
FINAL REPORT

EVALUATION OF THE WORLD BENCHMARKING ALLIANCE



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LIST OF ACRONYMS

WBA	World Benchmarking Alliance
FAB	Food and Agriculture Benchmark
SSI	Seafood Stewardship Index
ATSI	Access To Seeds Index
CHRB	Corporate Human Right Benchmark
GB	Gender Benchmark
CEB	Climate and Energy Benchmark
CEB-AB	Automotive Benchmark
CEB-EUB	Electric Utilities Benchmark
CEB-OGB	Oil and Gas Benchmark
CEB-TB	Transport Benchmark
CEB-BCB	Buildings and Construction Benchmark
DIB	Digital Inclusion Benchmark
CB	Circular Benchmark
UB	Urban Benchmark

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The team gratefully acknowledges the support and invaluable inputs from a total of 32 key experts at WBA, donors, Alliance members and companies in interviews and 40 experts through online surveys (see Annex A for an overview). The insights from consulted experts contributed to a comprehensive analysis of WBA's operations and results from all relevant points of view. This report really is the result of a collective effort.

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Steward Redqueen is responsible for all analysis and views expressed in this report. Views expressed here do not necessarily reflect the official views of WBA, and recommendations were formulated as considerations by the authors. We hope the report contributes to a better understanding of the role of benchmarking, WBA's progress to date as well as achievements and the challenges faced. We hope it may lead to a further sharpening of WBA's operations and approach to generating behavioural change at keystone companies through benchmarking and engagement, and ultimately achieving the intended impact.

EXECUTIVE SUMMARY

Introduction

The World Benchmarking Alliance ('WBA') aims to drive the private sector's engagement in the SDGs through benchmarks and engagement. WBA is committed to continuously improving its own organisational performance and effectiveness by monitoring progress and by regularly undertaking independent, third-party evaluations of results. This report is the result of the first independent evaluation of WBA. Through the evaluation WBA wants to be accountable to funding partners, identify first learnings and feed future strategic and operational decision-making.

Methodology

The evaluation follows a mixed-methods approach. It is based on an in-depth review of key documents, analysis of performance data, surveys among staff and the Alliance and 32 deep-dive interviews with senior management, staff, funding partners, Allies and targeted companies. The four different types of sources allowed for robust analysis and triangulation of all data, opinions and findings.

WBA's progress

WBA became an independent legal entity on 1 January 2019, through the transitioning of the Index Initiative. In these first two years, the team has grown to 64 employees based in 13 different countries. It has formed an Alliance of 182 partners and produced or enhanced 6 benchmarks and reached over 500 companies.

Key findings

Relevance

Benchmarking is a powerful way to influence the behaviour of a large group of influential companies. Through its benchmarks WBA makes the performance of the most influential companies globally on the SDGs tangible, insightful and comparable. It does so from an independent position and free of charge. By spotlighting leaders and laggards WBA leverages the forces of competition to promote a 'race to the top' and provides an effective engagement tool for investors to use in accelerating the transition. In doing so, WBA is probably the organisation closest to creating a global and comprehensive SDG accountability mechanism for the private sector.

WBA is the first organisation to consolidate benchmarking initiatives. WBA was created by uniting existing frameworks (Access to Seeds Index (ATSI), Corporate Human Rights Benchmark (CHRB)). Building on this experience, it is working towards benchmarking 2000 companies across seven transformational areas and is bringing together a large number of varied influential stakeholders. In doing so, WBA is the first initiative to bring a coherent set of benchmarks under one entity while also creating an effective platform for engagement. WBA is intended and designed to reduce complexity in the benchmarking space and in the sustainability landscape in general, while maintaining open dialogues with existing initiatives, and consolidating work where necessary and beneficial.

Coherence

WBA is complementary and coherent with other actors due to its unique role in SDG ecosystem. WBA has a clear niche in the ecosystem: it focuses on accountability and on moving beyond current ESG risks to impact-focused themes and forward-looking ambitions of companies. It is coherent and complementary to other actors in the space. WBA builds upon the developers of sustainability standards (OECD MNE Guidelines, UN Guiding Principles on Human Rights or sectoral as FSC) and reporting standards (GRI, SASB), it goes beyond the data and risk-focus of ESG data providers (Bloomberg, MSCI, Sustainalytics) and offers more scale and reach than deep-dive sustainability research agencies. WBA actively tries not take a competitive approach with other benchmarking initiatives but rather one of cooperation and knowledge exchange. Moreover,

WBA's benchmarks are published as a public good, transparent in methodology and results and available to all at no cost to the user.

Effectiveness

In its first two years of operations, WBA has largely delivered on expected research outputs. In its first two years WBA focused on mapping out the space of peer initiatives and carving out its niche, building partnerships and developing a sense for the diversity of the systems in which it aims to drive change. Furthermore, WBA has been laying robust methodological foundations and delivering on the first benchmark publications. To date, six different benchmarks have been published at least once, for a total of about 500 companies benchmarked – against a target of mapping 2000 companies using transformation and spotlight benchmarks by 2023. Although difficult to exactly pinpoint, the research finds that at 40% of the time WBA has delivered 25-35% of intended results. Taking into account that a start is always slower, and that it was still building the organisation, it can be concluded that WBA is largely in line with the ambitious expectations.

WBA developed credibility in a short timeframe and a diverse Alliance that can help increase pressure on companies. Benchmarks are a tool that WBA develops to empower stakeholders to actively engage with companies, but delivering benchmarks is part of the solution. Next to developing benchmarks, WBA requires awareness, credibility and partners for engagement. WBA succeeded in raising awareness on the potential of benchmarking and managed to develop significant credibility in the space in a short time. This is evidenced by the attention it has generated in leading global (FT, BBC) regional (e.g. Al Jazeera) and national media (e.g. Japan Times, Xinhua News Agency) as well as global high-level events (e.g. WEF, UNGA). Meanwhile, WBA has been growing its Alliance up to a present 182 partner organisations. The Alliance features investors, civil society, reporting organisations, multilaterals, government and UN agencies. This diversity in types of partner organisations is one of WBA's main strengths and unique characteristics.

Efficiency

With WBA the cost and time of benchmark production is decreasing rapidly. By running several organisational activities centrally, WBA benchmarks can share the use of operational resources such as IT, legal support or HR management. This enables benchmark leads and analysts to fully focus on the transformations they intend to drive, which in turn results in significant efficiency gains in terms of the time and costs needed to develop benchmarks. WBA's operations team thus is an enabler of efficiency gains. As a result, the time it takes to develop a benchmark is shorter when compared to initiatives focused on individual benchmarks.

Through its organisation and expertise WBA makes efficient use of internal and external skills and expertise. By leveraging external methodologies and drawing lessons from the experience of other existing benchmarks WBA makes efficient use of the knowledge that has already been developed and dedicates special attention to avoiding duplication of efforts. As the organisation moves forward and the methodological foundations become more harmonised and established, WBA operational efficiency in terms of benchmark publication can be expected to further increase – leaving further room to develop aspects related to building its Alliance and initiating engagement actions.

Impact

Tangible outcomes and first signs of impact are visible for some of the longer running benchmarks. The transformational impact WBA strives for cannot be realised in two years nor be fully attributed to a single organisation like WBA. In fact, the transformation is by design running parallel to the SDGs and has 2030 as a timeline. However, there is ample anecdotal evidence of behavioural change at companies (see section 5) and first signs of impact on people, workers, communities and the environment as well as first signs of structural transformation within companies (see section 6), including in developing countries. The box on page 8 highlights a full journey through the pathways of WBA's Theory of Change, using the CHRB as an example.

The achievement of visible impacts of benchmarks is estimated to take between three to five years. Experience with the longer running benchmarks (CHRB, ATSI) shows that the impact of improved business practices on people, workers, communities and the environment may take up to five years. This is mainly

because it takes time for a benchmark to be developed, published, socialised, picked up and actively used by stakeholders with leverage and ultimately the change process within a company. In the case of CHRB, first tangible results of impact were observed five years after its establishment and a year after its first publication. Taking into account the efficiency gains generated by WBA in producing and socialising benchmarks, it can be expected that this time will decrease.

WBA is expected to have significant impact in developing countries and developed an innovative methodology to track this. Given its mandate to drive transformational change especially in developing countries, one of the five keystone criteria used to select companies is to have a global footprint, particularly in developing countries. To this end, WBA has developed an innovative methodology to assess which of its 2,000 keystone companies can be expected to have significant impact in developing countries, whereby the threshold is set even higher. The innovative methodology combines several indicators such as location of headquarters, subsidiaries, manufacturing facilities, suppliers and joint ventures, as well as the number of employees based in developing countries. As the methodology has been recently developed, it has been applied on about 30% of the 2000 keystone companies. Among the companies assessed, 45% are expected to have significant impact in developing countries.

Sustainability

WBA's operations and growth are challenged by a persistent funding gap and meeting requirements. WBA has a hybrid funding model. It receives funds from both governments and foundations, for individual projects or benchmarks or institutional. This is a sign that it is flexible and can appeal to a wide array of donors with different objectives. However, it also means that budgeting is complicated, while WBA is expected to meet various objectives and report on various types of results. Meanwhile, there is a persistent funding gap since the organisation's inception. This means that WBA spends a disproportional amount of time in developing proposals for fundraising as well as structuring results and reporting. The COVID-19 crisis has made it even harder to build a pipeline of funders. The funding gap as well as the time required to meet demands are the biggest organisational challenges for moving towards its goals and its organisational sustainability.

WBA's mission is challenged by the scope and structural lack of responses by a part of companies. The two biggest challenges in meeting the mission are the scope and focus of benchmarks as well as generating responses from a part of the companies that has not showed an interest so far, and from the right stakeholders within companies. The scope of the 2000 keystone companies makes sense, but there may be cases where a company is more driven by competition with smaller sectoral or local peers. In addition, there is a structurally low response by a part of the companies. When looking at companies that are not responding, one can note major 'dark spots', which notably include companies in the United States and China. Finally, WBA is not always finding the right 'entrance' at companies. In order to generate behavioural change it needs to move beyond catalysing action in the sustainability department to reaching and influencing top management.

Table 1: SWOT analysis of the World Benchmarking Alliance

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Talented and committed team Good reputation and trust among stakeholders Clear niche in the SDG ecosystem Diverse, multi-stakeholder Alliance Creativity and willingness to experiment Ability to operate efficiently 	<ul style="list-style-type: none"> Structurally low responses by part of companies (US, China) Finding the right entrance at companies Focus and prioritisation in communication Limited number of investors among allies Lack of basic harmonisation across transformations
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Ensuring learnings are exchanged among teams Further facilitating use of results by investors Leveraging Alliance better Learning from the different approaches 	<ul style="list-style-type: none"> Persistent funding gap Time required for proposals and reporting to donors Challenge of keeping team capacity in line with growth Living up to high expectations

A JOURNEY THROUGH WBA'S THEORY OF CHANGE IN PRACTICE: THE CHRB

The Corporate Human Rights Benchmark (CHRB) is the first open and public benchmark of corporate human rights performance. It was established in 2013, had its first results in 2017 and became part of WBA in 2019.

Activities

To develop the CHRB methodology extensive multi-stakeholder consultations took place around the world, involving representatives from over 400 companies, governments, civil society organisations, investors, academics and legal experts. The methodology was firmly grounded in international and industry-specific standards on human rights and responsible business conduct. It focuses on companies' policies, processes, practices as well as how they respond to serious allegations. This is done through the application of specific indicators across six measurement themes. For data collection, the methodology relies on public information disclosed by companies, data providers such as EIRIS Foundation and RepRisk as well as the CHRB Disclosure Platform. The CHRB then uses that public information in its assessments to produce a transparent benchmark as a public good.

Outputs

The CHRB benchmark was first executed in 2017. The benchmark targeted 98 companies on the basis of their size (market capitalisation) and revenues, as well as geographic and industry balance. The research and socialisation phase took over a year: a notification in March 2016, first research from May 2016, sharing of draft research profiles and the opportunity for response in November 2016, second research phase and publication with final scores in 2017. Since that year, the CHRB has been published annually. The 2020 CHRB benchmark had grown to an assessment of the human rights disclosures of 229 global companies across five sectors.

Intermediary outcomes

CHRB is used by civil society, governments and most prominently by institutional investors. In 2019 a coalition of 85 investors wrote a letter to 101 companies included in the 2018 benchmark. The letters either praised good performance to reinforce positive behaviour or flagged poor performance. Similarly, in March 2020, a group of 176 investors co-signed a statement going to the 95 companies that scored 0 on human rights due diligence in the 2019 CHRB assessment. Both iterations invited companies to have dialogue with investors on the issues highlighted. Between the coalition of Allies engagement took place with nearly 50 companies based on CHRB results, while many used voting to influence behavioural change at companies.

A concrete individual example of engagement and voting based on the CHRB is that of Aviva, a British multinational insurance company with USD 460 billion assets under management. Aviva used its shareholding to vote against 40 low scoring companies across all global regions in 2018 and 23 companies in 2019. Votes against were filed against either the director most responsible for human rights, discharge of the board or the reports and accounts. Companies targeted ranged from Starbucks to Prada to China Petroleum & Chemical. In 2018 Aviva also engaged directly with 13 companies and held in-depth follow up meetings with investor relations and sustainability teams of five companies; Anglo American, ENI, General Mills, Kraft Heinz and Tesco. In 2019 Aviva engaged with 8 companies including subsequent talks with Kraft Heinz, LVMH, Amazon, McDonalds, Nike, Apple and Microsoft.

Primary outcomes

There were wide results in behavioural change at companies observed as measured by scoring against the benchmark and as evidenced by concrete actions. Of the companies engaged with in 2018 by Aviva, 75% saw an improvement in the scores next year. Two concrete examples of change at companies are at Amazon and ENI. Ecommerce giant Amazon started publishing its human rights principles online, publicly committed to run a saliency assessment by an independent advisor and committed to a human rights impact assessment. Italian energy company ENI published a new human rights statement and announced that it had settled a ground-breaking human rights investigation with the OECD.

Impact

Using the two examples of Amazon and ENI there has been positive impact on people, workers, communities and the environment. Amazon publicly disclosed on its website the names, addresses, and other details of over 1,000 facilities that produce Amazon-branded products. This makes it easier to determine whether they are acting responsibly, and for workers to report labour abuses. The ongoing assessments are expected to lead to further enhancements. In 2019 ENI came to an agreement with residents of the community of Aggah in Rivers State, Nigeria. A community association, Egbema Voice of Freedom (EVF), had filed a complaint against ENI under the OECD Guidelines. The agreement addresses the essential concern of the complainants, including the urgent construction of drainage solutions to mitigate flooding and a potential resort to a technical expert if more efforts are needed.

Recommendations

Based on the analysis, surveys and stakeholder feedback the evaluation team formulated the following recommendations for WBA to consider. The recommendations are structured around specific themes which are within WBA's sphere of control and formulated as tangible action-oriented measures.

Organisation

Increase the number of topical dialogues within the organisation to harmonise approaches and share learnings. Ensuring continuous and well-functioning communication channels among the different teams of the organisation is key. The combined effect of limited organisational structure with a high pace of operations can result in the risk of teams working in silos and missing out on learning opportunities. There are several cross-cutting topics on which the teams can learn from each other, such as the use of different data sources, level of data disclosure and company engagement modalities, etc. As WBA has been experimenting with different approaches, structured conversations around selected key topics may help learning from experience and enhancing harmonisation.

Benchmark development and use

Strive for continuously relevant methodologies while accounting for the need for year-on-year comparability of results. Being relevant to external developments is fundamental to WBA. With its self-critical and ambitious attitude WBA may run the risk of being extremely demanding on methodological issues – leading to a continuous revision of methodologies and approaches. However, delivering results comparable over time is at least as important as having the best methodology in place and WBA is advised to carefully consider whether and when revisions needed and strive for a minimum frequency of those.

Consider moving beyond 2,000 in individual benchmarks. Revenue, size of assets and global presence may not always be the only indicators for influence and impact in a sector. For instance, including just one of the two (or more) major companies in a specific country or region may negatively affect the credibility and thus the motivation of companies and ultimately the effectiveness of benchmarks. WBA could consider focusing more on local economies in scoping targeted benchmark participants, in order to take into account which competitors will motivate companies to 'race to the top'. The approach of the Access to Seeds Index forms a good example on this point.

Outreach and engagement

Set up diverse coalitions of stakeholders around priority themes and engagement areas. The strength of the Alliance is its diversity. WBA is contributing to bringing various stakeholders around the table in methodology development and benchmark design and should also do so in outreach and engagement. Having coalitions of complementary stakeholders such as investors, industry associations, civil society and other partners (media, multilaterals) will be a powerful tool to drive engagement based on the benchmarks.

Specifically strengthen the presence of investors within the Alliance and develop investor-fit products. Consultations with companies as part of this evaluation show that investors are the single most influential stakeholder group to influence corporate behaviour. As shareholders in companies, investor (groups) can use voting to directly influence decision-making and most likely to have direct access to the top management of companies. WBA is advised to expand its reach in terms of investor Allies and deepen its relations with the already existing ones. To do so, WBA is encouraged to develop more investor-ready data and benchmark results. Examples of tangible measures are more actively providing guidance on what issues to prioritise, by making underlying data available to investors and by 'translating' benchmark results to the systems of investors (e.g. by adding the company ticker symbols of stock exchanges in data and results).

Ensure the Alliance is sufficiently focused on developing countries Driving transformative change in developing countries is a core objective for WBA, on which it has made good progress by developing a methodology to establish which company is expected to have a significant impact in developing countries. However, to further facilitate action in developing countries WBA is advised to look more actively for Allies from developing countries which it needs to achieve its goals. Examples are emerging markets-focused

investors, organisations with the stature and ability to influence governments (e.g. in China) or organisations that can help translate and disseminate WBA's benchmarks. Specific focus should be given to regions where 'dark spots' in participating companies exists.

Decrease frequency of communication with the Alliance but enhance focus and structure. WBA has been very active in communicating on progress towards stakeholders. Consultations with stakeholders during evaluation shows that there are opportunities to re-focus communication from quantity to quality and structure. Updates to Alliance members have been frequent and detailed, but Alliance members were not sufficiently aware of what is currently produced in terms of benchmarks, what is expected in the near future in terms of benchmark publications and key events. Less narrative and facilitating structural oversight on activities, such as through virtual calendars with key events and publications, may enhance communication.

INTRODUCTION

Background

The World Benchmarking Alliance ('WBA') aims to build a movement to measure and incentivise business impact towards a sustainable future that works for everyone. WBA envisions a society that values the success of business by what it contributes to the world.

To realise this, WBA wants to drive the private sector's engagement in the SDGs through benchmarks and engagement. These benchmarks should enable companies, investors, governments, civil society, and individuals to quickly and easily compare businesses and motivate a 'race to the top'.

The benchmarks will assess the progress of at least 2,000 companies by 2023 across seven transformations and demonstrate through public rankings and data how companies perform, both positively and negatively, in regard to these transformations and associated SDGs.

Rationale for evaluation

WBA is committed to improving the organisation's performance and effectiveness by continuously monitoring progress, regularly undertaking independent, third-party evaluations of results, and applying the knowledge gained to learn and strengthen its approach.

External evaluations are a key part of accountability to donors and Allies and provide lessons for the future. In addition, WBA is committed to increasing the evidence base regarding accountability mechanisms focused on the private sector and the SDGs.

WBA has committed to a first evaluation by the end of 2020. The outcomes and learnings will be shared across the organisation, with the Donors, the Supervisory Board and Allies. WBA asked Steward Redqueen to execute this first evaluation.

Focus of evaluation

This first evaluation has a focus on the development and first results of WBA. It provides an analysis of progress, expected and achieved accomplishments as well as challenges in the first years of operations. Based on this analysis, lessons learnt and actionable recommendations and guidance for the future are provided. The evaluation also aims to contribute to strengthening the evaluation capacity of WBA.

Given the young nature of the organisation, and the fact that most benchmarks will be in their first year, WBA is not seeking to establish direct attribution of WBA's activities to outcomes and impact. Instead, this first evaluation will seek to provide reliable insights into the contribution intermediate outcomes are starting to make towards outcomes, identify unexpected outcomes that are not currently monitored through the results measurement framework (RMF), and discuss what evidence there is for the likelihood of outcomes to contribute towards the intended impact.

Scope of evaluation

The evaluation focuses on the first two years of WBA's operations, from its establishment in September 2018 to December 2020. For progress data on activities, outputs and outcomes the most recent monitoring data is used, which as results as per September 2020.

Methodology and sources

The evaluation follows a mixed-methods approach. Four key sources were used to retrieve all quantitative and qualitative information on WBA and its performance. The four different types of sources allowed for robust analysis and triangulation of all data, opinions and findings. The main sources are:

1. *Documents*: desk research was performed on relevant WBA documentation, including but not limited to annual plans, presentations used at events, donor and Alliance updates, funding proposals, processes, external communications and other sources;
2. *Performance data*: quantitative and qualitative information derived from the WBA results management tool as per September 2020 was used as a basis for analysis on progress on activities, outputs and outcomes;
3. *Surveys*: two online surveys were designed and executed among WBA staff and Alliance members. The staff survey had a response rate of 55% and is thus representative. The survey among Alliance members did not yield sufficient responses to be representative but did result in important anecdotal insights through open questions. The staff survey results quantify qualitative views and serve as illustrations and data-driven backing of findings and arguments used in the report;
4. *In-depth interviews*: in order to further collect qualitative insights and anecdotal evidence on WBA's activities and results, interviews were conducted with 32 key stakeholders. The interviewees include WBA directors, staff, funding partners, Allies and companies.

Reporting structure

Beyond this introduction the evaluation report is structured in seven sections. The first section provides an analysis of the context. It addresses why WBA was established, why benchmarks stimulate company performance and what role WBA plays in the SDG ecosystem.

The second and third section provides an analysis of WBA's fundamentals. The section on WBA's strategy assess its mission, vision, values, Theory of Change, targets and identifies any gaps. The section on organisation analyses whether the organisation's structure, staffing and governance are adequate to enable WBA to move towards its overarching goals.

The fourth, fifth and sixth section analyse progress, achievements and challenges along the lines of the Theory of Change. The section on activities assesses WBA's activities and outputs achieved, such as the methodologies developed, benchmarks published and outreach activities. The section on outcomes assesses the extent to which the benchmarks have been used by stakeholders (investors, NGOs, media) and responded to by targeted companies, and whether there are examples of behavioural change at companies. The section on impact identifies first signs of impact and the likeliness of impact to be achieved as well as any unintended consequences.

Finally, a short seventh section analyses the sustainability of WBA as an organisation and its business model.

The findings from these sections feed the conclusion and recommendations as provided in the executive summary above.

1. CONTEXT

This first section sets the context for WBA's establishment. It briefly analyses the gap WBA tried to fill and the theory behind why benchmarking is a powerful tool to advance the SDGs.

1.1 The gap: lack of accountability

The private sector has a critical role to play in accelerating the implementation of the 17 Sustainable Development Goals (SDGs). While many companies have taken steps to incorporate SDGs into their business operations, the information about corporate sustainability performance in general and progress on the SDGs in specific is often scattered or difficult to access.

As such, investors, governments, civil society and consumers have no common, easy to access mechanism through which to understand corporate progress on SDGs and reward leading practices. Companies' efforts, or lack of thereof, often go unrecognised, lessening the incentive to improve performance and making it difficult to consistently compare companies against each other and against global norms and standards – and thus truly hold companies accountable.

Over the past decade, various initiatives producing benchmarks and indices emerged. However, these methodologies have various scopes, levels of depth, methodologies, funders, focus on regions and reputations. They also have varying degrees of focus on cooperation with stakeholders that can leverage their results to generate change at companies. And not all had a structural link to the SDGs. WBA was established to fill this gap.

1.2 The solution: benchmarking and engagement

Before analysing WBA's unique approach, it is important to focus the theory of its core activity: producing high quality benchmarks.

Theory of benchmarking

Benchmarking, commonly defined as *“the search for the best industry practices which will lead to exceptional performance through the implementation of these best practices”*¹ is considered to be an effective method to stimulate operational improvements.² By measuring companies' performance and comparing it against industry peers, benchmarks help to spotlight best and worst performers, spurring broader stakeholder dialogue, and leveraging the competitive nature of markets to create a “race to the top”. This is especially true for benchmarks that are available in the public domain and are based on robust and transparent methodologies.

The introduction of competition and ranking of companies can be therefore motivating. For those lagging behind this can be to improve performance and related rank. For the leaders it can be to sustain or further improve its performance and benchmark position and capitalise on this position as a sign of good corporate citizenship and overall corporate health in external communication.

Publication of benchmarks with the aim to impact the behaviour of the subjects in the ranking is thus not a novel concept and the adoption of benchmarks has expanded rapidly in the recent years. Below we have summarised three key elements that make benchmarking a powerful mechanism for driving organisational performance. The findings are based on the review of the academic and grey literature as well as engagement with WBA's stakeholders.³

The first is gauging performance. Benchmarking allows for a rigorous assessment of the organisation's current performance relative to peers helping to identify strength and weaknesses and decide which areas need further examination and improvement. It also provides the change agents with a business case for developing a stronger approach for managing the issues in question.

¹ Benchmarking: The Search for Industry Best Practices that Lead to Superior Performance, Robert C. Camp, 1989.

² Mechanism of Benchmarking and Its Impact on Organizational Performance, Alosani et al., 2016

³ Achieving High Performance: The Value of Benchmarking, Accenture, 2011

The second is knowledge sharing. Benchmarking has proven to be an effective tool to build awareness and serve as a rich source of information on issues they are covering. They have been used by the evaluated companies, their suppliers, and other actors (including investors and broader society) to understand the evolving market practices and standards, perform gap analysis and inform decision-making, among others.

The third is using it as a source of innovation. Benchmarking can serve as a source of inspiration for companies who are looking for new ways to address encountered challenges. Leveraging and adapting practices of peer companies can also result in the emergence of new more effective processes that help to catalyse transition.

Benchmarking and the SDGs

Benchmarking in general helps to improve organisations' performance by contributing to the transformation process that realise these improvements. When applying this to the sustainable development field, benchmarks can play a powerful role by fostering change on various societal and environmental goals. Benchmarks have various functions and pathways to contribute to progress against the Sustainable Development Goals.

First, benchmarks improve access to information and facilitate knowledge sharing. Beyond identifying exemplary practices, sustainability benchmarks can serve as a tool with which to better understand specific sustainability issues. They provide an easy access to the information on corporate practices enhancing transparency and empowering businesses, investors, civil society, policymakers, and individuals to make more informed decisions and incentivise improvement by "voting with their feet".

Second, benchmarks can play a major role in influencing investment flows. By striving to build a consensus of what is an 'acceptable' or 'necessary' corporate behaviour with regard to different social and environmental concerns, sustainability benchmarks' goal is essentially to "fix" the global market by seeking to create "markets for collective concerns"⁴. They can thus be perceived as a form of soft regulation and play an important role in channelling or diverting investments flows. Financial institutions, governments and other actors can use such benchmarks to guide their capital allocation decisions and ultimately catalyse action needed to accelerate the progress on the SDGs.

Third, benchmarks can facilitate dialogue. Perhaps the biggest impact benchmarking can realise on progress of the SDGs is through the related engagement activities that can happen at different stages of the process. For many sustainability-themed benchmarks the development of scoring methodology and their overall design follows an extensive stakeholder consultation process where various approaches and interests of different stakeholders are considered. After the methodology development, the publication of the benchmark results, create yet another opportunity for engagement – this time with the benchmark targets. To capitalise on the momentum and initiate a collaborative dialogue with the ranked companies, this process can be driven by the benchmark itself. However, it can be also carried out independently by investors and other parties using the results as a basis for their active ownership activities. The publication of the benchmarks' follow-up iterations encourages the spirit of continuous improvement and help to deepen the engagement over time.

Finally, benchmarks help create an accountability mechanism. Benchmarking can help to create a culture of accountability to a company's stakeholders on sustainability performance. Sustainability reporting by companies is not independent, highlights specific examples and does not provide insights into a company's relative performance compared to sector peers. As the sustainability standards will continue to evolve laggards will feel increasing external pressure to amend practices or face the risk of being penalised either through investor divestment, consumer backlash or mounting NGO criticism.

⁴ Mehrpouya and Samiolo, *Indexal Thinking – Reconfiguring global topologies for market-based intervention* (2019) p. 6.

2. WBA'S MISSION AND APPROACH

This second section provides an analysis a fundamental element of WBA: its mission and approach to executing it. The section assesses WBA's mission, vision, values, Theory of Change, targets and identifies any gaps.

2.1 WBA's establishment

WBA was founded in 2018 by three founding partners: Aviva, Index Initiative and the UN Foundation supported by the Governments of Netherlands, United Kingdom and Denmark, and a range of other stakeholders.⁵ The launch of the initiative, which took place during the 73rd United Nations General Assembly (UNGA), followed a year of international consultations, expert meetings and surveys with more than 10,000 stakeholders representing business, civil society, governments and consumers. This extensive collaboration helped to shape WBA's mission, organisational structure and key focus areas.

2.2 Mission

WBA's mission is to *"build a movement to measure and incentivise business impact towards a future that works for everyone"* or more briefly stated *"Benchmarking for a better world"*. This is translated in a clear and ambitious commitment: it wants to assess 2000 'keystone' companies at least once by 2023. These 2000 selected companies are the ones that are most likely to shape our future.

WBA envisions a society that values the success of business by what it contributes to the world. In achieving its mission WBA takes a global, systemic approach. Leveraging benchmarks, it focuses on the most vital and impactful companies that can help 'tip' the entire system. To do so, it is using its 'seven systems transformations' approach to develop its benchmarks. These are seven systems that have the greatest potential to drive economic, environmental and social progress and achieve the SDGs. The seven systems transformations place the SDGs into a wider narrative and illustrate the interlinkages between them, while at the same time dividing corporate accountability to the system(s) closest to a company's core business (see chapter 4 for more on the 'seven systems transformations').

An important feature of this approach is identifying a unique 'selling point' or focus. Benchmarking as such was nothing new yet scoring large corporations on their SDG performance and linking that to their impact in developing countries did provide WBA with a first aspect of its unique mandate. It created this position in part by uniting two existing initiatives, which were the ATSI and the CHRB. Establishing SDG benchmarks under one heading creates efficiency by collective engagement with stakeholders – civil society, government and business – and efficient use of shared resources and capacity in terms of research. The combination of the collective experience in benchmarking enshrined in WBA along with a global staff footprint. This makes the organisation globally unique.

A second unique aspect of its mandate is collaboration with Allies that WBA's has put at the heart of its business model. The global challenges humankind faces are too big to be addressed in 'splendid isolation'. As the African proverb says: *"If you want to go fast, go alone. If you want to go far, go together"*. Leveraging the competencies, strengths and networks of partner organisations is a key success factor in achieving WBA's mission. Working together with Allies from the public sector, industry, business, financial institutions, civil society and media comes naturally for WBA. It understands the terrain that must be covered to arrive at a future that works for everyone. The seven systems transformations offer the roadmap for that journey.

In its approach to achieving the mission and putting the business model in practice WBA consciously follows an unorthodox approach. *"Our organisation does not really have a strategy"* is something WBA executive director Gerbrand Haverkamp often explains. Although a statement like this may not always be understood in traditional organisations, it is consistent with WBA's set-up as a 'Teal-organisation' (see next chapter). As

⁵ WBA funders include: the Danish Ministry of Foreign Affairs (Danida), Dutch Ministry of Foreign Affairs (DMFA), Dutch Ministry of Agriculture, Nature and Food Quality (DMANFQ), UK Foreign, Commonwealth & Development Office (FCDO), the European Commission's Directorate-General for International Cooperation and Development (DEVCO), French Environmental and Energy Agency (ADEME), German Agency for International Cooperation (GIZ), Aviva Foundation, Porticus, Ikea Foundation, Walton Foundation and Laudes Foundation.

Frederic Laloux⁶ explains, in such organisations: *“there is no strategic process. No one at the top sets out a course for others to follow. (...) Instead, people in these companies have a very clear, keen sense of the organisation’s purpose and a broad sense of the direction the organisation might be called to go. A more detailed map is not needed. It would limit possibilities to a narrow, pre-charted course. With the purpose as the guiding light, everyone, individually and collectively is empowered to sense what might be called for. Strategy happens organically, all the time, everywhere, as people toy with ideas and test them out in the field.”*

While not having a multi-year strategy, WBA does have annual ambitions and specific KPIs, formulated by teams as their commitments, laid down in an annual plan. In 2020, *“Scale first, depth later”*, was WBA’s leading principle. It is committed to deepening relationships between internal and external stakeholders and build stronger connections with the movement at large. The organisation was to enhance its ability to learn, reinforce each other’s work, prevent unnecessary duplication and respond quicker to change.

In its short two years of operational existence, the organisation has faced strong headwinds. Particularly COVID-19 has impacted the world and it is yet to be seen how the virus plays out for business and sustainability. On the one hand WBA observes that a lot of companies are not delivering on their sustainability commitments due to the economic uncertainty. On the other hand, the virus brought increased awareness among business leaders who better understand that a range of sustainability issues (from climate change to inequality and from biodiversity loss to human rights) matter for the health and wellbeing of individuals, society and the economy alike. It is expected that there will continue to be major variations between industries and geographies on to what extent the SDGs will be addressed.

In sum, WBA is still a young organisation. The direction it is going makes sense and the ‘seven systems transformations’ helps to bring focus and allows for priority setting. The systemic approach that WBA is taking, e.g. rising awareness of companies about their responsibilities as part of a wider system, makes sense. WBA’s commitment to collaboration is vital in achieving its mission. It is too early to tell how all this will play out in a few years. According to all survey respondents WBA’s mission, vision, values and ambitions for the near future are clear. This provides comfort and a foundation that WBA can build on further.

2.3 Theory of Change

The task of WBA is complex and at points overwhelming. The organisation recognises this and has defined a ‘Theory of Change’ (ToC) as a roadmap towards impact. A ToC essentially provides a business model, how an intervention is supposed to deliver the desired results. It traces how inputs into certain activities lead to short-term outputs, which in turn result in outcomes that support desired impacts in the long-term. Each part of a ToC – inputs, activities, outputs, outcomes, and impacts – comprises underlying statements of what the organisation uses (inputs) and does (activities), what it expects to produce from what it does (outputs), and what it expects the results to be of what it produces (outcomes and impacts). Together, these elements provide the ‘storyline’ and purpose of the organisation. Figure 1 is a visual reflection of the ToC currently embraced by WBA.

It is WBA’s mission to *“build a movement to measure and incentivise business impact towards a sustainable future that works for everyone”*. There are several activities that WBA undertakes to accomplish this: organising multi-stakeholder dialogues; developing indicators; collecting data; assessing companies; and building the Alliance. The resulting outputs are the publication and socialisation of methodologies as well as the benchmarks themselves and the evolution of the Alliance. Intermediate outcomes of these resulting outputs will be that: companies respond actively to the engagements; key stakeholders (investors & banks, governments & multilaterals, civil society & media) use the benchmarks and take action as a result; and Allies group around specific actions. Alongside this, a primary outcome of these results will be that companies change behaviours and improve sustainable practices. The ultimate societal impact is the transformation of systems and improved business impact on people, workers, communities and the environment, particularly in developing countries.

⁶ Frederic Laloux, *Reinventing organizations* (2014) p. 207.

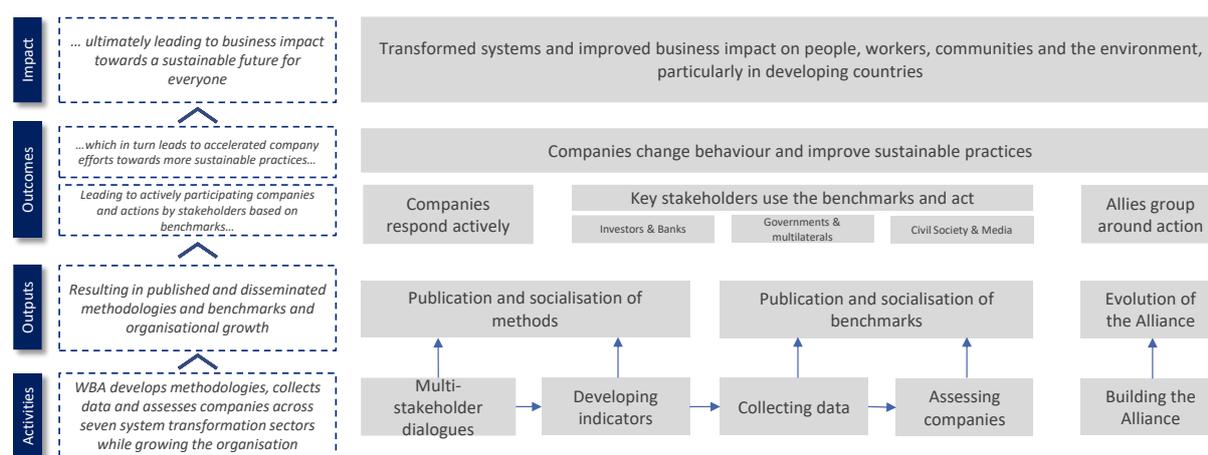


Figure 1: WBA's Theory of Change

The ToC provides the backbone for the structure of this evaluation. In section 4 an analysis of activities is provided, in section 5 of outcomes and in section 6 of impact.

2.4 Targets

WBA's has one commitment: to assess 2000 companies by 2023 along seven transformation areas. In order to reach this overarching objective it has not defined intermediary targets, although it does provide annual commitments that essentially function as targets in an elaborate annual planning document.

In those plans a detailed level of activities and objectives is captured. The plan for 2021 for example covers aspirations, further detailed by defining activities and expected results as well as how success will be measured. These aspects are linked to each of the seven systems transformations and to the plans on 'institutional engagement' and other functions such as research, communications, operations, governance and IT and data platform.

By doing this on a year-to-year basis, a system of 'rolling progress' is in place that provides a significant level of guidance to the various teams in the organization. Moreover, it also is an important document for the Supervisory Board and other stakeholders as part of the management cycle of the WBA.

2.5 WBA's role in the SDGs ecosystem

SDGs are broad and complex. Cognizant that complex challenges require an integrated approach, WBA has proposed an innovative solution that applies system thinking to benchmark development. WBA believes that only by transforming entire systems it will be possible to drive economic, environmental and social progress and achieve the SDGs. As such, it has mapped 17 SDGs into seven systems that need to be transformed: social, food and agriculture, decarbonisation and energy, digital, circular, urban and financial. This approach is based on extensive academic research that shows sustainability is best addressed through a systems approach, and corporate change is most effective through recognising these interconnections and interdependencies.

Consequently, a list of the world's 2,000 most influential companies for achieving SDGs was identified to be benchmarked on their positive and/or negative impact on systems in which they operate. Using system-based approach helped to place SDGs into a wider context and pinpoint leverage points where business action is needed.

This approach ties in with its ambition to be an umbrella organisation housing different thematic or sectoral benchmarks aimed at increasing market transparency and enabling investors and civic society to hold companies accountable for their contribution to the SDGs. It gives WBA the scale needed to build its profile

and credibility in the market. It also helps to leverage on learning opportunities from other well-established benchmarks that have been integrated into the WBA family - notably, the CHRB and the ATSI.

WBA's unique role

WBA has a clear niche in the SDGs space. Many stakeholders agree that its ability to translate global sustainability challenges into something that everybody can understand is what makes WBA stand out in the field. WBA does so by providing a common framework for accountability as a public good. This can inform investors and other stakeholders on what can be expected and demanded from companies across different transformations.

Impact data and metrics

“WBA is not a data provider but a change alliance” was one of the sentences that came up during the stakeholder interviews. But even if provision of data is not the primary purpose of WBA, it is filling an important gap in the sustainability research space that was not sufficiently addressed thus far – the need for impact-oriented research and metrics. Major ESG data houses often take a risk-oriented approach to research and ratings calculation. They focus on a broad spectrum of issues, weighting them according to their materiality criteria. The final rating is nothing more than an aggregate score, which does not provide much insight into how company is managing its impacts. WBA was the first one to provide investors in a comprehensive manner with a metrics-driven yardstick against which to assess whether the companies are transformation-ready – and to make it publicly available and free.⁷

Credible benchmarks as a public good

Guided by its mission to improve data availability and accessibility, WBA's benchmark results and methodologies are both publicly available and free. This approach makes WBA quite unique in an increasingly crowded sustainability ratings space, where many for-profit organisations charge substantial fees for access to data and ratings, with the assessment procedures and methodologies often remaining obscure. WBA democratises sustainability data by making it readily accessible online at no cost to anyone. The fact that WBA walks the talk when it comes to increasing transparency in the market space has been noted by most of the interviewees.

Building on the work of likeminded organisations

Building on the work of its Alliance – a broad coalition of over 180 organisations and stakeholders working on the sustainable development agenda in different capacities – to scale the impact is another differentiator. In the past, benchmarking initiatives operated individually, often in silos. WBA works closely with its network of Allies, creating partnerships and building on the work already done by others. As its founders emphasise, the idea is not to compete with other initiatives but rather to complement them and further add value. This has been echoed by the Allies we have interviewed, who mentioned that “WBA has done an amazing job at stakeholder involvement”, “recognising synergies and each other's strengths” – an approach especially commendable given the young age of the organisation.

The table below presents how WBA benchmarks co-exist with other market players targeting systems transformation for the methodologies and benchmarks in a more advanced stage of development.

Table 2: Overview of WBA benchmarks' unique characteristics

WBA BENCHMARK	UNIQUE CHARACTERISTICS	SIMILAR INITIATIVES	COLLABORATION WITH WBA
Social Transformation	The only framework with broad coverage and focus on respect for human	- Country level benchmarks: Transparency International	- Oxfam and ShareAction are WBA's Allies

⁷ WBA uses the two words “publicly available and free”, which might seem to refer to the same thing but is a deliberate choice. Some organisations produce material that you cannot readily access, but it is technically ‘free’ (e.g. to members if you login to a private area). Others produce material that is available to anyone, but only if you pay the fee. WBA produces *both* publicly available (it's all online) and free (no cost to anyone) methodologies and benchmark results.

(all 2,000 keystone companies)	rights, equality, and empowerment	Corruption Perception Index, Oxfam Inequality Index - Workforce Disclosure Initiative (ShareAction) - Others related to human rights mentioned in the CHRB section	- All these initiatives were consulted during methodology drafting
Gender Benchmark (Spotlight; 36 most influential apparel companies)		- Gender Equality Global Report & Ranking (Equileap) - Gender Equality Index (only for users of Bloomberg Terminal) - various country-level initiatives as well as those focused on gender-related disclosures	- Equileap is an Ally - All these initiatives were reviewed during methodology drafting;
CHRB (Spotlight; 230 world largest companies)	The only benchmark focused on companies' management of all major human rights issues across the world largest companies	- Know the Chain (KTC) (forced labour risks in the apparel, food and ICT sector supply chain, 180 companies assessed) - Global Child Forum (focus on children's rights, goes beyond child labour only; 700 companies assessed)	- Global Child Forum is WBA Ally (collaborating closely together, also on the Social Transformation) - KTC is a part of Business & Human Rights Resource Centre who is an Ally
Food and Agriculture (350 keystone companies in the food system transformation)	The only benchmark with a focus on the entire food value chain	- Access to Nutrition Index (ATNI) (assesses food manufacturers on their nutrition-related practices) - FAIRR initiative (ESG risks in protein supply chain; investor-oriented) - Fixing the Business of Food initiative	- ATNI is WBA Ally (potential opportunities for data sharing identified) - Members of the Fixing the Business of Food initiative actively participated in drafting the methodology
SSI (Spotlight, 30 seafood companies)	The only benchmark with a focus on the seafood industry	No	-
ATSI (Spotlight, 72 leading seed companies)	The only benchmark with a focus on enhancing productivity of smallholder farmers	No	-
Climate and Energy (450 companies with the highest emissions)	The only benchmark of such a scale focused on companies' decarbonisation efforts (forward-looking perspective) rather than just disclosure or current performance	- TPI (investor-oriented benchmark, not as broad as WBA) - SBTi (provide technical guidance on climate targets) - various initiatives around climate reporting (i.e. CDP, TCFD) and climate action	- Close collaboration with CDP (who is an Ally and a research partner for Climate and Energy benchmark and together with ADEME developed methodology used by the benchmark called ACT)
Digital Inclusion (200 tech companies)	The only company-level benchmark with focus on creating more inclusive digital economy and society with such broad coverage	- country level benchmarks: Inclusive Internet Index (Facebook); Digital Readiness Index (Cisco); ICT Sustainable Development Goals Benchmark (Huawei) - Ranking Digital Rights (RDR) Index (focus on digital rights, 24 most influential companies in the sector)	- all those initiatives were reviewed during methodology drafting; - RDR Index was used as a basis of one of the DIB's indicator

<p>Circular (750 companies)</p>	<p>The only publicly available benchmark on circularity across different industries</p>	<ul style="list-style-type: none"> - Ellen McArthur Foundation's Circulytics tool (data not publicly available) - Material Change Index (focus on sustainable material sourcing in the apparel sector) - several initiatives targeting improved reporting and providing tools for measuring performance 	<p>- all those initiatives were identified as part of the Circular transformation scoping</p>
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3. ORGANISATION

This third section provides an analysis of another fundamental, WBA's organisation. The organisation is unique in its setup as it draws inspiration from and embraces Laloux's Teal paradigm. This section describes and discusses WBA's core values and guiding principles and it then addresses the question of staffing and governance.

3.1 Values

WBA wants to be a flat organisation that relies on self-organisation. WBA staff are encouraged to be 'their whole self'. Through personal leadership staff members can reach their maximum potential by learning as they go. Flexible working arrangements and a high level of ownership define a living system, where change happens all the time and everyone grows and becomes more self-aware as the organisation and people evolve through open and honest conversations and without a need for command. Working anywhere around the world lowers a potential barrier to entry for the global talent pool. On the other hand, the specific characteristics may also be a challenge to some.

WBA's sense of purpose is defined by four values that drive the organisation:

- *Aspiration*: to achieve the SDGs goals must be set that stretch the organisation, its Allies, partner organisations and the companies that are being assessed;
- *Inclusivity*: working together, both among WBA colleagues and with other organisations is a key success factor and diversity contributes to a richness of different perspectives;
- *Independence*: is key in a world that is driven by different and sometimes competing interests. WBA's independence makes it and the research and analyses it provides trustworthy;
- *Simplicity*: in an ever more complex world easy-to-understand benchmarks and league tables help create the common ground needed to honestly talk about accountability and effectively shape action.

The power of organisations is that they can lift groups of people to punch above their weight. Teal organisations aim to facilitate contemporary views on working together and creating leverage. In terms of organisational structures, systems, processes and practices Teal organisations have, as Laloux writes, three tangible characteristics: self-management (a system based on peer relationships), wholeness (a consistent set of practices that invite staff to reclaim their wholeness and bring all of who they are to work) and an evolutionary progress (having a sense of direction of their own members of the organisation are invited to listen in and understand what the organisation wants to become and what purpose it wants to serve).

This theoretical basis seems to generally work well in practice for WBA. A staff survey as part of this evaluation shows that 94% of staff agrees or strongly agrees that the current organisational structure is conducive to achieve WBA's impact goals. An even higher percentage of 97% agrees that the way of working suits WBA's mission. This structure does not imply that there is no alignment on important processes or support functions. For example, legal, human resources and finance are examples of centralised functions designed to help the global team focus on its core activities.

As the team is supportive of the structure of the WBA, the survey indicates that more guidance on how to achieve the impact WBA is aiming for most effectively would be appreciated. Among the qualitative feedback there were comments with respect to communication. Specifically, it was said that strategic visioning of WBA's goals, intended impact, and strategic focus are not communicated as effectively as they might be with a more traditional organisational structure. As the teal structure by definition is work in progress it was mentioned that coherence of work of different people, efficiency of operations and effectiveness of actions might be at risk as WBA is still figuring out how a teal structure can best deliver its results. The preference for more organic methods 'comes with an aversion to instituting certain processes that could perhaps guide our ways of working', somebody remarked. The needs for critical decision-making and better coordination among different parts of the organisation requires sustained attention for organisational development and staff buy in. Especially since WBA is growing, and aiming to expand its team, the Teal structure should not become an excuse for not paying sufficient attention to organisational needs.

3.2 Structure and staffing

As many organisations WBA has a vacancies section on its website. But unlike most other organisations all potential applicants are being informed that the jobs can be executed from anywhere in the world. As this may surprise a range of stakeholders, it fits the Teal paradigm WBA has embraced. As of 31 December 2020, the WBA team consists of 64 employees operating from 12 different countries. WBA's Amsterdam office, with 36 staff members living in The Netherlands, is the basis for its legal entity: a Dutch Foundation (see also 3.3). A second main office is in London, where 16 people are based in the UK. In addition, other staff members are working remotely from Bern, Brussels, Commugny, Gothenburg, Mallorca, New Delhi, Mumbai, New York, Paris, Rome, Stuttgart, Taipei and Washington D.C.

The WBA team is divided in three pillars: research (26 staff members), engagement (20 staff members, including the benchmark leads) and operations (14 staff members). The executive team consists of 4 members. Having this breadth of reach is important as WBA develops a global presence. In order to deliver the sets of benchmarks required under each transformation by 2023, WBA believes it needs to grow its total FTEs to approximately 100 FTE and the research team in particular. The strong ambition has its effect on a still relatively small team. In the survey almost 40% of the staff held the view that the team currently is not large enough.

A major effect of the ambition and team size is that staff perceives sharing and learning to be under pressure. There are various ad hoc learning sessions about the benchmarks and various learning structures implemented, especially around personal development (e.g. learning leaders group, bi-annual commitment setting cycle feedback, people leads). Some staff indicated that learning would further benefit from more structure still, such as through a head of learning. WBA's new MEL approach adopted in 2020 envisages such a role, and this may further structure organisational learning and overall performance.

A number of WBA staff indicate that they have challenges maintaining a healthy work-life balance. The fact that most staff members are happy with their work-life balance may reflect alignment between their personal commitments and the organisational purpose. As this aspect was not analysed in more detail, it cannot be indicated whether management's top-down guidance plays a role.

In many interviews external stakeholders have expressed their appreciation for the quality and drive of the team. It was commented that WBA has a level of global visibility that is quite remarkable for such a young organisation. The team seems to be at the right place at the right time and get attention by asking good questions on the large podia. A few respondents made a comment on the skill mix. Notably the lack of expertise of the financial sector and understanding of how investors use company insights was mentioned. We have been informed by WBA this has already been acknowledged and that the organisation is filling these gaps by hiring a new investor relations lead.

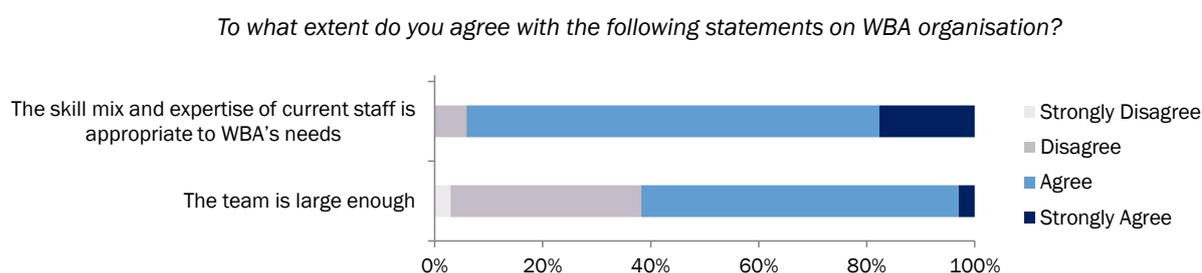


Figure 2: Survey responses on staffing

3.3 Governance

WBA is a foundation (Stichting) established under Dutch law. Its governance structure consists of a Secretariat governed by an Executive Board (Executive Director, Operations Director, Engagement Director, and Research Director) and a Supervisory Board. In addition, there are various thematic Board Committees and independent Expert Review Committees for each benchmark. WBA's governance follows extensive

research and stakeholder engagement on governance best practice and has been designed with the required flexibility to scale up. This means that unlike the unique Teal-character of WBA's executive organisation, its overall governance structure is more traditional.

The four members of Executive Board manage WBA's day-to-day operations and oversee progress against WBA's objectives commitments and activities. As part of a two-tiered governance model, WBA's Supervisory Board also plays an important role.

The Supervisory Board oversees the strategic decisions and long-term ambition of WBA. The nine members of the Supervisory Board reflect a truly diverse experience and expertise across business, government and civil society from the developed and developing world. The fact that a young organisation as WBA has an independent Supervisory Board of this seniority and quality reflects not only the organisational ambitions, but also its broad support. The Supervisory Board is expected to be further expanded. The Supervisory Board has four meetings per year.

In view of WBA's ambition and its drive to scale, it is of vital importance to continue attributing sufficient time and resources to the sustained robustness of the governance model.

4. ACTIVITIES

This chapter intends to present an overview of WBA's operations and is structured in five sections. First, it provides a description of the structure that WBA has set up to execute its benchmarking activities and describe the overall scope of work of the organisation. Second, it outlines the different practical approaches throughout the transformations. Third, it reviews the main challenges faced to date in executing its activities which may have hampered delivery of results. The fourth section presents the results achieved to date and expected for the coming year in terms of: (a) Methodologies (b) Benchmarks (c) Socialisation of methodologies and benchmarks (d) Building the alliance. The last section provides a succinct review of the operational efficiency of the organisation from a resource use perspective.

4.1 Scope of work

The structure that WBA has developed to tackle the transformational change it aims for has its foundation in the theory of system thinking. WBA identifies systems in which seven key transformations need to happen: food and agriculture, decarbonisation and energy, urban, digital, financial, circular and a core, social transformation. Within these seven transformations, WBA has planned to develop 7 transformation benchmarks and additional spotlight benchmarks to focus on specific issues.⁸



Figure 3: Overview of the system transformations and related benchmarks

Keystone companies

Key actors of these transformations are businesses across the globe. WBA identifies 2000 keystone companies, the so-called "SDG2000", as the most influential companies. Spread out in 74 different countries and with combined revenues of 43 trillion USD, the corporate behaviour of the companies in the SDG2000 list is key for progress on the SDGs to materialise. Each of the companies directly contribute to at least one of the system transformations identified.

The core social transformation is by far the widest in scope, to which the entire list of 2,000 companies contributes (See Figure 4). In terms of number of companies in scope, the Social transformation is followed by the Circular transformation, with 750 companies in scope, largely from the manufacturing sector. 450 companies map to the Decarbonisation and Energy transformation and a similar number of banks and key financial actors map to the Financial transformation (400). Slightly smaller in scope are the Food and Agriculture transformation and the Urban transformation with 350 and 320 companies respectively, followed by the Digital transformation that aims at benchmarking 200 out of the 2000 companies.

⁸ Additional spotlight benchmarks may arise as WBA's work move forward. While the number of transformation and of keystone companies is fixed, the total number of spotlight benchmarks is not established.

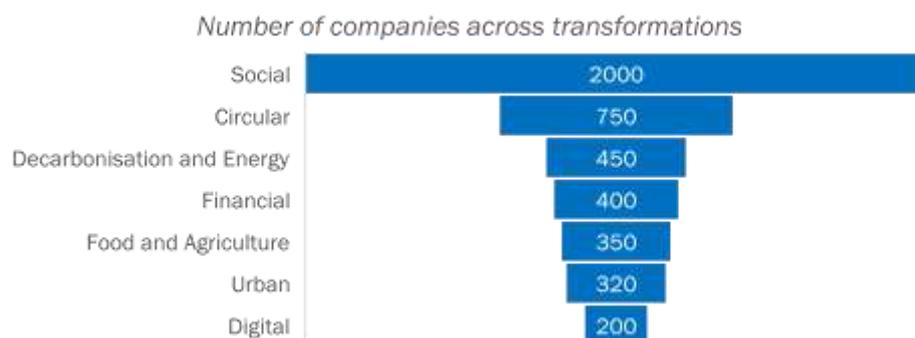


Figure 4: Number of SDG2000 companies in scope of each transformation

Given its mandate to drive transformational change especially in developing countries, one of the five keystone criteria used to select companies is to have a global footprint, particularly in developing countries.⁹ Furthermore, WBA has developed a methodology to assess which of its 2,000 keystone companies can be expected to have *significant* impact in developing countries, whereby the threshold is set even higher. The methodology combines several indicators such as location of headquarters, subsidiaries, manufacturing facilities, suppliers and joint ventures, as well as the number of employees based in developing countries. As the methodology has been recently developed, it has been applied on about 30% of the 2000 keystone companies. Among the companies assessed, 45% are expected to have significant impact in developing countries. For the benchmarks for which the assessment has been made, the percentage of companies with significant impact in developing countries varies between 30% (Electric Utilities Benchmark, EUB) up to 80% (Gender Benchmark (GB)). While these figures do not allow for a judgement on whether this is sufficient or not, WBA certainly demonstrates intention on monitoring such a complex issue with due care.

4.2 Practical approaches

Within this framework, WBA carries out two main strands of activities to effectively promote a *race to the top* among its keystone companies: these are research and engagement activities. Through these, WBA aims at *being right* and *being relevant*. The first strand includes the development and publication of methodologies, spotlight benchmarks, and transformation benchmarks. Within the second strand, WBA strives to build an Alliance of external stakeholders that can contribute to enhancing companies' pressure. It further engages with Allies and companies at all stages of the benchmarking cycle, from the methodology development to the socialisation of the published products. Beyond this high-level structure, WBA addresses the seven system transformations via different benchmarking approaches and engagement strategies.

Benchmark – Spotlights

Each of the seven transformations is tackled through a different combination of benchmarks and spotlights. In general terms, while the *benchmarks* are characterised by a broad scope in terms of number of companies, *spotlights* focus on more narrow angles of the systems analysed, therefore providing more depth.¹⁰ For example, the Food and Agriculture transformation includes a broad benchmark (350 companies) and two spotlight benchmarks. In this context, ATSI and SSI are specific spotlights focused on the seed industry (62 companies in 2019) and seafood industry (30 companies), respectively. In a similarly fashion, for the social transformation WBA has a set of core indicators applicable to all the companies in scope, which are complemented with two spotlights on human rights (CHRB) and gender (GB).

The approach of the decarbonisation and energy transformation is somewhat different. In fact, the Climate and Energy Benchmark (CEB) is based on sectors, acknowledging the breadth and diversity of the companies

⁹ The other four keystone criteria are (1) to dominate global production revenues and/or volumes within a particular sector; (2) to control globally relevant segments of production and/or service provision; (3) to connect (eco)systems globally through subsidiaries and their supply chains and (4) to influence global governance processes and institutions.

¹⁰ The companies in scope of WBA's spotlights are not always part of the SDG2000 list.

which are part of this system (see Figure 5). It is therefore the combination of several benchmarks focused on different subsets of companies (Automotive (CEB-AB), Electric Utilities (CEB-EUB), Oil & Gas (CEB-OGB), Transport (CEB-BT), Buildings & Construction (CEB-BCB)), which will enable WBA to paint a comprehensive picture in the climate and energy space. The four remaining transformations - Digital, Circular, Urban and Financial – are expected to maintain a simpler, single-benchmark, structure. However, except for the Digital transformation, specific approaches for these are still to be developed and formalised.

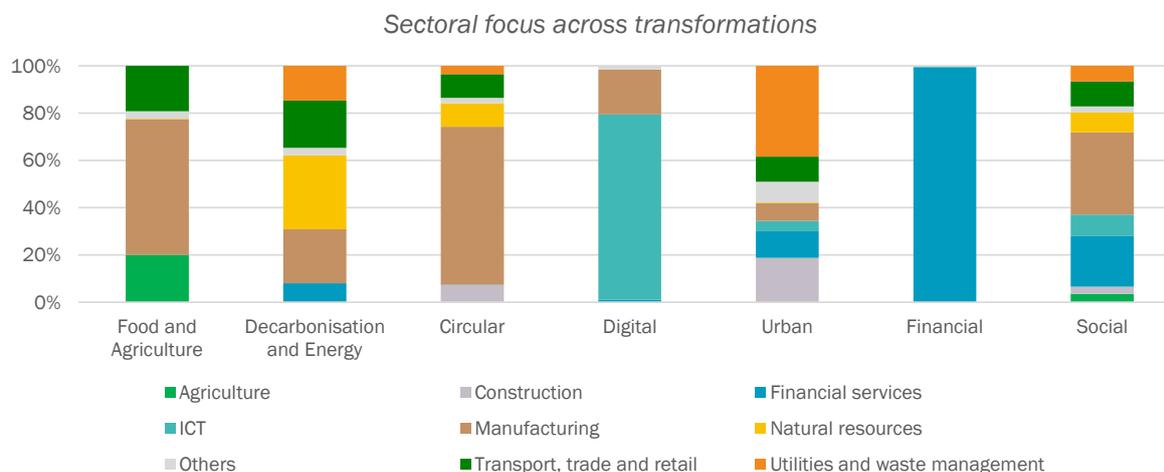


Figure 5: Sectoral overview of companies in scope of each transformation

Data sources

Differences also exist at the level of the individual transformation benchmarks or spotlight benchmarks, in terms of data collection and companies' engagement strategies. These two elements significantly affect the relationship between the benchmark and the companies, leading therefore to different impacts and risks to impact. Among the currently active benchmarks and spotlights, ATSI, SSI, and Digital Inclusion Benchmark (DIB) use companies' surveys as a primary source of data, complemented with external public data sources in some cases. On the other hand, companies' surveys are not used by CHRB and are used by CEB to complement public and private data.¹¹ In this respect, the CHRB has only used publicly available information to date, while the CEB combines data from public and private sources (such as the CDP database). Irrespective of these differences, since all benchmarks use publicly available information as first data source, the benchmarks' scope is not limited by the response rate of companies.

Company interactions

Requesting data directly from companies is only one of the modalities in which benchmarks can establish a communication channel with companies. Other frameworks are company consultations on methodologies, requests for data validation or one-to-one engagement on the results. Different combinations of these elements are currently used. Some of the benchmarks engage with companies prior to the publication of results (e.g. Food and Agriculture Benchmark (FAB) companies roundtables, CHRB consultations), while others requests companies to validate data points collected via external sources and engage with companies once the results are about to be published (e.g. CEB).

4.3 Dilemmas and challenges

With its ambitious mandate and the intrinsic complexity of its mission, we identify three main challenges that WBA faces in its operations. These largely relate to striking the right balance across opposing elements.

¹¹ The CEB is developed in close collaboration with external players (ACT initiative) and is further discussed below

Broadly speaking, the balance across these dimensions has on purpose not been determined at an organisational level until now but has been explored by experimenting with different approaches throughout the first two years of operations. In fact, WBA intentionally relies on little top-down guidance and decision-making power is to a large extent in the hands of the Benchmark Leads. On top of this, the high pace of operations (to which staff commonly refers as '*building the bridge as we walk over it*') has not yet allowed the organisation to systematically analyse, internalise and exchange learnings. The challenges presented below may offer a framework to organise focused internal conversations around these dilemmas.

Simplicity vs. Complexity

WBA strives to keep things simple while tackling extremely complex questions. Simplicity is one of the four organisational values of WBA. In practical terms, finding the right balance between the depth of its methodologies and the breadth of companies in scope prove to be especially difficult. One of the ways in which WBA tackles this challenge is by differentiating among transformation benchmarks and spotlight benchmarks. The first enable breadth while the second enable depth. This approach has been applied differently in the different transformations, responding to the intrinsic diversity of the different systems, as well as to reasons related to the history of the different benchmarks and their complementarity with already existing methodologies. However, transformation benchmark and spotlight benchmark users may not always be clear on the desired and advised use of these different products. Furthermore, the strong ambition for deep and robust methodologies can lead to the need for frequent revision of methodologies, preventing year-on-year comparability of results.

Structure vs. Experimentation

WBA's organisational flexibility is key to its success. Given the systems' complexity that WBA is aiming to tackle, fully harmonising its methodologies and approaches is impossible and not necessarily needed. In many instances WBA has left room to creative approaches to harness the power of its motivated team. However, while this flexibility is well needed, a lack of consistency and predictability among benchmarks can affect the credibility of the organisation and therefore the realisation of the desired outcomes. For example, by using different types of data sources, WBA's benchmarks can represent different types of impacts: if the CHRB scoring is largely reflective of companies' transparency and policy commitment, CEB on the other hand ranks companies based on their performance and their *readiness to transformation*. From a user perspective, this diversity may generate confusion leading to the risk of misinterpretation of benchmark results.

Deep vs. Light Touch Company Interaction

Engaging with companies is at the core of WBA activities, either directly or through its alliance and other external stakeholders. However, striking the right balance between over-engaging and under-engaging is a challenge. If a heavy engagement in terms of requests for data and feedback can overburden companies, a complete lack of engagement is likely to halt WBA's pathway to impact. Different approaches have been applied until now. While it is still early to assess which combination of engagement modalities has the highest chances of success, WBA is advised to monitor and learn from the success of these different strategies. If large part of WBA's theory of change is out of its direct sphere of control, identifying the winning combination of these elements will enhance WBA's likelihood of impact.

4.4 Progress and outputs

Considering WBA's young age, the organisation has made solid progress and delivered first outputs in the past two years. Currently, there are three benchmarks/spotlights that have benchmarked all their companies in scope more than once (CHRB, ATSI, CEB-AB). Furthermore, there are two benchmarks that have benchmarked all the companies in scope at least once (SSI, CEB-EUB) and one benchmark that has covered half of the companies in scope (DIB). Three benchmarks are about to publish their methodologies (Social Transformation Framework, FAB, CEB- OGB) and the remaining ones are still in their inception phase.

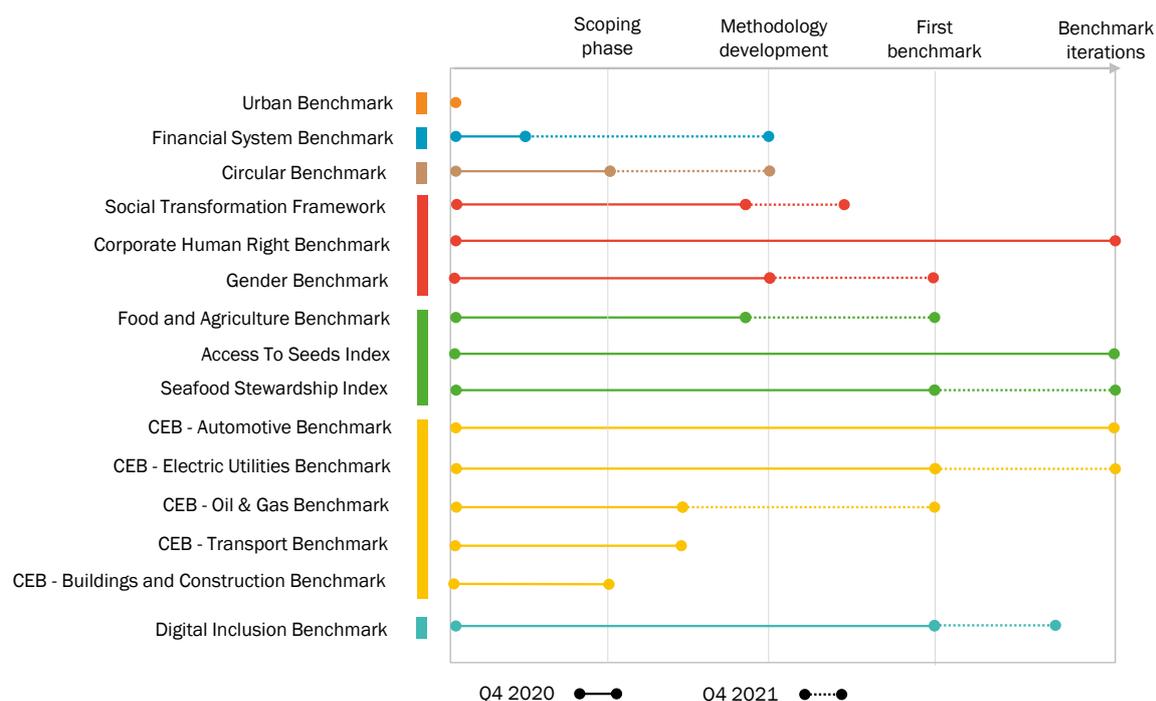

 Figure 6: Status of WBA's core benchmarks and spotlights¹²

Figure 6 provides a high-level overview of this progress. It is worth noting that this overview also accounts for the some of the spotlights in a more advanced stage, such as ATSI and SSI (Food and Agriculture transformation) and CHRB (Social transformation). It should be noted that their operations started before the World Benchmarking Alliance was established. Overall, WBA seems to be largely on track for achieving its planned results with few exceptions of publications expected for 2020 that have been postponed to 2021.

Table 3: Progress against selected output indicators

METRICS	DEFINITION	VALUE	TARGET	PROGRESS
Methodologies in place (#)	Number of methodologies ready to be used for benchmarks	7	n/a	n/a
Own methodologies published (#)	Number of new methodologies developed in-house at WBA	3	n/a	n/a
Benchmarks/spotlights published (unique - #)	Number of unique benchmarks/ spotlights published at least once	6	n/a	n/a
Benchmarks/spotlights published (total - #)	Total number of publications of benchmarks/spotlights, including iterations of the same benchmark.	11	n/a	n/a
Companies benchmarked (#)	Total number of companies that have been benchmarked at least once	500 ¹³	2,000	< 25%

Development of methodologies

In developing new methodologies, WBA makes significant efforts to build on already existing instruments and initiatives developed by external parties. Ensuring its coherence in the broader ecosystem is key and

¹² The Social Transformation Framework consists of a set of indicators spanning all benchmarks.

¹³ Not all the companies benchmarked are included in the SDG2000 strategy.

officially part of its mandate. From a methodological perspective this is especially important if WBA wants to ensure that its operations are effectively contributing to make it *simple* for governments, investors, and other stakeholders to navigate the benchmarking and sustainability reporting space.

In some of the transformations these is especially relevant given the wide range of scoring methodologies already available in the market – such as in the case of climate change and energy. Taking this into account, the sectoral benchmarks within the CEB apply the ACT methodology ('Assessing Low Carbon Transition') – an initiative set up by the French agency for the ecological transition ('ADEME') and CDP. To date, WBA's research team relied upon methodologies that were already developed (e.g. CEB-AB) and actively engaged in the working group for the development of new methodologies (e.g. Oil and Gas). On the other hand, WBA will develop the Decarbonisation and Energy-specific social indicators on a just transition in house.

WBA has finalised and published two own new methodologies, namely the ones related to the GB and the DIB.¹⁴ These are in addition to the two external methodologies from the ACT initiative (CEB-AB, CEB-EUB) and three methodologies that had been developed before WBA launch (CHRB, ATSI, SSI).

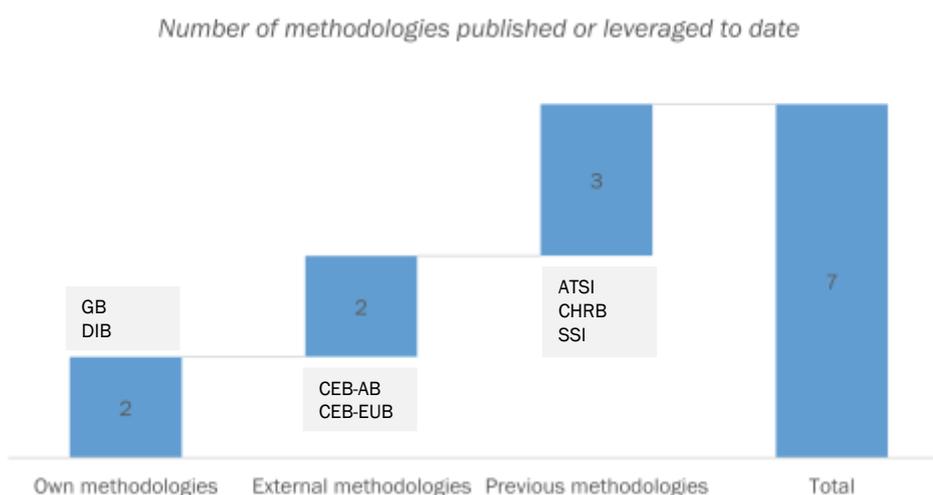


Figure 7: Overview of methodologies currently available for WBA's benchmarks

Therefore, overall WBA currently has a final methodology for three systems, a draft methodology for one system and have scoped for two systems (Circular and Financial). This leaves one system (Urban) where the methodology work has not begun. Five new own methodologies are expected to be published in 2021, according to WBA's draft annual plan. These are the Social Transformation Framework, the FAB methodology, the Just Transition framework, the Financial System and Circular methodology as well as the Oil & Gas methodology that will be developed within the ACT initiative. Furthermore, in 2021 WBA intends revising the methodologies of the three spotlight benchmarks to enhance harmonisation within the benchmarks. It will be most likely in 2022 that each benchmark will have a published methodology for all benchmarks, with the Urban Benchmark (UB) and the, CEB-TB completing the set. WBA is advised to keep its critical and ambitious attitude, while also embracing that methodologies will never be perfect and being able to compare results over time is at least as important as getting the best methodology in place.

• CASE EXAMPLE: FOCUSING ON MARGINALISED GROUPS IN METHODOLOGY DEVELOPMENT

- During the 2019 Allies Assembly, WBA had numerous conversations about the "invisible women" deep in company supply chains that weren't known, understood or addressed by companies (e.g., home-based workers in the garment supply chain that do embroidery from their homes). Many of these women are migrant workers and don't have official 'papers' and are therefore more vulnerable to exploitation. Since then, WBA reached out to a number of

¹⁴ A draft methodology for FAB has been published in December 2020.

other organisations that focus on labour rights, that want to work with these women to voice their needs. This input has fundamentally informed the methodology of the Gender Spotlight Benchmark, and the reason it places emphasis on the supply chain (35%) and includes questions around companies ensuring their suppliers create an enabling environment for the women to exercise their rights to freedom of association and collective bargaining and whether they are scrutinising formal contracts being extended to workers.

Publication of benchmarks and spotlights

To date, six different benchmarks/spotlights have been published at least once, for a total of about 500 companies benchmarked.¹⁵ 2020 has seen the first edition of the DIB and of the CEB-EUB on top of the update of the CHRB and of the CEB-AB. In addition, two baseline assessments have been finalised in 2020 – GB and FAB.

In 2021, WBA expects to publish the first version of the GB, FAB and CEB-OGB – and to integrate just transition assessments in all the CEB. Further iterations of the SSI, ATSI, DIB, CHRB, CEB-AB, CEB-EUB are also expected. From a quality perspective WBA's benchmarks are unique products with limited direct competition. What makes them unique is (i) the fact that they are public goods, (ii) their ability to inform about transformational change rather than on standard ESG metrics and (iii) their ability to build on top of knowledge and methodologies external to the organisation.

Table 4: Progress overview of the six benchmarks and spotlights published to date

	ATSI	SSI	CHRB	DIB	CEB - AB	CEB - EUB
Transformation	Food and Agriculture	Food and Agriculture	Social	Digital	Decarb. and energy	Decarb. and energy
Type	Spotlight	Spotlight	Spotlight	Benchmark	Sectoral Benchmark	Sectoral Benchmark
First publication	2016	2019	2017	2020	2019	2020
Publications (#)	2	1	4	1	2	1
Companies in scope (#)	60	30	230	200 ¹⁶	30	50
Data sources	Survey	Survey; Public sources	Public sources	Survey; Public sources	Public & private sources	Public & private sources
Companies' interaction prior to publication	Survey & Data validation	Survey & Data validation	Data validation	Survey & Data validation	Data validation	Data validation

Socialisation of outputs

Research outputs are only relevant if socialised with the Alliance, other external stakeholders, and the companies themselves. In turn, socialisation is only helpful when it leads to action. WBA's engagement strategy relies on three main types of engagements, namely benchmark engagement, institutional engagement, and interlinking engagement. The first includes methodology development and partnership building at the level of specific systems, the second includes policy dialogues and building the alliance.

¹⁵ Not all the 500 companies benchmarked to date are part of the SDG2000 list given that spotlights extend their focus beyond SDG2000.

¹⁶ Of which 100 have been benchmarked to date.

Finally, the interlinking engagements are the middle ground between the two former elements, whereby WBA utilises benchmark data to support institutional conversations.

From an institutional perspective, key milestones for WBA have been the launch of SDG2000 at the World Economic Forum in Davos, the Launch of African Keystone companies (UK/Africa Investment Summit), the Allies Assembly, the High-Level Political Forum and the UN General Assembly as well as the Policy CoLabs and the UN75 Anniversary dialogues. Overall, WBA was present in about 50 institutional events. Despite their institutional nature, some of these are focused on specific system (*interlinking*) therefore providing opportunities to WBA to promote and position its benchmark. Furthermore, 2020 has seen 5 virtual events for the launch of benchmarks or baseline assessments, for an estimated amount of more than 1000 participants. Much more engagement activity took place to socialise methodologies, with more than 40 events taking place over the year to discuss the methodologies, ranging from company dialogues, multi-stakeholder consultations, webinars and university lectures.¹⁷

WBA's efforts on engagement and socialisation of methodologies and research outputs are remarkable and are part of its unique value add – when compared to individual benchmarks or indexes. As a result, this is also the area where WBA has the largest chances to strengthen its pathway to impact. Sections 5 and 6 further analyse the results of outreach activities.

Building the Alliance

As part of its institutional engagement, a strong focus is directed towards building the Alliance. Allies are a key element of WBA's Theory of Change. By having a set of diverse stakeholders – ranging from public actors, financial institutions, research institutions and private sector players – WBA ensures that companies face a certain pressure to actively start considering and acting upon the benchmarks results. In this regard, WBA's benchmarks and spotlights are a tool to empower its allies.

As of December 2020, the current Alliance is made of 182 organisations, slightly exceeding WBA's target for 2020 of 175 Allies. In terms of balance, however WBA can still improve towards its targets. In fact, the current Alliance has a strong representation of Civil Society Organisations (40% of the total, against a 30% expected) but it falls short on financial institutions (22% of the total, against a 30% expected) as well as on business platforms (9% of the total, against a 15% expected).

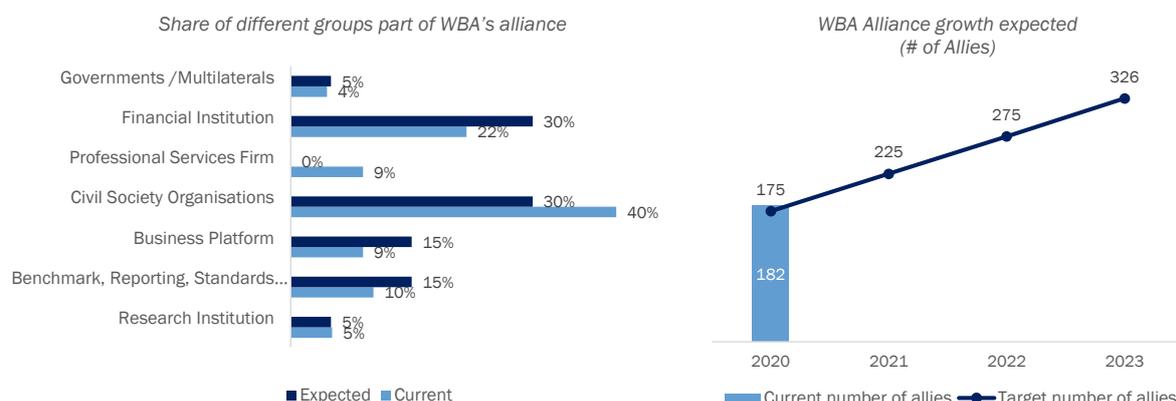


Figure 8: Current and expected Alliance groups (L) and total number of Allies (R)

4.5 Efficiency

WBA's efficiency is challenging to assess systematically due to the organisation's young age and the different nature of its outputs. Defining efficiency as the relationship between the inputs (annual budget, human

¹⁷ Based on WBA monitoring data as per Q3 2020.

resources, time) and the resulting outputs (benchmarks produced) provides a high-level understanding of WBA's operational efficiency to date and of what can be expected moving forward. However, this approach only describes the outputs of WBA's research activities and does not consider the outputs delivered through its engagement activities.

Table 5: Overview of inputs and outputs¹⁸

	Budget (m€)	HR (FTE)	BENCHMARKS (New, #)	TOT OUTPUTS (Benchmarks, #)	EFFICIENCY (#/ m€)
2019	4.70	~30	2	3	0.64
2020	8.87	~60	2	4	0.45
2021E	10.97	~100	3	9	0.82

The estimated efficiency factor (number of outputs per million EUR of budget) was lower in 2020 compared to 2019 and is expected to increase significantly in 2021 (see Table 3). There are two reasons why 2020 performance appears lower in terms of efficiency. First, 2019 outputs leveraged the work performed before WBA was set up or by external organisations. Second, 2020 operations have been largely focused on the development of methodologies and baseline assessments that have not yet resulted in a completed benchmark.

The benefits of 2020's methodological investments will be harvested in the operational efficiency of the years to come. Based on its draft annual plan, 2021 will already see more than double the outputs as compared to 2020 (9 total benchmark publications, of which 3 are completely new) for only a 20% increase in annual budget. A similar observation holds true in terms of human resources: if 2019's outputs demanded an average of 10 FTE per benchmark, the comparable value was 15 in 2020 and is expected to be lower than 10 in 2021 – when first economies of scale will start to be observed. Looking forward, WBA will move more and more towards benchmark iterations rather than the development of new methodologies benchmarks – at which point it is likely the organisational efficiency in terms of research outputs will further increase (and more resources may be directed to engagement).

To understand WBA's outputs with respect of the time spent it is useful to compare benchmarks that have been developed fully within WBA (e.g. DIB) with indexes and benchmarks that date from before 2018. Figure 9 shows the years employed for some of the benchmark or spotlight to deliver its first publication. The process includes several milestones, such as engagement of stakeholders and methodology publication which are not represented in this simplified overview.

CHRB and ATSI, with their respective organisations operational since 2013 published their first benchmarks in 2017 and 2016 respectively – indicating an average timeline of 3-4 years. Similarly, the first publication of the SSI in 2019, came four years after the Index Initiative had been launched in 2015. On the other hand, WBA was able to publish three new benchmarks (DIB, CEB-AB, CEB-EUB) since its launch in 2018 and it is expected to publish two more in 2021 – summing up to a total of five benchmarks in three years.

¹⁸ Does not consider methodologies and baseline assessments.

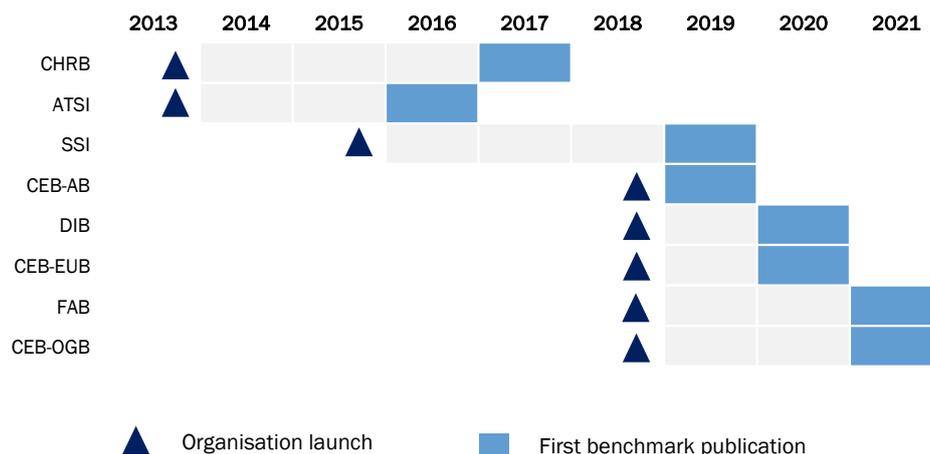


Figure 9: High-level timelines for selected benchmarks

In summary, there are two main factors that directly contribute to WBA's efficiency. First, as an umbrella organisation, WBA enables efficient sharing of resources across benchmarks, as WBA integrates several benchmarks within a single organisation. From a systemic perspective this yields to significant efficiency gains as several activities are run centrally, taking off the burden from research focused staff. For the benchmarks that existed before as independent organisations (CHRB, ATSI, SSI) and have been integrated within WBA over the course of the past two years this is especially clear, as they can now rely on WBA's operations for HR, IT and administration as well as on WBA's engagement team. In this way research teams can be focused leading to overall more efficient operations.

Second, leverage learning from own and other benchmarks makes WBA efficient. WBA benchmarks draw from methodologies of external organisations and from the experiences of organisations that become part of WBA, leading to an efficient use of resources. Moving forward WBA will be able to further capitalise on its learning and is expected to become even more efficient in developing new methodologies and benchmarks.

5. OUTCOMES

This section analyses the outcomes of WBA's operations. At the level of outcomes, WBA is not in control anymore, and is depending on stakeholders to achieve intended results. The outcomes for WBA are in two steps: intermediary outcomes and primary outcomes. The intermediary outcomes of WBA's work are measured in terms of (i) actions taken by Alliance partners and other stakeholders to influence companies and (ii) the extent to which the targeted companies respond to data requests and validations. This should lead to the primary outcomes: behavioural change and improvement of sustainable practices by companies.

5.1 Role of the Alliance

To promote benchmarks and use the benchmark results to encourage companies to change behaviour, the actions stakeholders take to use the benchmarks to influence corporate behaviour is of fundamental importance to WBA's success. Potential stakeholders are to an extent grouped in WBA's Alliance, but also go beyond it.

As benchmarks have different scopes, this also means key stakeholder groups and the influence of these groups can be different for each benchmark. WBA is well aware of these different stakeholder groups, which include investors, civil society organisation, governments, multilateral organisations, media, supply chain partners and consumers. In addition, there are peer organisations that produce benchmarks.

Role of the Alliance

From its inception, the WBA has understood that success rests on its ability to build a diverse and inclusive global network of stakeholders from the public, private and civil society sectors. As analysed in section 4, WBA has a group of 182 organisations that have liaised themselves with WBA in the Alliance. The establishment of the Alliance was a strong initiative, which differentiated WBA from previous benchmarking initiatives.

WBA is leveraging this network to garner feedback on methodologies, create partnerships, coalitions for engagement or policy development, to strengthen and broaden the impact of benchmarks. WBA Allies represent organisations working at global, regional, and local levels to shape the private sector's contributions to achieving the SDGs. With the Alliance, WBA also puts SDG17 ('Partnerships for the Goals') in practice, as Allies are committed to drive systemic progress on the SDGs together with WBA.

The set-up of the Alliance has worked well so far. Participation in the Alliance is designed to be voluntary, and there are no financial obligations between WBA and Allies. Companies are not included in the Alliance to ensure impartiality and neutrality, in line with one of the WBA's core values to stay independent. An exception is financial institutions, whose participation in the Alliance is critical given the crucial role the finance system plays in enabling other system transformations and mobilising the capital needed to achieve the SDGs.

Diversity and intensity

The engagement of the Allies with WBA has so far seen various intensities. Some of the founding partners have been very active, as have Allies where WBA actively cooperates with. The true power of the Alliance is in its diversity, and WBA's role is to bring together investors, NGOs, multilateral organisations, think tanks, industry associations, sustainability standard developers and even workers' associations together around a particular theme. WBA has proven to do so in Expert Review Committees that are involved in benchmark development and is planning to also do so in Collective Impact Coalitions in using the benchmark. This is a unique aspect of WBA that will need to be further leveraged.

However, in order to make the Alliance more powerful WBA needs to further prioritise getting investors and business associations on board (see section 5.2 below). As indicated in the previous section, the composition of the Alliance is still too much focused on civil society organisations, who are important actors but who also have less direct leverage over companies.

Diversity is also important in a geographical sense. WBA actively aims to maintain inclusion and geographical balance in representation (see text box on the next page). Until now, the Alliance has grown to include several important organisations based in the Global South in countries like India, South Africa, Kenya, Ghana, Colombia, and China. CIVICUS joined recently and brings in a strong civil society voice, and conversations are underway with several other organisations from the Global South, including business platforms (for benchmark socialisation and education) and more local community networks, such as Good Business Lab and PUKAR, both based in India.

However, the balance between Alliance partners from all parts of the globe can be further improved. Having Allies from all parts of the world and from the wider sustainability landscape ensures that WBA's consultations take into account diverse views, so that these are reflected in methodologies, ensuring that ultimately the benchmarks are used by companies, investors, policy-makers and civil society to change practices and behaviours to improve the welfare of those in developing countries.

5.2 Use by stakeholders

In the sections below we focus on WBA's engagement with various stakeholders so far and provide concrete examples of how these stakeholders pick up and use the results to influence corporate behaviour. Most of the concrete examples are by Allies, as these anecdotes were more visible and traceable.

Use by investors

The vast majority of stakeholders consulted – notably the interviewed companies – see investors as the most important stakeholder group for WBA. Financial Institutions, especially large institutional players, have a pivotal role to play in mobilising the private sector in support of the SDGs. They can typically do so in three ways: bringing their investments in alignment with the SDGs, engaging with the companies in which they invest, directing them to bring their business models in alignment with the SDGs as well as through policy advocacy in support of sustainable finance.

In consultations with companies as part of this assessment, all companies stated that the extent to which investors pick up on the benchmarks is the most important form of credibility for WBA, and the most likely motivation for them to take action. Investors own a part of the company, and often have more direct lines to senior company leadership rather than a sustainability department.

Investors need timely and substantive information regarding material issues that help inform expectations on the long-term performance of a company. Over the past decade, ESG data has helped investors to add an additional layer to company analysis that makes company analysis more comprehensive by integrating factors that were not covered by traditional analysis on (short-term) financial performance. ESG ratings are a helpful baseline to assess companies, but views on their ESG risks and opportunities can be honed – and should sometimes be corrected – through research, trend analysis, or a company's long-term commitments.

Benchmarks further support transparency on ESG issues and add new forms of ESG data available to investors. However, it also goes further than that. While ESG data mostly focuses at current performance aspects on environmental, social and governance issues, the WBA benchmarks and the corresponding additional company data benchmarks shed light on the forward-looking ambitions of companies as well as corresponding actions on matters that help the world transform towards a more sustainable society. The benchmarks also do so in a structured way, inspired by systems transformation thinking and alignment with the SDGs.

Furthermore, the comparability is particularly important as research finds that a lack of data comparability across firms is the main barrier for investors to use ESG information in their investment decisions. As WBA benchmarks assess companies on the same metrics, this allows investors to benchmark improvements (or lack thereof) in company performance.

CASE EXAMPLE: COLLECTIVE ENGAGEMENT

The CHRБ is widely picked up by investors. An example was in 2020, when a coalition of 176 investors representing over USD 4.5 trillion in assets under management wrote letters to the 95 companies that didn't score any points on human rights due diligence in the 2019 benchmark. In previous years, investors also sent letters to companies benchmarked by CHRБ. The letters either praised good performance to reinforce positive behaviour or flagged poor performance. Through these letters, investors also invite companies to have dialogue with them on the issues highlighted. In 2019, the coalition of investors that sent the letters also engaged with nearly 50 companies based on CHRБ results, while many used voting to influence behavioural change at companies.

Investors use company-specific results as part of their overall investment analysis and capital allocation decision-making, particularly where they consider human rights to be material to the sector and performance is lacking. Investors also use their voting and engagement influence to promote better practices. This includes questioning company management on key human rights risks during one-to-one meetings, as well as taking voting action on director re-election, board pay, and particularly the vote on the Report and Accounts at company Annual General Meetings.

CASE EXAMPLE: INDIVIDUAL INVESTOR ENGAGEMENT

A concrete individual example of engagement and voting based on the CHRБ relates to Aviva, a British multinational insurance company and asset manager with USD 460 billion assets under management. Aviva used its shareholding to vote against 40 low scoring companies across all global regions in 2018 and 23 companies in 2019. Votes against were filed against either the director most responsible for human rights, discharge of the board or the reports and accounts. Companies targeted ranged from Starbucks to Prada to China Petroleum & Chemical. In 2018 Aviva also engaged directly with 13 companies and held in-depth follow up meetings with investor relations and sustainability teams of five companies: Anglo American, ENI, General Mills, Kraft Heinz and Tesco. In 2019 Aviva engaged with 8 companies including subsequent talks with Kraft Heinz, LVMH, Amazon, McDonalds, Nike, Apple and Microsoft.

Use by civil society organisations

Civil society organisations (CSOs) have an important role in raising awareness of societal issues and advocating for change, providing services to the underserved, and providing expertise to businesses, governments and international institutions. Civil society is needed to build a movement on transparency and accountability and advancing the SDGs together with the private sector. They also play an important role in methodology development, translating societal needs into benchmarks.

Benchmarks provide civil society with an accountability tool through which they can review, monitor and engage with private sector actors in order to hold them to account and can inform the foundation of further action such as campaigns, lobbying and protests. Benchmarks can also help to raise the profile of certain issues and promote corporate change. In addition, partnerships are key to achieve the SDGs and benchmarks can help to identify suitable companies to partner with. Organisations such as Oxfam have been actively involved with WBA since its early inception. As an Ally, but also as a member of the Expert Review Committee, the organisation uses the leverage of WBA to advocate its agenda on the role of the private sector.

CASE EXAMPLE: CSO THAT PARTNERS IN OUTREACH TO CHINA

Friends of the Earth Hong Kong (FEHK) is a prominent civil society organisation based in Hong Kong. It has a focus on protecting the environment. It offers solutions to help create environmentally sustainable public policies, business practices and community lifestyles. It is especially strong at engagement with businesses to act responsibly. FEHK and WBA met at a sustainable finance event and FEHK became the first Alliance partner in the APAC region. It has started exchanging knowledge and business contacts. It has also helped bring the findings of the Electric Utilities Benchmark into the East Asia region including China, through planning a co-hosted roundtable with WBA in Q1 2021. As Chinese companies generally are a 'dark spot' in terms of responses from companies, this is a major step forward in engaging with Chinese companies.

Use by governments and multilaterals

For governments and multilaterals, benchmarks can bring clarity on the role of the private sector in achieving the SDGs and the sustainability agenda. The benchmarks provide governments with data-driven evidence on how corporates perform on the SDGs, while the underlying methodologies provide clear-cut input that can help governments shape policy and/or regulation. As benchmarks are objective, of high quality, credible and easy to use, they can serve as a monitoring tool for policy makers. Benchmarks can support and inform policy choices and priorities as they show where there is a lack of corporate action or where support is needed. If benchmarks show that industries do not adequately self-regulate their negative impacts, stricter interventions and regulation might be implemented as a response. In addition, public buyers are increasingly looking for ways to guide them through sustainable purchasing such as sustainability ratings by third parties. WBA benchmarks reduce complexity and give a clear overview of suppliers' performance on the SDGs.

WBA and its benchmarks, including the Seafood Stewardship Index and the Access to Seeds Index, have been presented and discussed at large gatherings (FAO Council as well as technical meetings). For FAO, benchmarks create increased understanding of the role of companies and provide for a tool to better explore partnerships, both at institutional and country level. Another key example is CHRB being officially referenced in human rights due diligence call by EU commission.

Use by media

Low scoring companies that do not demonstrate a willingness to improve (for example through engaging with the CHRB directly or with investors that request more information on human rights) expose themselves to increased scrutiny in the media and in shareholder resolutions. On the other side of the spectrum, high scoring companies often press-release WBA benchmark results to get coverage of their successes.

Particularly articles in influential global business media such as the Financial Times, the New York Times, the BBC or Forbes can have immensely impactful effects on companies through articles. Examples of WBA's referrals in the Financial Times were in articles around the World Economic Forum in Davos, on the development of green bonds, on responsible investment and the human rights performance of leading companies (see example in box below).

Meanwhile, referrals in national newspapers such as Xinhua News Agency, the Japan Times or Al Jazeera have helped awareness of WBA in all corners of the globe and referrals in sector media such as Responsible Investor, Seafood Source or Ecotextiles highlight its results in specific business groups.¹⁹

¹⁹ WBA tracks all referrals in quality media on its website: <https://www.worldbenchmarkingalliance.org/in-the-media/>.

CASE EXAMPLE OF USE IN MEDIA: KRAFT HEINZ

While companies ideally are encouraged through engagement, discussion and mutual support, an article in the media can be one of the most powerful drivers of change. An example is Kraft Heinz, a low scoring company in the CHRB, which was named and shamed in the Financial Times for its scores.²⁰ In combination with shareholder pressure, it published a human rights policy and due diligence process in response. This resulted in a withdrawal of a shareholder resolution, while Kraft Heinz has just left the lower regions of the CHRB ranking.

Use by peers

WBA takes an active open stance towards cooperation with other individual benchmarking initiatives. Generally, this had led to networking, knowledge sharing and mutual promotion of benchmarking as a methodology and individual produced benchmarks. At the same time, there are cases of individual benchmark developers that perceive WBA as a challenger, particularly smaller, focused benchmarking initiatives. WBA's benchmarks are in most cases complementary but can be partly overlapping (e.g. WBA's Food Benchmark and the Access to Nutrition Index). This cannot be avoided, and WBA takes the right open stance of cooperation rather than competition.

CASE EXAMPLE OF COMPLEMENTARITY: CHILDREN'S RIGHTS BENCHMARK

One of the peer benchmarking organisations that are part of the Alliance is the Global Child Forum, that produces the Children's Rights Benchmark. Global Child Forum is a Swedish non-profit foundation that brings together thought leaders and influencers from business, civil society, academia and government in order to spur action for social change around children's rights. The Global Child Forum particularly focuses on the power of business to be a driver of change, and they encourage businesses to take approaches in their operations and their communities that best advance children's rights. The Global Child Forum at first saw WBA and particularly the CHRB as a 'competitor'. However, during conversations and with openness from both sides it was quickly discovered that there rather are complementarities and ample opportunities for knowledge exchange. WBA and the Global Child Forum are now exploring using the same core social indicators, and actively provide expert feedback on each other's developed materials.

5.3 Response by companies

Once the benchmarks are published, they are only effective if they are picked up by companies and their stakeholders. Therefore, an important intermediate outcome is to keep track of how companies respond to the data requests the WBA sends out and to the publication of the benchmarks itself.

The chart below shows the company response for the five most recently published WBA benchmarks. As it shows, companies response rate in benchmarks completed to date varies between 20% and 80%. These figures in some cases indicate response to a data request, while in others refer to a demand for validation of data that has been collected from external sources (See Chapter 4). In CHRB, there is no questionnaire but there is a data validation process, which is being tracked. In 2019 113 out of the 195 benchmarked companies (58%) responded and engaged with the CHRB team in the context of the 2020 assessment.

²⁰ 'Prada, Starbucks and Kraft censured over human rights transparency' *Financial Times*, 12 November 2018.

Companies participation rate

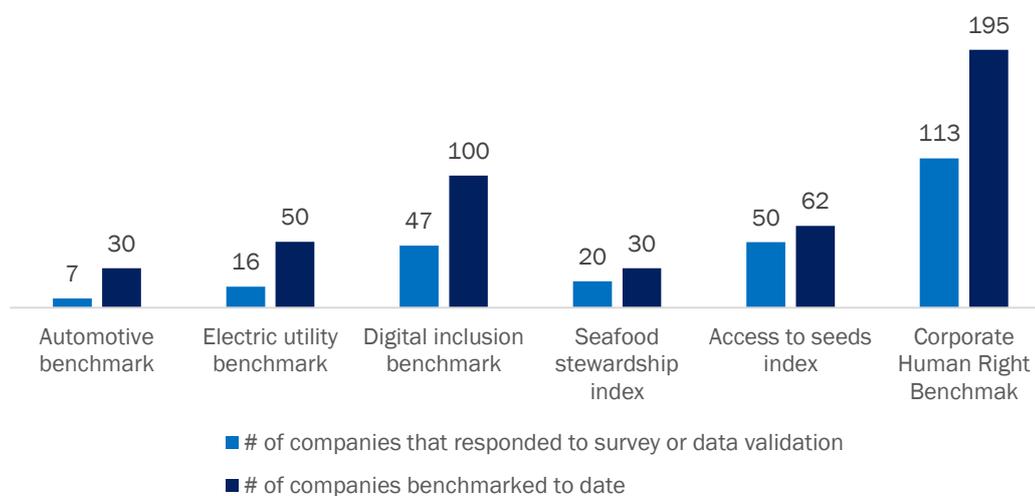


Figure 10: Response rate to surveys or data validation requests across benchmarks for latest year available

As the chart shows, the response rate from companies has room for improvement. There are various challenges that relate to companies' response rate. The first and foremost challenge is WBA's credibility. Companies need to hear about the benchmark through their own senior leadership, from peer companies in a sector, from influential media or stakeholders they are close with and open to. The higher the risk to the business, the more likely participation and behavioural change will be.

The second is the extent to which investors care. The stakeholders companies are most influenced by are investors. Investors are shareholders and have access to different channels in a company than civil society, as they speak to investors relations departments or directly to executive board members. These are stakeholders a company simply cannot ignore.

The third is the length in questionnaires, which varies across methodologies and on which WBA does not always have full influence as in the cases where it relies on external methodologies.

The fourth is the limited time availability of company staff. The number of sustainability data requests for other benchmarks, but also non-financial reporting is taking a lot of time by staff in sustainability departments, who are most likely to be involved in engagement with WBA.

Beyond responding to data requests and validation, the extent to which companies respond to one-to-one engagements after the publication of result is a good proxy to assess how the benchmark is being received. For the CEB-EUB and the Seafood Stewardship Index company engagement was at ~20%-25%. This metric could be used more structurally by WBA to further improve tracking of outcomes.

5.4 Actions by companies

The actions by companies inspired or encouraged by WBA benchmark relate to the two older benchmarks, the ATSI and the CHRB, that have been published since 2016 and 2017, respectively.

Access to Seeds Index

There are various examples of companies participating in the Access to Seeds Index that have implemented stronger access to seeds strategies over the past years. The Access to Seeds Index 2019 ranking for contributing to UN SDGs made Advanta realise it made sense to embed sustainability more firmly into the company's DNA. The company introduced a new focus on enhancing smallholder farmers' productivity and empowering its employees to drive meaningful contributions to sustainability. Giant seed producer Bayer

disclosed a more robust corporate strategy toward supporting smallholder farmers, while Rijk Zwaan and Bejo disclosed improved commitments to supporting smallholder farmer productivity. Syngenta's Good Growth Plan and the activities of its affiliated Syngenta Foundation continue to demonstrate progress in terms of strategy setting and progress reporting.

Corporate Human Rights Benchmark

There also are examples of companies taking action inspired by the CHRb. There were wide results in behavioural change at companies observed as measured by scoring against the benchmark and as evidenced by concrete actions. This behavioural change mostly takes place with investors using the CHRb to engage with companies. For example, among the companies engaged with in 2018 by a British multinational insurance company Aviva, 75% saw an improvement in the scores of the following year.

Overall, since the CHRb Pilot benchmark was published in early 2017, there has been a significant shift in results. The average score has increased from 18% in 2017 to 27% in 2018 and 31% in 2019, signalling an improvement of 13%. The total scores of half of the companies went up by more than 10% and 8 companies saw significant changes of more than 30% (Danone, Diageo, ENI, Fast Retailing, Heineken, Kellogg, PTT and Repsol).

Meanwhile, it should be noted that the growth of companies that have been part of the benchmark for multiple years is higher than these averages due to the entry of new companies. The new companies entering the benchmark for the first year(s) tend to have lower scores, which essentially means that these companies are limiting the overall growth of the average scores.

The worst performing companies also have started moving, as evidenced by the number of companies in the lowest scoring band (0-10%), which has shifted from over 40% in 2017 to just over 15% in 2019. However, with one quarter of companies showing less than 5% increase in their score since 2017, systemic improvement remains fragmented and, in some areas, stagnant. One fifth of companies continue to score very poorly and do not seem motivated to move, which signals a free-rider problem that is not being addressed by benchmarking so far and highlights the need for further engagement and enhanced scrutiny by other stakeholders.

Concrete examples companies that did realise behavioural change are Amazon and ENI. Ecommerce giant Amazon improved on transparency practices by publishing its human rights principles online and publicly committing to run a human rights impact assessment by an independent advisor. Italian oil and gas company ENI published a new human rights statement and announced that it had settled a ground-breaking human rights investigation with the OECD. Furthermore, one of the largest tech companies said CHRb has been instrumental in shaping its human rights policy.

Remarkably, most of the companies mentioned that are starting an improvement journey driven by the benchmark results, are identified as having significant impact on developing countries based on WBA own methodology – either due to the location of their suppliers (Amazon) or the location of their manufacturing facilities (Apple).

CASE EXAMPLE: RESPONSE BY AB INBEV

AB InBev is one of the world's largest brewing company with a portfolio of over 600 brands, including Budweiser, Corona and Stella Artois. It owns 260 breweries and 69 verticalised operations across its operations in more than 50 countries. AB InBev is one of the 230 companies included in the CHRb. The company has been incorporating human rights principles into its operations since 2005, when it became one of the first to join UN Global Compact initiative. Subsequently it developed relevant policies based on the UN Guiding Principles on Business and Human Rights. Still its score in the benchmark's first iteration came very low. The CHRb captured the attention of senior management and helped AB InBev realise the need for a more effective communication. *"There were fundamental gaps, and all these gaps were about transparency"* says Andres Peñate, Global VP Regulatory and Public Policy at AB InBev. The company made a deliberate decision to use the benchmark to measure genuine progress, inform its human rights policy and identify areas for improvement. It has also engaged with CHRb to better understand methodology and specific issues. This has led to the improved score in the benchmark

subsequent iterations. However, at the same time AB InBev recognizes that there is more to do. The benchmark has been helpful in gauging the size of its gap and managing resources more efficiently. *“The beauty of the benchmark is that it shows where the priority needs to be and where your scarce resources are going to have the most impact.”* The company has been also using the CHRB as a learning tool to help new team members to get to grips with the human rights theme.

6. IMPACT

WBA's ultimate goal is transforming systems and improving business impact on people, workers, communities and the environment, particularly in developing countries: If companies improve on the key areas specific to each of the seven systems, in line with WBA methodologies, this will have a positive impact on transforming these systems, which is needed to put the world on a more sustainable and resilient path and achieve the SDGs, particularly in developing countries.

To capture the qualitative impact of benchmarks, WBA will keep engaging actors in developing countries around methodology development, policy positioning, communications and outreach, and ultimately corporate behaviour change and the subsequent changes visible on the ground.

After two years of WBA operations, first signs of impact are emerging. However, they are still anecdotal because of the young organisation and the limited number of published benchmarks and on which engagement by stakeholders has taken place. The first signs of impact are mostly related to the ATSI and CHRB, that have been published since 2016 and 2017, respectively.

Once a similar level of maturity as the ATSI or CHRB will be reached by other benchmarks, these are likely to start delivering first signs of impact. Based on this experience, it is probable that the first structural signs of impact of WBA's benchmarks will start to take shape in 3-5 years from now. Although this may seem far away, the time is simply needed for benchmarks to build respect and reputation among targeted companies, stakeholders to effectively take action and comparable results to come out.

One final note is about attribution. It is important to keep in mind that impact can probably never be fully attributed to WBA. Change in corporate behaviour for multi-billion-dollar companies usually requires influence from various stakeholders or initiatives or even more important market forces and commercial incentives.

6.1 Improved business impact on people

There are various first signs of how WBA benchmarks have contributed to impact on people. For the CHRB there are examples of Amazon and ENI where has been positive impact on people, workers, communities and the environment. Amazon publicly disclosed on its website the names, addresses, and other details of over 1,000 facilities that produce Amazon-branded products. This makes it easier to determine whether they are acting responsibly, and for workers to report labour abuses. The ongoing assessments are expected to lead to further enhancements.

Spurred by engagement of investors using the CHRB, ENI in 2019 came to an agreement with residents of the community of Aggah in Rivers State, Nigeria. A community association, Egbema Voice of Freedom (EVF), had filed a complaint against ENI under the OECD Guidelines. The agreement addresses the essential concern of the complainants, including the urgent construction of drainage solutions to mitigate flooding and a potential resort to a technical expert if more efforts are needed.

6.2 Transforming systems

Transforming the seven systems is an ambitious and long-term goal that is aligned with the 2030 Agenda for Sustainable Development. As such, it is not possible to provide tangible evidence of transformations in one of the seven systems that are central to WBA's mission after two years of operations.

However, given its long-standing presence compared to other benchmarks CHRB and ATSI do provide some first striking signs that could contribute to transformation in the systems. These signs are actions by

companies that can be seen as structural changes within companies and can thus be interpreted as transformational behaviour within companies, which can eventually lead to transformation at the system level.

A first example is the initiative to link senior management's remuneration to benchmark results. For example, CHRB is now listed among the 5 non-financial rating agencies being part of the assessment of Total's CEO's CSR performance, for up to a maximum of 15% of his annual variable compensation. Having sustainability firmly embedded in a CEO's incentives can be a powerful driver for change at the company level.

6.3 Potential unintended consequences

The benchmarks may also result in potential unintended consequences, in the sense of a perverse effect contrary to what was originally intended. So far there seems to be one unintended consequence appearing, which is the misinterpretation of results, especially given the different methodologies used. For example, CHRB scoring is a proxy for performance as it is to a large extent focused on policy commitments, management systems, processes and transparency rather than on actual outcomes of these policies (which are notoriously difficult to monitor and capture in data). This may in theory lead to contradictory situations of companies scoring high on public commitments but performing poorly when it comes to real-world impacts.

In addition, there are opportunities for companies that are good in providing data or 'selling themselves' in questionnaires to be ranked better than they actually are – inserting an element of bias in the benchmark results. For example, companies with higher resources can pay consultants to score well on benchmarks. Although this cannot be completely prevented by WBA, benchmark leads are advised to be actively aware of this and try to mitigate these consequences as much as possible in further iterations to benchmarks based on feedback and own learning from analysing results.

7. SUSTAINABILITY

The sustainability of WBA can be regarded from two angles: that of its own organisation as well as the sustainability of its mission and targeted results. While there are more factors, the next two sections address the two biggest sustainability challenges for the organisation and the two biggest challenges for meeting the mandate.

7.1 Organisational sustainability

There is one major factor that can potentially effect WBA as an organisation: its persistent funding gap and the challenges to constantly find donors and report to them.

WBA provides a public good by holding the world's most influential companies accountable on their contribution to the SDGs. Holding companies to account requires an independent institution that does not have potential conflicts of interest as a result of corporate financial support.

WBA will therefore continue to rely on public funding and philanthropic grants. WBA has, since its inception, worked on building a globally inclusive coalition of governments and philanthropic organisations. Collectively this coalition of funders enables WBA to make its benchmarks free and publicly available. The number and diversity of funders provides WBA with legitimacy, credibility and continuity. This coalition is expected to grow and evolve between now and 2030 with new funders coming on board, with some able to only support WBA for a limited period of time.

WBA has a hybrid funding model, which is flexible but comes with challenges. It receives funds from both governments and foundations, for individual projects or benchmarks or institutional. This is a sign that it is flexible and can appeal to a wide array of donors with different objectives. However, it also means that budgeting is complicated, while WBA is expected to meet various objectives and report on various types of results.

Meanwhile, there is a persistent funding gap since the organisation's inception. This means that WBA spends a disproportional amount of time in developing proposals for fundraising as well as structuring results and reporting. The COVID-19 crisis has made it even harder to build a pipeline of funders. The funding gap as well as the time required to meet demands is one of the biggest challenges for moving towards its goals and its organisational sustainability.

7.2 Mission sustainability

The two biggest challenges in meeting the mission is the scope and focus of benchmarks as well as generating responses from a part of the companies that has not showed an interest so far, and from the right stakeholders within companies.

The first is the scope of the 2000 keystone companies. This concept is well thought through from a global perspective. However, there may be cases where a company is more driven by competition with a local peer. An example is in Hong Kong, where one of the two major utility companies is included in the scope of the 50 keystone electric utilities companies, but the other is not. While the focus and scope make sense from a global perspective, this affects the credibility, as companies may be more influenced by a local perspective.

Responses

The second challenge is generating responses from a part of the companies that has not showed an interest so far, and from the right stakeholders within companies. As analysed in section 5.3, the participation rate in WBA's benchmarks holds significant room for improvement. When looking at companies that are not responding, one can note major 'dark spots', which notably include companies in the United States and China. WBA will need to prioritise engagement with companies in these regions in order to ensure sustainable success and the intended impact of benchmarks.

This can be done through working with local civil society, for instance in translating benchmarks and raising it with local governments and regulators. And most importantly, this can be done through engaging with the right investors that are among the more influential shareholders in a company.

Another element is accessing companies at the right entrance. Most of the direct contacts for benchmarks are the sustainability departments of companies. While these departments can provide the necessary data and inputs for the benchmarks, they often have limited power and mandate within a company to effectively drive change. The decision to change behaviour ultimately lies with senior leadership of a company.

In order to reach the C-suite, there are three most effective ways. The first is engagement by WBA itself at high-level events. Experience shows that WBA itself can reach CEOs at events like the UN General Assembly or the World Economic Forum, who in turn have taken action. The second is through media, as being named and shamed (or praised) in influential newspaper Financial Times is a powerful lever. The third and most structural way again is engaging with the right investors. Only investors have a direct say in decision through voting and may have direct access to senior leadership through engagement, either formally or informally.

ANNEX A: STAKEHOLDERS CONSULTED

NAME	ORGANISATION	POSITION
WBA staff		
Gerbrand Haverkamp	World Benchmarking Alliance	Executive Director
Pauliina Murphy	World Benchmarking Alliance	Engagement Director
Richard Hardymont	World Benchmarking Alliance	Research Director
Gonnie Been	World Benchmarking Alliance	Operations Director
Carla Hommes	World Benchmarking Alliance	Lead Research Food and Agriculture Benchmark
Sanne Helderma	World Benchmarking Alliance	Lead Research Food and Agriculture Transformation
Viktoria de Bourbon de Parme	World Benchmarking Alliance	Lead Food and Agriculture Transformation
Camille Le Pors	World Benchmarking Alliance	Lead Corporate Human Rights Benchmark
Helen Packer	World Benchmarking Alliance	Lead Seafood Stewardship Index
Alice Ingabire	World Benchmarking Alliance	Lead Access To Seeds Index
Vicky Sins	World Benchmarking Alliance	Lead Decarbonisation and Energy Transformation
Charlotte Hugman	World Benchmarking Alliance	Researcher (Climate and Energy)
Societal stakeholders and Allies		
Nina Vollmer	Global Child Forum	Research Manager
Will Nicholson	Food Foundation	Project Lead
Emeline Fellus	World Business Council for Sustainable Development	FReSH Director
Camilla De Nardi	World Business Council for Sustainable Development	Associate
Gaelle Espinosa	Sustainable Development Solution Network	Senior Analyst
Carolina Ocampo-Maya	Columbia Center for Sustainable Investment	Project Lead
Lauren Compere	Boston Common Asset Management	Managing Director
Magdalena Kettis	Nordea	Thematic Engagement Responsible Investing
Marte Borhaug	Aviva	Global Head of Sustainable Outcomes
Anthony Cheung	Friends of the Earth Hong Kong	Board Governor
Lavanya Garg	Good Business Lab	Chief of Staff
Lisa Bertrand	ADEME – ACT Initiative	Business Developer
Romain Poivet	ADEME	Project Lead
Claire Prescott	CDP	Manager
Donors		
Caroline Bryant-Bosa	Porticus Foundation	Global Programme Manager

Hannah Wijmenga	Dutch Ministry of Foreign Affairs	Policy Officer
Companies		
Javier Bolanos Munoz	ENEL	Head of ESG Indices and Sustainability Ratings
Alessandra Beccacini	ENEL	Sustainability Planning and Performance Management
Bhupen Dubey	Advanta	CEO
Mariola Markiel	Advanta	Global Marketing
Hendrik Rosenthal	CLP Holding	Director Group Sustainability
Nicholas Allen	BP	Policy
Claire Flanney	AB InBev	Sustainability Manager
Melissa Kopolow McCall	AB InBev	Global Director of Policy