



A “smart mix” for responsible investment:

The role of government in ensuring investor respect for human rights

November 25, 2019: 16:40-18:00

Financial systems have the potential to promote respect for human rights and contribute to achieving the Sustainable Development Goals. Yet, doing so requires that institutional investors—from public pensions and trade union funds to asset managers, foundations, and family funds—consider human rights throughout their institutional governance and throughout the investment lifecycle. This requires that investors conduct human rights due diligence as part of their own activities, and it is imperative that governments adopt a “smart mix” of measures that strengthen regulation, improve policy coherence, and showcase how public financial institutions can lead by example in this area.

While [the European Parliament has recently taken a monumental step in this regard](#), and while human rights due diligence has been outlined by the UN Guiding Principles, integrated as a key feature of the OECD Guidelines on Multinational Enterprises, and unpacked for institutional investors in the OECD guidance document *Responsible Business Conduct for Institutional Investors*, significant gaps remain in clarifying what the implementation of the responsibility to respect human rights looks like for investors and how investors can be held accountable by States and others for adverse impacts.

This session’s objective will be to unpack how governments can most effectively contribute to filling these gaps. It will aim to achieve this objective through collaborative dialogue, open debate, and multi-stakeholder strategy-setting around what additional information, tools, resources, partnerships, and test cases may be needed in furthering investor respect for human rights across diverse markets and business relationships.

Speakers

- **Government:** Mr. Paul Tang, Member of the European Parliament (confirmed)
- **Public pension:** Ms. Dyveke Rogen, Senior Analyst, Corporate Governance, Norges Bank (TBC)
- **Asset manager:** Hermes Equity Ownership Services and Aviva (TBC)
- **Civil society:** Ms. Rachel Owens, Head of EU Advocacy, Global Witness (confirmed)

Tentative session format

Given the multi-stakeholder nature of the group of organizers and lead discussants, we anticipate a diverse group of participants and therefore aim for a highly interactive session. We hope to achieve this by breaking the session down into two main discussions, each beginning with kick-off reflections from

two lead discussants and then turning to the room for facilitated brainstorming and strategy-setting around specific discussion questions. A breakdown of this format is as follows:

Welcome and kick-off remarks

- Ms. Paloma Muñoz Quick, Director, Investor Alliance for Human Rights

Discussion 1: Advocacy and implementation around mandatory investor human rights due diligence (mHRDD)

Framing questions for facilitated group discussion:

- What are key elements of meaningful government requirements on financial systems to further investor and broader business respect for human rights?
- How can civil society, investors, government actors, companies, and others come together to advance mandatory investor HRDD?

Lead discussants:

- *Civil society*: Ms. Rachel Owens, Head of EU Advocacy, Global Witness
- *Government*: Mr. Paul Tang, Member of the European Parliament (TBC)

Discussion 2: Duty-bearing investors and responsibility-holding investors

Framing questions for facilitated group discussion:

- What smart mix of measures currently exist or are needed to ensure that sovereign wealth funds and public pension funds live up to the State duty to protect human rights throughout their institutional governance and investment decisions and relationships?
- What smart mix of measures currently exist or are needed to ensure that non-government institutional investors live up to the corporate responsibility to respect human rights throughout their institutional governance and investment decisions and relationships?

Lead discussants:

- *Public pension*: Dyveke Rogen, Senior Analyst, Corporate Governance, Norges Bank (TBC)
- *Asset manager*: Hermes Equity Ownership Services and Aviva: (TBC)

Framing questions for facilitated group discussion:

- What smart mix of measures currently exist or are needed to ensure that sovereign wealth funds and public pension funds live up to the State duty to protect human rights throughout their institutional governance and investment decisions and relationships?
- What smart mix of measures currently exist or are needed to ensure that non-government institutional investors live up to the corporate responsibility to respect human rights throughout their institutional governance and investment decisions and relationships?

Key takeaways and wrap-up

- Ms. Paloma Muñoz Quick, Director, Investor Alliance for Human Rights