



### **Banks & the UNGPs: implementation case studies and dilemmas**

Date Monday 14 November

Time 11:40-13:00

Moderator Christine Kaufmann, University of Zurich

Speakers Ryan Blackwell, Researcher & Editor, BankTrack

Giulia Guidi, Executive Director, Global Environmental & Social Risk Management, J.P. Morgan

Christian Leitz, Head of Corporate Responsibility Management, UBS

Mercedes Sotoca, Head of Environmental and Social Risk, ING

Raul Manjarjin, RepRisk (TBC)

Organisers Thun Group of Banks & BankTrack

### **Focus and aims of this session**

The session will focus on the concepts of leadership and leverage in the context of the banking sector's approach to human rights, through case studies exploring what leadership looks like, presented in a workshop format by panellists from the banking sector, civil society and other relevant areas as well as by delegates from the floor. The session will provide insights into what the financial industry is doing to assess human rights in its finance. It will allow for positive human rights outcomes to be shared and also critiqued, and areas for improvement to be examined. Participants will be encouraged to discuss leverage in the banking sector, for example by exploring the practical constraints of leverage and how bank leverage over client or investee companies can be increased where necessary to secure positive human rights outcomes.

This year the Forum will more closely examine the relationship between "the supply of money and financial markets" and business and human rights, and banks play an important role in both creating and allocating capital. This session will examine how banks ensure that human rights impacts are properly addressed and positive outcomes achieved for rights-holders, as banks allocate capital through their lending, asset management and investment banking activities.

## Objectives

- Explore leadership in the banking sector through case studies illustrating how banks have secured positive human rights outcomes in their allocation of capital through lending, investment banking or asset management.
- Explore leverage in the banking sector, for example through case studies which consider the practical extent of and constraints of leverage, and what steps can be taken by banks to improve leverage over client or investee companies.
- Provide a deeper understanding of the risk management framework applied by banks.
- Reflect upon banks' successful as well as unsuccessful engagement with clients, including why engagement did or did not achieve the intended outcomes.
- Identify priority areas for regulatory or voluntary intervention in the banking sector to help raise baseline standards / level the playing field and ensure good practice is replicated and improved upon.

## Key discussion questions

- What does the financial industry do to assess human rights in its financings? What systems have banks put in place, how do they perform due diligence and also encourage clients to remediate impacts?
- How do banks - *in practice* – take steps to influence the clients to whom they provide finance to in order to avoid negative outcomes and secure positive outcomes for rights-holders affected by their activities, through human rights due diligence?
- How much leverage do banks have over clients and investee companies in different circumstances, and (how) can banks take action or collaborate to increase leverage?
- Is disengagement from a client or investee company the only responsible option for a bank? How can disengagement be done responsibly? What are the alternatives?

## Format of the session

The session will take the form of a panel with elements of a workshop. Panel participants will present case studies in the form of dilemmas, allowing delegates to propose alternative methods for managing the human rights impacts described. In addition, delegates will be encouraged to present their own case study examples involving positive or negative examples of finance sector impacts from the floor.

## Useful links

[The Thun Group: UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16–21](#) [PDF]

[BankTrack: Banking with Principles? Benchmarking Banks against the UN Guiding Principles on Business and Human Rights Second edition, June 2016](#) [PDF]

[BankTrack: Human Rights Impact Briefings](#) [Web page]