

ESG Metrics Consultation (Generic)

World Economic Forum

ESG Metrics and Disclosures Consultation Process

Thank you for participating in this survey.

We have launched this survey to gather input and feedback on the proposed metrics/disclosures from corporates, investors, standard setters, and other relevant stakeholders. The aim is to integrate the results of this process into our current work and release an updated list of metrics in the coming months.

(Note: The first survey questions were details about privacy information and the respondent. Tammy Wyche, Director, Environmental, Health and Safety Center, is the listed respondent.)

Q5.2 Is reporting on a set of universal, industry agnostic ESG metrics/disclosures useful for companies and investors?

Yes

Q5.3 Please explain why.

A uniform set of metrics that align with UN SDGs creates a guide for companies and organizations to communicate their performance toward reaching the SDGs on an equal basis that levels the measure of actual achievements vs. marketing “green washing.”

Q5.4 Is reporting on a set of universal, industry agnostic ESG metrics/disclosures useful for the financial markets and the economy as a whole?

Yes

Q5.5 Please explain why.

Reporting using a consensus ESG metric will provide greater transparency in what is disclosed. It will also provide a standard to audit against to ensure the company report is reliable and will not embellished with “green washing” or “green wishing.”

Additionally, to satisfy the prioritized interests of their stakeholders, organizations create value by taking actions that transform capitals, and that means to be successful looking beyond financial capital to include human capital, intellectual capital, manufactured capital, social and relationship capital, and natural capital.

Greater consideration must be given to how organizations can be persuaded to adopt a new way of thinking and acting that relies on a thorough appreciation of financial and nonfinancial factors. Such a perspective is not only entirely consistent with but absolutely necessary for long-term organizational success.

Q5.6 Would reporting on a universal set of ESG metrics/disclosures across sectors and geographies increase comparability and transparency?

Yes

A universal set of ESG metrics/disclosures across sectors will increase comparability and transparency with the addition of strong oversight. There is a need for independent and objective insight and assurance through internal and external audit to ensure transparency and reliability of information.

Q5.7 Please explain why not.

Q5.8 Do you view this initiative as being complementary to existing standards and frameworks?

Yes

Q5.9 Please explain why not.

Q5.10 Are any high priority metrics/disclosures missing from the current set of 22 core and 34 expanded metrics/disclosures?

Yes

Q5.11 Please list any missing high priority metrics/disclosures. To the extent possible, please provide a source or reference for the metric/disclosure.

It was not obvious that a metric to disclose the hazards of new technology is addressed. For example, introduction of “forever chemicals” into the environment is now a global impact to environmental and public health. The responsibility to fully test and disclose the Innovation/R&D developments in a company must be included in the metrics. If this falls directly into the current named metrics, it should be highlighted to how this area of concern is to be disclosed.

In addition, Pillar 1 Governance should include reference to the valuable role internal audit plays in governance. Internal audit is indispensable to governance, providing independent and objective assurance and expert advice on all aspects on an organization’s activities and operating conditions. By embedding sustainable organizational performance in the structures and processes of governance and risk management, organizations truly create broad sustainable value for stakeholders. And through internal audit’s effort to promote continuous improvement through rigorous investigation and insightful communications, long term success is achievable.

Q5.12 Would you remove any of the metrics/disclosures?

No

Q5.13 Please list the metrics/disclosures that you would remove.

Q5.14 To what extent will assured data elevate the quality of data used to report on these metrics/disclosures?

To a great extent

Q5.15 Please rank the following groups to indicate the importance of their role in catalyzing a systemic solution for reporting on non-financial (e.g. Environmental, Social and Governance) information.

	Extremely important	Moderately important	Not at all important
Investors	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporates	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Standard setters	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Regulatory bodies	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
International organizations/NGOs	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Q5.16 Is there another group that you think will play an important role?

Q5.17 Do you have any additional comments on the proposed set of core and expanded ESG metrics/disclosures?

Under Pillar 1 Governance, it is essential to reflect the import role of internal audit as a core element.

Internal audit is ideally and uniquely positioned in an organization to be a catalyst for innovation and change and to make valuable contributions to the development of sustainable organizational performance. Internal audit plays a key role by:

- Advocating for every department to think of, plan for, operate to achieve, and communicate successfully sustainable goals.
- Helping an organization prepare for making nonfinancial disclosures by advising and providing assurance on the content, design, and implementation of appropriate structures, systems, and processes for strategic and operational planning, goal setting, data collection, decision-making, and reporting.
- Assessing whether the risks associated with sustainable organization performance, risks that may have an impact on stakeholder evaluation and support, are considered.
- Communicating an integrated account of the organization to management and the governing body.
- Working with external auditors to provide assurance on the reliability and consistency of disclosures of nonfinancial information, not just financial information.

Q3.1 You have reached the end of the survey. We thank you for your time. If there's anything else we should know please use the comment box below to tell us. Please press

SUBMIT to finish.