressed by H&M Group's strategy as well as by its contributions to partnerships.
<b>Commitment</b>	Regarding SDG 16.3, H&M Group commits to being fair and equal, which includes fair jobs for all (including the production supply chain) as well as inclusion and diversity.
<b>Disclosure</b>	<ul style="list-style-type: none"> <li>• Details on minimum wages and average wage (monthly wages) for the production supply chain at the country level.</li> <li>• Transparent reporting on a worker strike at one supplier's factory related to working conditions and wages, including how the company resolved the issue.</li> <li>• Focus on suppliers and sub-suppliers.</li> <li>• Efforts on reporting on important issues for different audiences (videos, interactive maps, etc.).</li> </ul>
<b>Engagement</b>	<ul style="list-style-type: none"> <li>• Resolving issues in supply chain factories in collaboration with the National Monitoring Committee in Myanmar.</li> <li>• Fair Living Wage Strategy:                             <ul style="list-style-type: none"> <li>o Understanding and improving wage management systems</li> <li>o Industry collaboration (Action, Collaboration, Transformation)</li> <li>o Appropriate purchasing practices</li> <li>o Third party evaluation</li> </ul> </li> <li>• Proactive protecting land rights:                             <ul style="list-style-type: none"> <li>o Risk assessment (especially in countries with land grabbing issues like Myanmar and Ethiopia)</li> <li>o Collaboration with Dutch government and the international network development organisation Solidaridad</li> </ul> </li> </ul>



# 16.5

## SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY IN ALL THEIR FORMS

Categories	Indicator	Description	Supporting questions to help companies understand how well they address the indicator	Related indicators (details in appendix)	Related SDGs
<b>Commitment &amp; Statement</b>	7. Publication, as well as internal and external communication of a public commitment (e.g. Code of Conduct), stating that (and how) the company works to curb corruption in all its forms, including bribery and extortion.		<ul style="list-style-type: none"> <li>• <i>Is this public commitment available in the relevant languages of employees and business partners?</i></li> <li>• <i>Does the company explain how the company will work against corruption in all its forms and what actions are implemented (i.e. behavioral guidelines) including consequences in the case of disregard?</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Poverty Footprint (see here)</li> <li>• The 10th principle against corruption (see here)</li> </ul>	<p><b>10.2.1</b> – Population Living Below 50 Per Cent of Median Income</p> <p><b>11.1.1</b> – Urban Population Living in Slums</p>
<b>Disclosure</b>	8. Disclosure of the processes and guidelines in place to identify and mitigate the risks related to all forms of corruption and bribery at all operations and in the value chain, as well as tracking and disclosing respective incidents.	Due diligence processes in place, disclosure of relevant benefit streams, e.g. payments of revenue and to which state entities etc.	<ul style="list-style-type: none"> <li>• <i>Does the company communicate the measures taken to mitigate risks related to operations that have been identified in the context of corruption?</i></li> <li>• <i>Does the company disclose the kind of resources that are being invested in, and the systems it has developed or is developing to prevent, expose and fight corruption?</i></li> <li>• <i>Who has the ultimate responsibility for ensuring adherence to this process?</i></li> <li>• <i>Does the company communicate the training provided for the implementation of the guidelines to employees, government body members and business partners (#, %, type, region)?</i></li> <li>• <i>Does the company disclose the total number and nature of confirmed incidents of corruption and the total number of confirmed incidents in which employees were dismissed or disciplined for corruption?</i></li> </ul>	<ul style="list-style-type: none"> <li>• GRI 205-1</li> <li>• GRI 205-2</li> <li>• GRI 205-3</li> <li>• GRI 415-1 (see here)</li> <li>• The Poverty Footprint (see here)</li> <li>• UNCTAD (see here)</li> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> </ul>	
<b>Engagement</b>	9. Evidence of company's engagement with governments and relevant third parties' respective initiatives aimed at reducing corruption and bribery outside of the company's own operations.	For example, active engagement in revenue and contract transparency efforts, transfer pricing focused initiatives, certification schemes etc.	<ul style="list-style-type: none"> <li>• <i>Does the company engage with governments and/ or other relevant third parties in the fight against corruption and bribery?</i></li> <li>• <i>Is there evidence of engagement in public action against corruption and bribery?</i></li> </ul>	<ul style="list-style-type: none"> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>• The 10th principle against corruption (see here)</li> </ul>	

# 16.5

**CORPORATE PRACTICE EXAMPLE:**

## **IMPLENIA**

### DETAILED DISCLOSURE OF INFRINGEMENT TO COMPETITION LAW AND A BINDING CODE OF CONDUCT<sup>6</sup>

Activity	Construction Services
<b>SDGs</b>	Implenia published an online sustainability report in August 2018 that was updated in May 2020. In this report, Implenia defines the most relevant SDGs for the company's five key topics. SDG 16.5, defined as reducing corruption and bribery, is assigned to the main topic of social commitment & compliance.
<b>Commitment</b>	Implenia commits to create transparency, report continuously and fight corruption and infringement to competition law. It is ensuring the adherence to the values stated in the Code of Conduct. Implenia is also committed to involving suppliers and subcontractors more closely in sustainability reporting to improve transparency.
<b>Disclosure</b>	Disclosure of infringement to competition law investigations as well as details of the current status and previous decisions in ongoing proceedings.
<b>Engagement</b>	Implenia has set several targets in connection with SDG 16 by 2020, including, for example, that Implenia will try to avoid compliance incidents through training and a zero-tolerance policy towards breaches of integrity and competition. The company has also drawn up a binding code of conduct, which applies to employees, business partners and authorities. The Code of Conduct forms an integral part of the employment contracts and is therefore binding. In addition, employees must complete an e-learning programme and take part in regular internal training courses on the content of the Code of Conduct. A Compliance Officer has been appointed in each of Implenia's business units. Any irregularities can be reported to this person or to a compliance department (anonymously).

# 16.6

## DEVELOP EFFECTIVE, ACCOUNTABLE, AND TRANSPARENT INSTITUTIONS AT ALL LEVELS

Categories	Indicator	Description	Supporting questions to help companies understand how well they address the indicator	Related indicators (details in appendix)	Related SDGs
<b>Commitment &amp; statement (I)</b>	10.a Publication of the company's corporate governance structure and ownership.	Existence and implementation of a policy to maintain a well-balanced membership of the Board of Directors.	<ul style="list-style-type: none"> <li>Does the company provide details on the chair of the highest governance body and describe her/his function within the organisation's management and the reasons for this arrangement?</li> <li>Does the company have an audit committee in place and disclose how often it meets and its attendance rate?</li> <li>Does the policy stipulate that the majority of the nomination committee members be non-executives?</li> </ul>	<ul style="list-style-type: none"> <li>PeaceNexus Peacebuilding Business Index Methodology (see here)</li> </ul>	<b>17.1.2</b> – Domestic budget funded by taxes
	<b>Commitment &amp; statement (II)</b>	10.b Publication of the company's responsible tax strategy including its commitment to paying the fair share of taxes in all countries in which they operate.	<ul style="list-style-type: none"> <li>Does the company publish its responsible tax strategy or the company's approach to paying taxes?</li> </ul>		
<b>Disclosure (I)</b>	11.a Disclosure of the size, independence, diversity, and adequate experience of the members of the Board of Directors.		<ul style="list-style-type: none"> <li>Does the company provide details on the composition of the Board, number of meetings and attendance rate, the topics discussed, and on total and individual compensation?</li> <li>Does the company disclose the monetary value of financial and in-kind political contributions made directly and indirectly by the organisation?</li> <li>Does the company disclose the total number and nature of confirmed incidents of abuse of power and position and does it report on public legal cases regarding abuse of power and position and related misbehavior?</li> </ul>		
	<b>Disclosure (II)</b>	11.b Disclosure of taxes paid on a country by country basis, type of taxes paid, and exemptions received.	<ul style="list-style-type: none"> <li>Does the company publicly disclose the amount of taxes it contributes in their respective countries of operation?</li> <li>Does the company disclose the organisations or organisms it engages in major contracts with?</li> </ul>		
<b>Engagement</b>	12. Private sector contributions and investments in public sector capacities and capabilities.	Companies are not contributing to the underdevelopment of, or are undermining institutional capacity building on the public sector side.		<ul style="list-style-type: none"> <li>PeaceNexus Peacebuilding Business Index Methodology (see here)</li> </ul>	

# 16.6

## CORPORATE PRACTICE EXAMPLE:

### VODAFONE

#### PUBLICATION OF TAX PRINCIPLES AND STRATEGY IN TAX REPORT<sup>7</sup>

Activity	Telecoms and technology service provider
<b>SDGs</b>	Vodafone is addressing the SDGs in a separate report. The company is focusing on 5 SDGs but also addressing the remaining ones (including SDG 16). Regarding SDG 16, Vodafone is emphasizing its active participation in helping address global policy issues and acting as an integer company, as well as promoting transparency in their own operations.
<b>Commitment</b>	<p>Vodafone commits to ensuring that all employees are acting in accordance with a clearly defined set of principles, alongside the company's tax strategy, code of conduct and tax risk management policy. Regarding taxes, those principles include:</p> <ul style="list-style-type: none"> <li>• Full compliance with all relevant legal and regulatory obligations in line with the company's social responsibilities and its stakeholders' expectations</li> <li>• Acting with integrity in all tax matters, disclosing all relevant facts to tax authorities</li> <li>• Pursue clarity and predictability on all tax matters, wherever feasible</li> <li>• Seek to protect shareholder value in line with the company's broader fiduciary responsibilities</li> </ul>
<b>Disclosure</b>	Vodafone discloses its tax principles and strategy in a separate tax report. In the report, Vodafone transparently discloses taxes paid per country.
<b>Engagement</b>	Vodafone engages in activities that advance freedom of expression, the right to privacy, digital rights, and access to information and the internet for all.

# 16.6

**CORPORATE PRACTICE EXAMPLE:**

## **ADIDAS**

### PROVISION OF ACCESS TO INFORMATION AND TRANSPARENCY REGARDING SUPPLIERS<sup>8</sup>

<b>Activity</b>	<b>Sports apparel and accessories</b>
<b>SDGs</b>	Adidas is providing an online sustainability report and relates several SDGs to the company’s strategy. The company reports on several topics related to SDG 16, however, it is not directly addressing that SDG.
<b>Commitment</b>	<ul style="list-style-type: none"> <li>• Code of Conduct for suppliers and workplace standards</li> <li>• Responsible sourcing and purchasing policy</li> <li>• Modern slavery policy</li> </ul>
<b>Disclosure</b>	Adidas provides an Excel spreadsheet in which all primary suppliers, subcontractors, licensees, as well as most suppliers of wet processes are listed (including name and location). The data was compiled in cooperation with Fair Factories Clearinghouse (FFC). The list is updated regularly.
<b>Engagement</b>	<ul style="list-style-type: none"> <li>• Engagement with labour rights advocacy groups</li> <li>• Lobbying for human rights topics</li> <li>• Spearheading investigations of forced labour</li> <li>• Support UNICEF to integrate child rights into a responsible sourcing framework</li> </ul>

# 16.B PROMOTE AND ENFORCE NON-DISCRIMINATORY LAWS AND POLICIES FOR SUSTAINABLE DEVELOPMENT

Categories	Indicator	Description	Supporting questions to help companies understand how well they address the indicator	Related indicators (details in appendix)	Related SDGs
<b>Commitment &amp; Statement</b>	13. Issuance of a public commitment, stating that the company will work against any form of discrimination, as well as accompanying behavioral guidelines and measures to assess risks related to discrimination.	Ensuring that workplaces are inclusive and non-discriminatory and that respective risks are identified and remediated.	<ul style="list-style-type: none"> <li>• Did the company translate this public commitment and the behavioral guidelines into the languages of employees and business partners, and provide training in their application?</li> <li>• Does the company ensure that workplaces meet the requirements of persons who, for reasons such as sex, age, disablement, family responsibilities, or social or cultural status, need special protection or assistance?</li> <li>• Does the company have policies and practices in place that assess and mediate risks related to discrimination for a company's operations and its value chain?</li> </ul>	<ul style="list-style-type: none"> <li>• International Labour Organisation (see here)</li> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> </ul>	<p><b>1.b.1</b> – Government social spending</p> <p><b>4.5.1</b> – Parity indices for Education</p> <p><b>5.1.1</b> – Non-discrimination laws</p> <p><b>5.2.1</b> – Violence against women</p>
<b>Disclosure</b>	14. Disclosure of the percentage of individuals in each diversity category (gender, age groups, minority/vulnerable groups) per job group (management level), providing average remuneration and discrimination complaints received.		<ul style="list-style-type: none"> <li>• Does the company report on the categories of gender, age groups, minority/vulnerable groups, and other indicators, where relevant?</li> <li>• Does the company disclose the number, status, remediation plans and results of discrimination cases?</li> <li>• Does the company disclose the number of identified incidents of violations involving the rights of indigenous people as well as the status, remediation plans and results of these cases?</li> </ul>	<ul style="list-style-type: none"> <li>• GRI 405 GRI 406 GRI 411 (see here)</li> <li>• The Women's empowerment principles (see here)</li> </ul>	<p><b>5.5.1</b> – Seats held by women in parliament</p> <p><b>5.5.2</b> – Proportion of women in managerial positions</p> <p><b>10.3.1</b> – Discrimination &amp; Harassment</p>
<b>Engagement</b>	15. Evidence that the company actively engages in activities and speaks out against discrimination in all forms, and engages in public action against discriminatory laws in its countries of operation.		<ul style="list-style-type: none"> <li>• Does the company engage with government and/or other stakeholders in activities aimed at raising awareness and/or fighting discrimination in all forms?</li> <li>• Is there evidence of engagement in public action against discrimination, either at the international or the national level in the respective countries of operation?</li> </ul>	<ul style="list-style-type: none"> <li>• International Labour Organisation (see here)</li> <li>• PeaceNexus Peacebuilding Business Index Methodology (see here)</li> <li>• The Women's empowerment principles (see here)</li> </ul>	

# 16.B

## CORPORATE PRACTICE EXAMPLE:

### ABB LTD

#### TRANSPARENT AND AMBITIOUS REPORTING ON DIVERSITY<sup>9</sup>

<b>Activity</b>	<b>Robotics, power, heavy electrical equipment, and automation technology</b>
<b>SDGs</b>	ABB provides an online report with an interactive graphic on the SDGs where the company indicates its contribution to each SDG. Regarding SDG 16, ABB emphasizes its partnership with the International Committee of the Red Cross (ICRC).
<b>Commitment</b>	<ul style="list-style-type: none"> <li>• Committed to respect the human rights of ABB employees, including non-discrimination, prohibition of child and forced labour, freedom of association and the right to engage in collective bargaining.</li> <li>• Gender diversity is seen as a strategic priority and main material issue</li> <li>• Code of Conduct, including fair employment, diversity and inclusion guidelines</li> <li>• Target to increase the number of women in senior management positions by 30 percent (baseline 2017) by 2020</li> <li>• Signed the Embrace Difference pledge developed by the European Roundtable for Industrialists: Inclusive Culture, Inclusive Leadership, Aspiration &amp; Goal Setting, Clear Responsibility, Equal Opportunities &amp; Societal Engagement and Responsibility</li> <li>• Working on new diversity and inclusion targets for 2025</li> </ul>
<b>Disclosure</b>	<ul style="list-style-type: none"> <li>• Disclosure of incidents in discrimination and harassment</li> <li>• Disclosure of women in leadership positions and per age group</li> <li>• Disclosure of new female hires and turnover</li> </ul>
<b>Engagement</b>	ABB has maintained a decade-long partnership with the International Committee of the Red Cross (ICRC) focusing, among others, on human resource challenges, diversity and inclusion. Furthermore, ABB supports local education initiatives to promote diversity and inclusion.

## ANNEX 1

# OVERVIEW OF THE SDG 16 TARGETS

TARGET	INDICATORS	DEFINITION
<b>16.1</b> Significantly reduce all forms of violence and related death rates everywhere	16.1.1.	Number of victims of intentional homicide per 100,000 population, by sex and age
	16.1.2.	Conflict-related deaths per 100,000 population, by sex, age and cause
	16.1.3.	Proportion of population subjected to (a) physical violence, (b) psychological violence and (c) sexual violence in the previous 12 months
	16.1.4.	Proportion of population that feel safe walking alone around the area they live
<b>16.2</b> End abuse, exploitation, trafficking and all forms of violence against and torture of children	16.2.1.	Proportion of children aged 1–17 years who experienced any physical punishment and/or psychological aggression by caregivers in the past month
	16.2.2.	Number of victims of human trafficking per 100,000 population
	16.2.3.	Proportion of young women and men aged 18–29 years who experienced sexual violence by age 18
<b>16.3</b> Promote the rule of law at the national and international level and ensure equal access to justice for all	16.3.1.	Proportion of victims of violence in the previous 12 months who reported their victimization to competent authorities
	16.3.2.	Un-sentenced detainees as a proportion of overall prison population
<b>16.4</b> By 2030, significantly reduce illicit financial and arms flow, strengthen the recovery and return of stolen assets and combat all forms of organized crime	16.4.1.	Total value of inward and outward illicit financial flows
	16.4.2.	Proportion of seized, found or surrendered arms whose illicit origin or context has been traced or established by a competent authority
<b>16.5</b> Substantially reduce corruption and bribery in all their forms	16.5.1	Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months
	16.5.2	Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months
<b>16.6</b> Develop effective, accountable and transparent institutions at all levels	16.6.1	Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar)
	16.6.2	Proportion of the population satisfied with their last experience of public services



TARGET	INDICATORS	DEFINITION
<b>16.7</b> Ensure responsive, inclusive, participatory and representative decision-making at all levels	16.7.1	Proportions of positions (by sex, age, persons with disabilities and population groups) in public institutions (national and local legislatures, public service, and judiciary) compared to national distributions
	16.7.2	Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability, and population group
<b>16.8</b> Broaden and strengthen the participation of developing countries in the institutions of global governance	16.8.1	Proportion of members and voting rights of developing countries in international organisations
<b>16.9</b> By 2030 provide legal identity for all, including birth registration	16.9.1	Proportion of children under 5 years of age whose births have been registered with a civil authority, by age
<b>16.10</b> Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	16.10.1	Number of verified cases of killing, kidnapping, enforced disappearance, arbitrary detention, and torture of journalists, associated media personnel, trade unionists and human rights advocates in the previous 12 months
	16.10.2	Number of countries that adopt and implement constitutional, statutory and/or policy guarantees for public access to information
<b>16.a</b> Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime	16.a.1	Existence of independent national human rights institutions in compliance with the Paris Principles
<b>16.b</b> Promote and enforce non-discriminatory laws and policies for sustainable development	16.b.1	Proportion of population reporting having personally felt discriminated against or harassed in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law

## ANNEX 2 DETAILS ON THE INDICATORS

### 16.2 END ABUSE, EXPLOITATION, TRAFFICKING, AND ALL FORMS OF VIOLENCE AGAINST AND TORTURE OF CHILDREN

COMMITMENT & STATEMENT	
<b>The Women's empowerment principles</b>	<b>Does the business have a policy on the prohibited types of client entertainment (e.g. sex industry) and how does it communicate this policy internally?</b>
<b>UNICEF Voluntary principles</b>	<p>a. Recognizing the core principles underpinning children's rights: best interests of the child; non-discrimination; child participation; and survival and development</p> <hr/> <p>c. Making a commitment to support the human rights of children: through core business activities, strategic social investments and philanthropy, advocacy and public policy engagement, and working in partnership or other collective action identified by due diligence processes</p> <hr/> <p>iii. Make clear to staff that the business' zero tolerance policy for violence, exploitation and abuse applies in all business activities, even when conducted away from business facilities.</p> <hr/> <p>b. Developing and implementing a child protection code of conduct</p> <p>Develop a child protection code of conduct for business operations. Ensure awareness of and ongoing training on the code of conduct. Recommend that a child protection code of conduct be developed by others linked to the business' operations, products or services through a business relationship.</p> <hr/> <p>a. Ensuring that communications and marketing do not have an adverse impact on children's rights.</p> <p>This applies to all media outlets and communication tools. Marketing should not reinforce discrimination. Product labelling and information should be clear, accurate and complete, and empower parents and children to make informed decisions. In assessing whether there is or may be an adverse impact on children's rights and taking action to integrate and act upon the findings, consider factors such as children's greater susceptibility to manipulation, and the effects of using unrealistic or sexualized body images and stereotypes.</p> <hr/> <p>b. Complying with the standards of business conduct in World Health Assembly instruments related to marketing health.</p> <p>Comply with the standards of business conduct in World Health Assembly instruments related to marketing and health in all countries. Where national law prescribes a higher standard, business must follow that standard.</p> <hr/> <p>7: Respect and support children's rights in relation to the environment and to land acquisition and use</p>

<b>UNICEF Voluntary principles (suit)</b>	a. Respecting children's rights in relationship to the environment ii. Ensure that respect for the rights of children is explicitly addressed in the business's security contracts.
<b>PeaceNexus</b>	Does the company have a policy to avoid the use of child labour? Strict policies and measures against child labour, forced labour and human trafficking in the supply chain Does the company have a policy for the exclusion of child, forced or compulsory labour, or to guarantee the freedom of association universally applied independent of local laws?

## DISCLOSURE

<b>GRI 408-1</b>	<b>Operations and suppliers considered to have significant risk for incidents of:</b> <b>i. Child labour;</b> <b>ii. Young workers exposed to hazardous work.</b> Operations and suppliers considered to have significant risk for incidents of child labour either in terms of: i. Type of operation (such as manufacturing plant) and supplier; ii. Countries or geographic areas with operations and suppliers considered at risk. Measures taken by the organisation in the reporting period intended to contribute to the effective abolition of child labor.
<b>World Bank WDI</b>	Average working hours of children, working only, ages 7-14, female and male. Child employment (age 7-14); • In sectors of agriculture, manufacturing, services; • In employment as unpaid family workers, wage workers, self-employed, study and work, work only; • In employment.
<b>UNICEF Voluntary principles</b>	a. Addressing safety and protection risks to children's rights posed by business facilities and staff in the course of business activities.
<b>PeaceNexus</b>	Monitoring of / measures against different forms of violence/abuse that have security impacts on the company

## ENGAGEMENT

<b>UNICEF Voluntary principles</b>	<b>1: Meet their responsibility to respect children's rights and commit to supporting the human rights of children</b> b. Meeting the responsibility to respect children's rights: avoiding the infringement of children's rights and addressing any adverse impact on children's rights with which the business is involved. d. Becoming a champion for children's rights: promote children's rights, best business practices. <b>2: Contribute to the elimination of child labour, including in all business activities and business relationships.</b>
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**UNICEF Voluntary principles  
(suit)**

a. Eliminating child labour: Do not employ or use children in any type of child labour. Establish robust age-verification mechanisms as part of recruitment processes and ensure that these mechanisms are also used in the value chain.

b. Preventing, identifying and mitigating harm to young workers and protecting them from work that is prohibited for workers under 18 years old or beyond their physical and psychological capacity.

c. Working with governments, social partners and others to promote education and sustainable solutions to the root causes of child labour.

i. Work with business peers, communities, child rights organisations, trade unions and governments to promote children's education and sustainable solutions to the root causes of child labour.

ii. Support broader community, national and international efforts to eliminate child labour, including through social mobilization and awareness raising, and programmes to eradicate child labour that are designed and carried out in cooperation with local community members and children.

iii. Work in partnership with other companies, sectoral associations and employers' organisations to develop an industry-wide approach to address child labour, and build bridges with trade unions, law enforcement authorities, labour inspectorates and others.

iv. Establish or participate in a task force or committee on child labour in representative employers' organisations at the local, state or national level.

v. Support the development and implementation of a national action plan against child labour as part of key policy and institutional mechanisms to combat child labour at the national level.

vi. Participate in programmes to promote youth employment, skills development and job training opportunities for young workers above the minimum age for employment.

vii. Seek to concentrate production in the formal economy and avoid informal working arrangements that may contribute to child labour.

3: Provide decent work for young workers, parents and caregivers.

a. Providing decent work for young workers: promote social dialogue and rights at work, provision of safe working conditions, protection from abuse and exploitation, and access to gender-appropriate water, sanitation and hygiene facilities.

b. Being responsive to the vulnerability of young workers above the minimum age for work: limits to hours of work, restrictions on work at dangerous heights, as well as work with dangerous machinery, equipment and tools; the transport of heavy loads; exposure to hazardous substances or processes, and difficult conditions such as work at night or work where the young worker is unreasonably confined to the premises of the employer.

c. Providing decent work for young workers: age-appropriate social protection and health information and services, Quality education and relevant vocational training and livelihood development programmes.

d. Providing decent working conditions that also support workers, both women and men, in their roles as parents or caregivers.

**UNICEF Voluntary principles  
(suit)**

4: Ensure the protection and safety of children in all business activities and facilities

- i. Ensure that company facilities are not used to abuse, exploit or harm children.
- ii. Ensure that potentially dangerous areas of company facilities do not pose a safety threat to children, during or outside business hours.
- iv. Take appropriate action when concerns of possible violence, exploitation or abuse arise.
- v. Ensure that young workers above the minimum age for work are protected from hazardous work.

5: ensure that products and services are safe, and seek to support children's rights through them

- a. Ensuring that testing and research of products and services likely to be used or consumed by children is conducted in line with relevant national and international standards.
- b. Ensuring that products and services for children or to which children may be exposed are safe and do not cause mental, moral or physical harm.
- c. Restricting access to products and services that are not suitable for children or that may cause them harm, while ensuring that all such actions align with international standards, including non-discrimination, freedom of expression and access to information.
- d. Taking all reasonable steps to eliminate discrimination against any child or group of children in the provision of products and services.
- e. Seeking to prevent and eliminate the risk that products and services could be used to abuse, exploit or otherwise harm children in any way.
- f. Taking steps to maximize the accessibility and availability of products and services that are essential to children's survival and development.
- g. Seeking opportunities to support children's rights through products and services, as well as their distribution.

6: Use marketing and advertising that respect and support children's rights

- c. Using marketing that raises awareness of and promotes children's rights, positive self-esteem, healthy lifestyles and non-violent values
  - i. When planning and implementing environmental and resource-use strategies, ensure that business operations do not adversely affect children's rights, including through damage to the environment or reducing access to natural resources.
  - ii. Ensure the rights of children, their families and communities are addressed in contingency plans and remediation for environmental and health damage from business operations, including accidents.
- b. Respecting children's rights as an integral part of human rights considerations when acquiring or using land for business operations

**UNICEF Voluntary principles (suit)**

i. Where possible, avoid or minimize displacement of communities affected by land acquisition or land use for business purposes. Engage in meaningful, informed consultation with potentially affected communities to ensure that any adverse impact on children’s rights is identified and addressed and that communities participate actively in and contribute to decision-making on matters that affect them directly. Seeking the free, prior and informed consent of indigenous peoples is specifically required for any project that affects their communities, and it is a desirable goal for any community impacted by a company’s use or acquisition of land.

ii. Respect children’s rights – especially their right to education, protection, health, adequate food and adequate standard of living and participation – when planning and carrying out resettlement and providing for compensation.

c. Supporting children’s rights in relationship to the environment where future generations will live and grow

Take measures to progressively reduce the emission of greenhouse gases from company operations and promote resource use that is sustainable. Recognize that these actions and other initiatives to better the environment will impact future generations. Identify opportunities to prevent and mitigate disaster risk and support communities in finding ways to adapt to the consequences of climate change.

8: Respect and support children’s rights in security arrangements

a. Respecting children’s rights in security arrangements

i. When making and implementing security arrangements, whether with public or private security service providers, conduct human rights due diligence with particular attention to any adverse impact on the rights of children.

iii. Do not recruit or use children in security arrangements either directly or through private or public security service providers.

b. Supporting children’s rights in security arrangements

All business is encouraged to apply evolving best practices in the management of security services provided by private contractors or public security forces.

10: Reinforce community and government efforts to protect and fulfil children’s rights

a. Not undermining government efforts to protect and fulfil children’s rights

Recognize that respect for the rule of law and the use of responsible business practices, including the payment of taxes to generate revenues, are essential for governments to meet their obligations to protect and fulfil children’s rights.

b. Supporting government efforts to protect and fulfil children’s rights.

c. Considering undertaking strategic social investment programmes for children

Contribute to existing programmes or plan and implement social investment programmes in cooperation with governments, civil society and children. Health, education, recreation, child protection and raising awareness of children’s rights have been identified by children and child rights experts as priorities for children.

**PeaceNexus**

Establish context-adapted programmes against abuse, slavery, trafficking in relevant communities.

## 16.3 PROMOTE THE RULE OF LAW AT THE NATIONAL & INTERNATIONAL LEVEL & ENSURE EQUAL ACCESS TO JUSTICE FOR ALL

COMMITMENT & STATEMENT	
<b>GRI 102-16</b>	<b>A description of the organisation's values, principles, standards, and norms of behaviour.</b>
<b>PeaceNexus</b>	Does the company describe in the code of conduct that it strives to be a fair competitor?  Does the company describe in the code of conduct that it strives to avoid bribery and corruption at all its operations?
DISCLOSURE	
<b>SDSN</b>	<b>Percentage of referred cases of sexual and gender-based violence against women and children that are investigated and sentenced</b>
<b>GRI 206-1</b>	Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.  Main outcomes of completed legal actions, including any decisions or judgments.
<b>GRI 307-1</b>	Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of: i. Total monetary value of significant fines; ii. Total number of non-monetary sanctions; iii. Cases brought through dispute resolution mechanisms.
<b>GRI 416-2</b>	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by: i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes.
<b>GRI 417-2</b>	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling, by: i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes.
<b>GRI 417-3</b>	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes.

<b>GRI 418-1</b>	Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: <ul style="list-style-type: none"> <li>i. Complaints received from outside parties and substantiated by the organisation;</li> <li>ii. Complaints from regulatory bodies.</li> </ul>
	Total number of identified leaks, thefts, or losses of customer data.
<b>GRI 419-1</b>	Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of: <ul style="list-style-type: none"> <li>i. Total monetary value of significant fines;</li> <li>ii. Total number of non-monetary sanctions;</li> <li>iii. Cases brought through dispute resolution mechanisms.</li> </ul>
<b>GRI 102-17</b>	A description of internal and external mechanisms for: <ul style="list-style-type: none"> <li>i. Seeking advice about ethical and lawful behaviour, and organisational integrity;</li> <li>ii. Reporting concerns about unethical or unlawful behaviour, and organisational integrity.</li> </ul>



ENGAGEMENT	
<b>PeaceNexus</b>	Is the company under the spotlight of the media because of a controversy linked to anti-competitive behaviour (e.g., anti-trust and monopoly), price-fixing or kickbacks?
	"Financial and in-kind contributions to political parties, politicians, and related institutions" (GRI G3.1 SO6)
	"Anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes"; Unfair business practices; Measures oriented towards fair competition. (GRI G3.1 SO7)
	Is the company under the spotlight of the media because of a controversy linked to bribery and corruption, political contributions, improper lobbying, money laundering, parallel imports or any tax fraud?
	Cases of corruption and bribery of public or private actors by a company; actions taken by the company to avoid the use of corruption; anti-corruption training; analysis of risks related to corruption. To bribe: "Dishonestly persuade (someone) to act in one's favour by a gift of money or other inducement" (Oxford Dictionaries); (GRI G3.1 SO2, SO3, SO4)
	Financial assistance received from government by a company: "subsidies; investment grants, research and development grants, and other relevant types of grants; Awards; Royalty holidays; Financial assistance from Export Credit Agencies (ECAs); Financial incentives; Other financial benefits received or receivable from any government for any operation." (GRI G3.1 EC4)
	Lobbying activities of companies: activities aiming at influencing decisions taken by governments at the national and international levels; Social and environmental impacts of such lobbying activities; "Public policy positions and participation in public policy development" (GRI G3.1 SO5)
Grievance mechanisms for affected communities and any other relevant stakeholder.	
Effective protection of labour rights in supply chains; check if suppliers respect the rule of law.	
<b>Poverty Footprint</b>	Do ALL workers along the value chain have access to a non-judicial grievance mechanism(s) (GMs)? If no, provide the approximate proportion of workers that do/ do not have access (disaggregate data by m/w and type of worker).
	Do ALL MSMEs and smallholders along the value chain have access to a non-judicial GM(s)? If no, provide the approximate proportion of MSMEs and small holders that do / do not have access (disaggregate data by m/w and type of worker).
	Do ALL concerned communities in the country of study have access to a non-judicial GM(s)? If no, provide the approximate proportion of community members that do/do not have access.

## 16.5 SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY IN ALL THEIR FORMS

COMMITMENT & STATEMENT	
<b>GRI 205-1</b>	Total number and percentage of operations assessed for risks related to corruption.
DISCLOSURE	
<b>GRI 205-1</b>	<p><b>Total number and percentage of operations assessed for risks related to corruption.</b></p> <p>Significant risks related to corruption identified through the risk assessment.</p>
<b>GRI 205-2</b>	<p>Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to, broken down by region.</p> <p>Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.</p> <p>Total number and percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organisation's anti-corruption policies and procedures have been communicated to any other persons or organisations.</p> <p>Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.</p> <p>Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.</p>
<b>GRI 205-3</b>	<p>Total number and nature of confirmed incidents of corruption.</p> <p>Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.</p> <p>Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases.</p>
<b>Poverty Footprint</b>	<p>Perceived level of corruption in the community.</p> <p>Perceived level of corruption for matters related to the Company.</p>
<b>GRI 415.1</b>	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organisation by country and recipient/ beneficiary.
<b>UNCTAD</b>	Anti-corruption (number of convictions for violations of corruption-related legislation or regulation and amount of fines paid or payable).
<b>PeaceNexus</b>	Publish what you pay in taxes in each country and so help improve accountability of governments.

<b>ENGAGEMENT</b>	
<b>The 10th Principle Against Corruption</b>	<p>Bribery incidence.</p> <hr/> <p>Translation of the anti-corruption commitment into actions.</p> <hr/> <p>Support by the organisation’s leadership for anti-corruption.</p> <hr/> <p>Communication and training on the anti-corruption commitment for all employees.</p> <hr/> <p>Internal checks and balances to ensure consistency with the anti-corruption commitment.</p> <hr/> <p>Monitoring and improvement processes.</p> <hr/> <p>Apply anti-corruption principles in your relationship with communities.</p>
<b>PeaceNexus</b>	<p>Participate in multi-stakeholder efforts to combat corruption.</p> <hr/> <p>If you can, negotiate with the government on the use of your taxes. Negotiate contractual agreements to share value, i.e. make sure the local population and the region where you operate benefit from your taxes; if possible, make the deal public.</p>

## 16.6 DEVELOP EFFECTIVE, ACCOUNTABLE, AND TRANSPARENT INSTITUTIONS AT ALL LEVELS

COMMITMENT & STATEMENT	
<b>GRI 415-1</b>	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organisation by country and recipient/ beneficiary.
<b>GRI 102-23</b>	Whether the chair of the highest governance body is also an executive officer in the organisation.  If the chair is also an executive officer, describe his or her function within the organisation's management and the reasons for this arrangement.
DISCLOSURE	
<b>GRI 102-25</b>	<b>Processes for the highest governance body to ensure conflicts of interest are avoided and managed.</b>  Whether conflicts of interest are disclosed to stakeholders, including, as a minimum: i. Cross-board membership; ii. Cross-shareholding with suppliers and other stakeholders; iii. Existence of controlling shareholder; iv. Related party disclosures.
<b>UNCTAD</b>	Number of board meetings and attendance rate.  Compensation total and compensation per board member and executive.  Existence of audit committee, number of meetings and attendance rate.
<b>PeaceNexus</b>	Offer good offices services by providing safe and neutral spaces for mediation between armed groups, the government, and other relevant stakeholders. Facilitate multi-stakeholder process between communities, the government and the company, especially where the lack of public services leads to public frustration affecting the company.  Support your partners in being effective, accountable and transparent.  Promote transparency among suppliers.  Does the company have a corporate governance board committee?  Does the company have a policy for maintaining a well-balanced membership of the board?  Does the company have a policy regarding the size of its board?

ENGAGEMENT	
<b>PeaceNexus</b>	<p><b>Does the company have a policy regarding the independence of its board?</b></p> <hr/> <p>Does the company have a policy regarding the gender diversity of its board?</p> <hr/> <p>Does the company have a policy regarding the adequate experience on its board?</p> <hr/> <p>Are the majority of the nomination committee members non-executives?</p> <hr/> <p>Is the senior executive's compensation linked to CSR/H&amp;S/Sustainability targets?</p> <hr/> <p>"Corporate governance is 'the system by which companies are directed and controlled'. It involves regulatory and market mechanisms, and the roles and relationships between a company's management, its board, its shareholders and other stakeholders, and the goals for which the corporation is governed" (Wikipedia). It covers topics such as: Governance structure, Cumulative functions, Board independence, Shareholders expression rights, Sustainable compensation (link between compensation and the company's social and environmental performance), Conflicts of interest, Board diversity, Mission statements and codes of conduct (GRI G3.1 4. Governance, Commitments, and Engagement).</p> <hr/> <p>Dialogue, partnerships, or controversies between a company and the United Nations (programmes, agencies, or UN-supported projects, such as the Global Compact, UNEP, UNDP, the Global Reporting Initiative, etc.); addressing the precautionary approach or principle as stated in Article 15 of the Rio Principles.</p>

## 16.B PROMOTE AND ENFORCE NON-DISCRIMINATORY LAWS AND POLICIES FOR SUSTAINABLE DEVELOPMENT

### COMMITMENT & STATEMENT

#### ILO

**For the purpose of this Convention the term discrimination includes-any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation;**

For the purpose of this Convention the term discrimination includes-such other distinction, exclusion or preference which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation as may be determined by the Member concerned after consultation with representative employers' and workers' organisations, where such exist, and with other appropriate bodies.

Any distinction, exclusion or preference in respect of a particular job based on the inherent requirements thereof shall not be deemed to be discrimination.

### DISCLOSURE

#### ILO

#### **Occupations, and terms and conditions of employment.**

Each Member for which this Convention is in force undertakes to declare and pursue a national policy designed to promote, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination in respect thereof.

Each Member for which this Convention is in force undertakes, by methods appropriate to national conditions and practice-

- (a) to seek the co-operation of employers' and workers' organisations and other appropriate bodies in promoting the acceptance and observance of this policy;
- (b) to enact such legislation and to promote such educational programmes as may be calculated to secure the acceptance and observance of the policy;
- (c) to repeal any statutory provisions and modify any administrative instructions or practices which are inconsistent with the policy;
- (d) to pursue the policy in respect of employment under the direct control of a national authority;
- (e) to ensure observance of the policy in the activities of vocational guidance, vocational training and placement services under the direction of a national authority;
- (f) to indicate in its annual reports on the application of the Convention the action taken in pursuance of the policy and the results secured by such action.

Any measures affecting an individual who is justifiably suspected of, or engaged in, activities prejudicial to the security of the State shall not be deemed to be discrimination, provided that the individual concerned shall have the right to appeal to a competent body established in accordance with national practice.

Special measures of protection or assistance provided for in other Conventions or Recommendations adopted by the International Labour Conference shall not be deemed to be discrimination.

<b>ENGAGEMENT</b>	
<b>ILO</b>	<b>Any Member may, after consultation with representative employers' and workers' organisations, where such exist, determine that other special measures designed to meet the particular requirements of persons who, for reasons such as sex, age, disablement, family responsibilities or social or cultural status, are generally recognised to require special protection or assistance, shall not be deemed to be discrimination.</b>
<b>PeaceNexus</b>	Check non-discriminatory policies and practices in your supply chain Non-discrimination in supply chains
<b>GRI 405</b>	The reporting organisation shall report the following information: a. Percentage of individuals within the organisation's governance bodies in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups). b. Percentage of employees per employee category in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).  The reporting organisation shall report the following information: a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation. b. The definition used for 'significant locations of operation'.
<b>GRI 406</b>	The reporting organisation shall report the following information: a. Total number of incidents of discrimination during the reporting period. b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organisation; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.
<b>GRI 411</b>	The reporting organisation shall report the following information: a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period. b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organisation; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.
<b>Women's Empowerment Principles</b>	Principle 1: Establish high-level corporate leadership for gender equality Principle 2: Treat all women and men fairly at work – respect and support human rights and non-discrimination. Principle 3: Ensure the health, safety and well-being of all women and men workers. Principle 4: Promote education, training and professional development for women.

## ANNEX 3

# SDG 16 INITIATIVES

### THE FOLLOWING SDG 16 INITIATIVES HAVE BEEN ANALYSED AND CONSIDERED WHERE RELEVANT.

#### Global Reporting Initiative (GRI) and associated multi-stakeholder collaborations

- **BUSINESS REPORTING ON THE SDGS:** Overview of the significance of SDGs in the enterprise context and options for integrating SDGs into reporting: Which SDGs are important for my company and how can I report on them? In addition, the relevance of SDGs for investors is discussed.  
*🔗 Initiated by GRI and the UN Global Compact, for more information see here.*
- **GLOBAL REPORTING INITIATIVE (GRI)**

**Current status:** No specific reference to SDG 16 – however, many of the topics - especially in the GRI 400 standard - focus on topics that are related to SDG 16.

**Potential inclusion:** SDG 16 and its sub-targets could be integrated into the Economic Standards (GRI 200) und especially the Social Standards (GRI 400) in the following areas:

  - o GRI 203: Indirect Economic Impacts
  - o GRI 205: Anti-corruption
  - o GRI 401: Employment
  - o GRI 402: Labour/Management Relations
  - o GRI 403: Occupational Health & Safety
  - o GRI 405: Diversity and Equal Opportunity
  - o GRI 406: Non-Discrimination
  - o GRI 407: Freedom of Association & Collective Bargaining
  - o GRI 408: Child Labour
  - o GRI 409: Forced or Compulsory Labour
  - o GRI 410: Security Practices
  - o GRI 411: Rights of Indigenous Peoples
  - o GRI 412: Human Rights Assessment 2016
  - o GRI 413: Local Communities 2016
  - o GRI 414: Supplier Social Assessment
  - o GRI 415: Public Policy 2016
  - o GRI 419: Socioeconomic Compliance 2016

*🔗 Initiated by GRI for more information see here.*
- **SDG COMPASS:** Support-tool for integration of SDGs into corporate strategy, proposing an iterative process. The process template can be applied.  
*🔗 Initiated by GRI, UN Global Compact and WBCSD for more information see here.*



## United Nations and topic-specific UN Organisations

- **UNITED NATIONS GLOBAL COMPACT (UNGC)**  
**Current status:** UNGC summarizes “all their work” by identifying 24 topics or issues. Direct reference is made to the SDGs through the Sustainable Development topic. Indirectly, the standard refers to SDG 16 especially through the topics Human Rights, Gender Equality, Inequality, Anti-Corruption & Peace. Reporting takes place in document form or through projects.

**Potential inclusion:** Through the topic Sustainable Development the UNGC already includes the SDGs into the standard. Further inclusion of SDGs exists in the Poverty Footprint and the Women’s Empowerment Principles, which also belong to the UNGC.  
[↗ Initiated by UNGC for more information see here.](#)

**Poverty Footprint**  
 The Poverty Footprint is a methodology used to determine the factors of poverty in a country. The tool was developed by the UNGC and examines a total of 5 main themes, 21 sub-themes and a multitude of indicators. Even if the SDG 16 cannot be directly attributed to any of the themes or indicators, many aspects can be found in the sub-themes.  
[↗ Initiated by UNGC for more information see here.](#)

**The Women’s Empowerment Principles**  
 The aim of these principles is equality between men and women. A total of 7 principles have been drawn up (by the UNGC). Again, these principles are not directly related to SDG 16, but form an essential basis for the implementation of subcategories of SDG 16. For example, 16.6, 16.7, 16.10 and 16.b.  
[↗ Initiated by UNGC for more information see here.](#)

**The 10 Principles**  
[↗ Initiated by UNGC for more information see here.](#)

**United Nations Guiding Principles on Business and Human Rights**  
[↗ Initiated by UNGC for more information see here.](#)

**United Nations Guiding Principles Reporting Framework**  
[↗ Initiated by UNGC for more information see here.](#)
- **SUSTAINABLE DEVELOPMENT KNOWLEDGE PLATFORM:** Detailed information about SDGs and sub-targets as well as progress to date.  
[↗ Initiated by United Nations for more information see here.](#)
- **SDG LAB:** The SDG LAB provides a platform where methods, tools and techniques for achieving the SDGs are documented.  
[↗ Initiated by United Nations Geneva for more information see here](#)
- **SDG Fund**  
**Current status:** The SDG Fund in collaboration with its Private Sector Advisory Group, Pennsylvania University Law School and with the legal specialized support from the law firm McDermott Will & Emery. examines how Sustainable Development Goal 16 (peace, justice and strong institutions) is relevant to the private sector and offers perspectives on the link between peace and the development agenda.

**Potential inclusion of SDGs:** Offers best practice & perspectives.  
[↗ Initiated by UNDP for more information see here.](#)
- UNICEF Voluntary Principles  
[↗ Initiated by UNICEF for more information see here.](#)

- UNCTAD  
[↗ Initiated by United Nations for more information see here.](#)
- IAEG-SDGs  
[↗ Initiated by United Nations for more information see here.](#)

## Multi-lateral Organisations

- **ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD)**  
**Current status:** The OECD Guidelines on Multinational Enterprises are recommendations for multi-national companies headquartered in OECD countries. Although the governments of the OECD countries acknowledge the condition of acceptance that peace and security should be guaranteed in their countries, there is no direct reference regarding the responsibility of multi-national enterprises. However, recommendations refer directly or indirectly to sub-items of the SDG16. For example, recommendation 9 in the introduction calls for an impartial judiciary and the rule of law (SDG16.3), the recommendation in chapter V.1.c) relates to effectively abolishing child labour (SDG16.2) and the recommendation in chapter VII.79. addresses combating corruption with standards (SDG16.5).  
  
**Potential inclusion:** OECD has developed two approaches to incorporate SDGs into its standard; the OECD Action Plan on SDGs and Measuring Distance to the SDG Targets. Both approaches offer a new perspective, which needs to be considered.  
[↗ Initiated by OECD for more information see here.](#)
- **WORLD BANK WDI**  
[↗ Initiated by WDI for more information see here.](#)
- **DEVELOPMENT OUTCOME TRACKING SYSTEM (DOTS):** Country and sector diagnosis, showing which SDGs are most important in relation to a specific country or sector. Support for decisions about which SDG is most relevant in a specific country of operation or value chain step as well as according to sector.  
[↗ Initiated by International Finance Corporation for more information see here.](#)

## National Governments

- **FDFA 2030 AGENDA:** Description of the SDGs including a video for each goal.  
[↗ Initiated by Schweizerische Eidgenossenschaft for more information see here.](#)
- **SDSN SWITZERLAND**  
[↗ Initiated by University of Bern and biovision for more information see here.](#)
- **UK BRIBERY ACT**  
[↗ Initiated by HMSO for more information see here.](#)
- **AUSTRALIAN MODERN SLAVERY ACT**  
[↗ Initiated by Australian Government for more information see here.](#)

## Standard Setting Agencies

- SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)**  
**Current status:** SASB's Materiality Map reviews a company's key issues by sector. SASB neither mentions nor deals with SDG 16 directly. Targets of SDG 16 are often addressed on a topic by topic basis.

**Potential inclusion:** As SASB addresses critical issues for companies at industry level, it will be very interesting to these issues to SDGs, as this would reveal which SDGs are of interest to the sector. However, SASB is strongly focused on the USA and therefore less relevant globally.  
[↗ Initiated by SASB for more information see here.](#)
- ISO 26000**  
**Current status:** This ISO standard describes how organisations should behave in order to be considered socially responsible. The standard comprises seven principles (foundation) and seven core topics (main areas of social responsibility). The keywords "peace" and "rule of law" have been included in the core topic of labour practices, as the labour practices of companies can have a major impact. SDG16.b can be found in action field 5, which deals with protection against discrimination.

**Potential inclusion of SDGs:** An integration of the SDGs into the seven core topics is quite possible.  
[↗ Initiated by ISO for more information see here.](#)
- INTERNATIONAL INTEGRATED REPORTING COUNCIL (IIRC)**  
**Current status:** The IIRC is an international association that aims to advance corporate reporting. The guidelines published by the association do not refer to specific topics such as peace, but rather explain the methodology of integrated reporting.  
[↗ Initiated by IIRC for more information see here.](#)

## Other (non-governmental) Organisations

- Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation**  
[↗ Initiated by the World Economic Forum, for more information see here.](#)
- SDG KNOWLEDGE HUB:** Information Platform that provides News, Guest Articles, Policy Briefs and Events for each SDG.  
[↗ Initiated by WBCSD for more information see here.](#)
- GAPFRAME:** The Gapframe provides a country-, region- or issue-specific tool that indicates which topics are most urgent in a specific country. The Gapframe is linked to the SDGs.  
[↗ Initiated by Swiss Sustainability Hub for more information see here.](#)
- CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)**  
**Current status:** CHRB is a collaboration led by investors and civil society organisations dedicated to creating the first open and public benchmark of corporate human rights performance. Since 2017 they have been benchmarking more than 200 companies yearly using a self-established methodology.

**Potential inclusion of SDGs:** Many of the indicators from CHRB correlate with the ones from SDG 16 and could therefore be useful.  
[↗ Initiated by CHRB for more information see here.](#)
- SOCIAL TRANSFORMATION BENCHMARK**  
 Will assess the 2,000 most influential companies against a common set of core social expectations  
[↗ Initiated by the World Benchmarking Alliance, for more information see here.](#)
- FutureFit**  
[↗ Initiated by Future Fit Foundation for more information see here.](#)

## ANNEX 4

# FURTHER REPORTING EXAMPLES

### Weleda AG<sup>10</sup>

Activity	Commodity trading and mining
<b>SDGs</b>	Weleda defines and reports on the SDGs in 7 areas of action that encompass their whole supply chain. SDG 16 is addressed in the areas of respectful supply chain, cultural and social relationships, development, management, and finance. Additionally, Weleda provides a short statement for each SDG.
<b>Commitment</b>	<ul style="list-style-type: none"> <li>• Commitment to support and promote the guiding principles of anthroposophy to contribute to a fair, diverse, and peaceful world.</li> <li>• Commitment to respectful supply chain management promoting sustainable local development and careful use of biodiversity.</li> </ul>
<b>Disclosure</b>	<ul style="list-style-type: none"> <li>• External Auditing of all supply chains.</li> <li>• Project for transparency regarding the true costs for all essential plant-based raw materials.</li> <li>• Process of Certification as B Corp.</li> </ul>
<b>Engagement</b>	<ul style="list-style-type: none"> <li>• Active support of social and ecological initiatives at cultivation sites.</li> <li>• Implementation of projects for people who have experienced displacement.</li> </ul>
<b>Lessons learned</b>	Even if Weleda does not focus primarily on SDG 16, the goal is mentioned and placed in the company-specific context. Weleda implicitly contributes to SDG 16 through diverse targets that seek to achieve respectful supply chain management and sourcing, community development and responsible management and finance practices. Weleda does not set specific targets for SDG 16 and it does not specifically mention commitments, disclosure or engagement for SDG 16 sub-targets.

Nestlé<sup>11</sup>

Activity	Commodity trading and mining
<b>SDGs</b>	Nestle made several public commitments on how it contributes to creating shared value for individuals, communities, and how each of these commitments contribute to specific SDGs. SDG 16 is included in 4 of these commitments.
<b>Commitment</b>	<ul style="list-style-type: none"> <li>• Respect and promote human rights</li> <li>• Enhance rural development and livelihoods</li> <li>• Promote decent employment and diversity</li> <li>• Enhance a culture of integrity, transparency and ethics across the organisation.</li> </ul>
<b>Disclosure</b>	<ul style="list-style-type: none"> <li>• Shared value report</li> <li>• Open disclosure of tax payments</li> <li>• Report on child labor</li> <li>• In the process of carrying out human rights impact assessments</li> <li>• Published a list of direct suppliers, upstream locations and countries of origin, as well as total volume sourced, for 15 raw materials.</li> </ul>
<b>Engagement</b>	<ul style="list-style-type: none"> <li>• Founding patron of action platform for Peace, Justice and Strong Institutions</li> <li>• Several programmes to enhance farmers' livelihoods and responsible sourcing</li> </ul>
<b>Lessons learned</b>	Nestle addresses SDG 16 through commitment, disclosure, and active engagement to advance SDG 16 in the private sector through multi-stakeholder partnerships and implementation of projects in the field. It addresses the goal in four of its materiality issues and explicitly elaborates and links the information to SDG 16. Further, Nestlé provides SMART targets for SDG 16 related topics. Even if SDG 16 targets are not specifically mentioned, the company implicitly reports on commitments, disclosure, and engagement to combat child labour and corruption and to strengthen business ethics, tax transparency, human rights and responsible governance.

## ANNEX 5

# LIST OF INTERVIEW PARTNERS<sup>12</sup>

### Investors & financial institutions

- Conser
- Covalence
- De Pury, Pictet & Turretini
- J. Safra Sarasin
- Julius Baer (2 interview partners)
- Lombard Odier & Co
- Mirabaud & Cie SA
- S&P
- Standard Chartered

### Companies and business organisations

- Anglo American
- Novartis
- Nestlé
- Pan American Silver
- Richemont
- Lafarge Holcim
- UBS

### Standard setting agencies

- SASB
- WBCSD
- World Economic Forum
- GRI
- UNGC
- UZH Institute for Banking and Finance

## ANNEX 6

# SURVEY RESULTS

We have asked relevant stakeholders to examine the proposed 15 indicators and evaluate them considering their comprehensibility, measurability, and impact orientation. 23 stakeholders from the corporate sector, the investment community and financial institutions responded. The results are summarised and shown in the table below.

- **Overall response:** The majority (21 of 23 responses) considered the SDGs a useful reporting framework, complementing other widely used ESG and other reporting standards.
- **Comprehensibility:** Applying a scale from 1 (not comprehensible) to 5 (very comprehensible), the 15 indicators were on average rated with 4.1.
  - o Some indicators were rated higher, for example indicators 7 and 15.
  - o Some indicators were also given lower ratings, especially the ‘engagement’ focused indicators 3, 6 and 9.
  - o As none was evaluated lower than 3.5, they can still be regarded as comprehensible.
- **Measurability:** Applying a scale from 1 (not measurable) to 5 (easily measurable), the 15 indicators were on average rated with 3.6.
  - o Some indicators were rated remarkably high, for example indicators 15 and 7.
  - o Some indicators were given lower ratings, for example 9, 6, 14 and 3. This again includes especially those focused on ‘engagement’.
  - o With the lowest to ratings below 3, these four indicators seem harder for companies to measure and, therefore, they would be expected less accurate.
- **Impact orientation:** Applying a scale from 1 (not useful) to 5 (very useful), this validation dimension fared the lowest overall, with an average of 3.3. Nevertheless, this is still an acceptable average.
  - o Indicator 15 and 8 have been scored highest, with 4.1 on average.
  - o Indicators 3 and 6 have again received the lowest ratings.

In conclusion, all the indicators were rated reasonably high and the feedback received from the respondents was generally positive. The indicators for Commitment & Statement were rated higher than the indicators for Disclosure and for Engagement, with indicators 3 and 6 have been flagged as the most problematic, though not in a fundamental way. Thus, we have considered the validation exercise to confirm the suggested indicators without further changes due.

*Average rating per indicator category (Commitment & Statement, Disclosure, Engagement)*

	<b>Commitment &amp; Statement</b>	<b>Disclosure</b>	<b>Engagement</b>
Comprehensibility	4,2	3,8	3,7
Measurability	4,1	3,7	3,8
Impact orientation	3,9	3,3	3,4

## ABOUT THE ORGANISATIONS

### PEACENEXUS

PeaceNexus is a private foundation established in 2009 that aims to, among others, help companies with a footprint in fragile states to strengthen their conflict-sensitivity and peacebuilding contribution. PeaceNexus is based in Geneva with field offices in South East Asia, Central Asia, West Africa and the Western Balkans.

In 2018, PeaceNexus co-created and invested part of its endowment in the Cadmos Peace Investment Fund. It represents a milestone in responsible and impact investing as it is the first and only fund aligned with UN Sustainable Development Goal 16. PeaceNexus has developed a list of criteria to assess companies' contribution to peacebuilding and SDG 16, the Peacebuilding Business Criteria.

PeaceNexus joined the Action Platform for Peace, Justice, and Strong Institutions in June 2019 to complement and accelerate the work on standards setting for company reporting on SDG 16.

### UNITED NATIONS GLOBAL COMPACT

The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the UN Global Compact mandate, which is derived from the UN General Assembly, is to guide and support the global business community in advancing UN goals and values through responsible business conduct. With more than 10,000 companies and 3,000 non-business signatories based in over 160 countries, and more than 60 Local Networks, it is the largest corporate sustainability initiative in the world.

The UN Global Compact leads the Action Platform for Peace, Justice, and Strong Institutions, working with highly engaged businesses and other stakeholders to develop a framework for businesses to understand, implement, and report on Goal 16 through corporate governance and global governance.

### RESEARCH TEAM

*engageability* is a center of excellence for sustainability and co-creation. We support and partner with private sector entities, as well as with non-for-profit and development organisations and governmental agencies. We demonstrate thought leadership in different sustainability areas and enable our partners to reach the next level in their sustainability journey. Additionally, we have a long track record of managing sustainability issues including corporate governance, bribery and corruption, as well as inclusive business and human rights within multinational companies and working with a wide range of companies in an advising function. This enables us to translate issues and indicators into the terminology most suitable for different stakeholders which will be an asset for this research.

*swisspeace* is a practice-oriented peace research institute with over 30 years of experience in supporting major donors, private sector institutions, multilateral organisations, local and international civil society and government agencies in their promotion of peace, justice and strong institutions in fragile and conflict-affected contexts. We have deep knowledge of the Agenda 2030, in particular the challenges that underpin achieving SDG 16, and we participate actively in national and international debates on its implementation. *swisspeace* also supports private sector actors, as well as public and private investors in integrating SDG 16 in their business operations and investment projects.



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