



World
Benchmarking
Alliance

Annual Report
2023



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Our year at a glance

1,411
of the world's largest
and most influential
companies assessed

9

benchmarks published

100
employees

4
methodologies published

23

stakeholders who participated in
their development

USD 15 trillion
in assets under the
management of
investors or financial
institutions who are
WBA Allies

391

Allies across 48 countries

4
new Collective
Impact Coalitions

96

stakeholders involved in the Collective
Impact Coalitions

USD 13.7 trillion
the total revenue of
companies that engaged
with WBA

54

events hosted to socialise
our benchmarks and
insights

34

speaker invitations

62

recommendations
to policymakers based on
our insights

2,258
media mentions

A year of innovation for WBA

The key developments for WBA this year have involved pushing through two important initiatives: our new rhythm of working, which includes releasing the data of all 2,000 companies all at once every two years, and pushing forward the concept of corporate accountability.

Our new way of working is quite revolutionary for WBA. Before implementation, the team conducted significant analysis on the risks as well as the opportunities it would present. It made us think carefully about how to ensure our benchmarks can have more impact as well as make the organisation more stable. What excites me about our new benchmark publication rhythm is that, in the interim year, we will be conducting deeper analysis across the companies that we benchmark.

In terms of corporate accountability, the release of our white paper has opened valuable avenues for discussions with key allies as we strive towards corporate accountability. Our corporate

accountability focus is all about collaboration; we know that we are just one piece of a larger movement.

In 2023, we witnessed major changes to our leadership, with a founding director leaving whilst promoting from within two new executive board directors covering Research and Operations. The new team has settled in extremely well with support from all involved, including the chairs of the board sub-committees. At the end of 2023, Gonnie Been, our fantastic Impact, Learning and Development Director announced her departure from WBA, and this was met with sadness from the WBA community. She was the heartbeat of WBA's foundation and someone who guided WBA, and the board, towards better ways of working, including our TEAL structure. The leadership team, including the recently promoted Lourdes Montenegro and Charmaine Nagel, will help carry her legacy forward.



Paul Druckman
Chair of the WBA
Supervisory Board

In 2023, I no longer found myself having to explain what the World Benchmarking Alliance is and what we do. We are making it firmly onto the map in the sustainability world. For one, I have noticed the use of our SDG2000 by other organisations with whom I'm involved. Additionally, in terms of benchmarks, I have spoken or been a panellist at many sessions alongside companies that are now aware of where they stand on our benchmarks.

Much of what we have set in motion in 2023 will come to fruition in the future. We are well placed to be highly effective going forward, both internally and in terms of impact. This year, we celebrated five years since formation, and it is remarkable how much has been done in that time. In just five years, we have made ourselves into an essential part of the sustainability ecosystem; we now need to make sure that we can continue to deliver on our promise in the years to come.

→ The supervisory board met face to face for the first time in March.



WBA makes two major decisions in 2023, as we head towards 2030

Growth, progress and new learnings

In 2023, thanks to the growth of our organisation and to progress on methodology development and new assessments, we came a long way towards achieving our first major institutional goal: assessing all 2,000 keystone companies across seven transformations. We are now well positioned to finalise this goal in 2024. This was also the first full year of operation for our Impact, Learning and Development function. This new team generated greater structure and routine in terms of our own measurements and helped lead us to better data and impact stories. This, in turn, brought about greater insights into how our activities and actions lead to impact, and into when and why they don't. Based on these findings, our approach to Collective Impact Coalitions, Communities of Practices, insight reports and public policy have evolved and will continue to do so.

Corporate accountability and a new rhythm for research and publication

The growth, progress and learning achieved over the past five years have compelled us towards two significant decisions in 2023, as our Board Chair Paul Druckman has noted. The first involves centring the need to *close the corporate accountability gap* as a core element of our strategy. Our benchmarks show that companies are not transforming at the scale and pace that is required to achieve our global agendas. This is why we need to make the impact companies have on people and the planet consequential to their success, without which we know companies will not transform. With only 12% of the SDG targets on track for 2030, the importance of companies leading the transformation alongside governments is more urgent than ever.



Gerbrand Haverkamp

Executive Director

With the launch of our white paper, in September 2023, entitled *Corporate Accountability: Closing the gap in pursuit of sustainable development*, we aspired to lay down a conceptual foundation for the efforts required to close this accountability gap. Conversations with various stakeholders that have taken place since the paper's launch have been encouraging. In particular, leading companies have acknowledged the need for stronger accountability that ensures the floor is also raised for those that are lagging. Governments increasingly recognise that strengthening corporate accountability cannot

be left to markets and society alone. Closing the corporate accountability gap will thus require a truly collective effort. In the coming years, we want to support governments and other stakeholders in playing their part to close this gap, despite the many constraints and hurdles they face.

The second important decision we took this year will allow us to publish all our benchmark results at once, for the first time in January 2026. This novel approach will allow WBA to reach the scale and efficiency needed to assess 2,000 companies across the seven systems transformations, in part through further

digitisation and workflow efficiencies. It will also make our outputs more predictable and our process simpler for both companies and other stakeholders.

The organisational transition

We were reassured that the external evaluation carried out in 2023 supported these two decisions. And while the external impact of our new research and publication schedule will only begin to take effect in 2025, the internal implications for the organisation are already vast. To help guide us forward, four transition working groups were created at the end of 2023. They are charged with ensuring that we deliver on our core outputs, maximise the reach of our launch in January 2026, utilise this transition to drive greater impact and ensure our people are prepared.



← Our Executive Director, Gerbrand Haverkamp, presenting our white paper on corporate accountability at our side event held at the 78th session of the United Nations General Assembly.

How WBA uses external evaluation to improve

In addition to continuous monitoring and in-depth research on WBA's influence and impact, we undertake formal, independent evaluations every three years. Independent evaluations provide more insight into why and how WBA's work is or is not leading to impact, as well as whether external changes may affect the successful achievement of outcomes. Independent evaluations help us learn from, and strengthen, implementation of our strategy, our decision-making and our development as an organisation.

In 2023, we commissioned a second independent evaluation to assess our first five years of operation and identify lessons learnt and ways to enhance our influence and impact. The 2023 evaluation followed up on WBA's [first independent evaluation](#) completed in 2020 and was carried out by Technopolis Group.

A theory of change covering four impact pathways guided the evaluation. They include:

Race to the top: Benchmarks incentivise a competition between companies who will work to outrank one another on sustainable and socially responsible practices.

Learning: Benchmarks provide a structured form of learning for companies on areas in which their performance is suboptimal as well as providing clear directions for improvement.

Pressure on the laggards: Benchmarks are often used by other actors (investors, civil society, governments, citizens) to pressure lagging firms into improving their outcomes.

Policy change: Benchmarks, and the wider movements that surround them, may inform and induce policy and regulatory change using the data they provide (including within

supranational frameworks like EU regulations, UN standards, etc.).

The evaluation confirmed several key achievements, while also reinforcing WBA as a leading independent benchmarking organisation, despite its young age. The evaluation found evidence that WBA is an important contributor and enabler for improved corporate accountability. It also found evidence of various benchmarks being used by an increasing number of stakeholders to influence company improvement. These benchmarks, combined with the engagement carried out by WBA, have important learning effects on companies. The pressure exerted by external stakeholders such as investors, NGOs, civil society, media and the broader Alliance has clear potential to compel further change. Investors are using our benchmarks as a tool to engage with (potential) investees and are using WBA assessments in own their investment decisions. However, there

is currently limited evidence that NGOs and civil society organisations are actively using the benchmark results to push companies to change their policies and practices. Lastly, the evaluation finds that pushing for, and informing, public policy change based on our benchmarks results holds strong potential but is a process that will require more time.

Overall, the evaluation finds that WBA has contributed to improving transparency and to strengthening corporate accountability globally, either by holding companies accountable for better policies or by holding them to account when their actual practices do not align with what they have stated. Though WBA and our benchmarks serve as an important enabler for corporate accountability, they are not sufficient on their own. Other key requirements for success include increased corporate engagement and the willingness and ability of the other players mentioned above to also hold companies accountable. The evaluation shows the Alliance is a valuable tool for Allies, although this is particularly true for an active minority. Focused engagement through the Collective Impact Coalitions appears to be particularly effective.

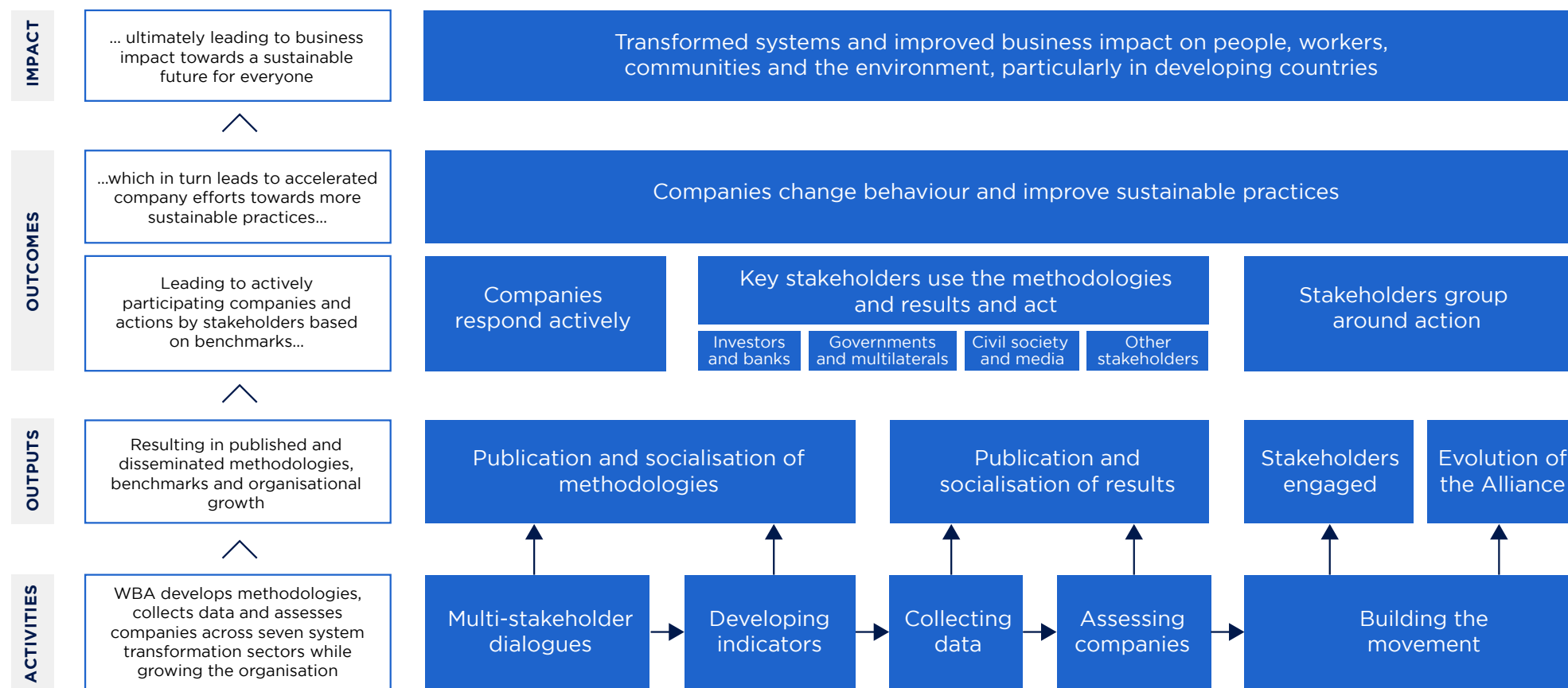
The evaluation also confirms the difficulty of measuring our impact on company behaviour, let alone the true impacts of our work on societies and on the environment. Despite positive signs of impact across corporate supply chains, the evaluators could not independently verify specific examples of changes in company practices corresponding directly to the results of WBA's benchmarks.

The evaluation shows that our intensified engagement with investors – following the recommendations of our previous independent evaluation in 2020 and the strategic decision, taken as a result, to focus on investors – has resulted in an increased uptake of WBA materials by the investors who are putting pressure on corporations. Yet the less clear use of our materials by NGOs, civil society and media means that WBA can do more to add value to the work of civil society organisations and other stakeholders using our data. More broadly, we realise that our Alliance must turn its focus to impact rather than simply growth, as it did in the Alliance's first few years when it grew exponentially. We now need to make sure we're a value-add for our Allies as we intensify

our collaboration with those who have the capacity and willingness to put our research findings into action. The full evaluation report, including a management response, can be found on our [website](#).

Our Theory of Change

Our Theory of Change sets out how we intend to make an impact and create change. It links our daily activities – developing methodologies and benchmarks and engaging through our Alliance – to changes in company behaviours and practices. Based on the evaluation’s findings, we will be updating our Theory of Change to better reflect our different pathways of impact and our focus on closing the corporate accountability gap in the context of sustainable development.





How WBA is contributing to changing companies' policies and practices

Intro

WBA benchmarks guide and incentivise companies to improve their impacts to help ensure a sustainable future. They also enable companies to compare their progress over time and against their peers, to identify policies and practices for improvement and to determine where urgent action is needed to deliver on the SDGs.

We have noted an increase in company engagement through our Collective Impact Coalitions (CIC), which are pushing companies to change their

policies. In addition, our methodologies and benchmarks are being used to push internally for changes in practices and to guide company disclosures on topics such as human rights, free, prior and informed consent, living wages, sustainable supply chains and biodiversity. Furthermore, they are used to inform and improve supplier surveys, to inform updates on corporate sustainability strategies and to develop action plans to strengthen corporate social and environmental programmes.

Here, we look at some of the ways WBA is contributing to changing company behaviour, and how companies are responding.

Targeted engagement is pushing companies to improve

2023 made clear the impact of more targeted approach to engagement. Thanks to WBA's investor engagements through the CIC for Ethical AI, some digital technology companies assessed under our Digital Inclusion Benchmark that did previously not have publicly available ethical AI principles published principles for the first time. These companies include VMWare, Baidu, KPN, Infineon, Palantir and Twilio. US Telecommunications giant Verizon shared information on this topic for the first time by including a new section on responsible AI in its 2022 ESG report.

Palantir, a software platforms company, shared that they had updated their ethical Artificial Intelligence (AI) principles. The company now also has in place a more explicit commitment to follow those principles. This change came at a time when the benchmark was re-assessing companies on ethical AI, which is the focus of the CIC for Ethical AI.

How our Corporate Human Rights Benchmark is compelling better business practices

WBA published a [case study](#) in the third quarter of 2023 seeking to understand some of the mechanisms through which the **Corporate Human Rights Benchmark (CHRB)** is helping companies improve their business practices. Through in-depth interviews with companies – including Renault, Nissan and Mahindra & Mahindra – we learnt that the CHRB contributes by a) prompting companies to improve disclosures and practices, b) incentivising them to improve internal accountability and management structures related to human rights and c) serving as a roadmap for existing and upcoming regulation.

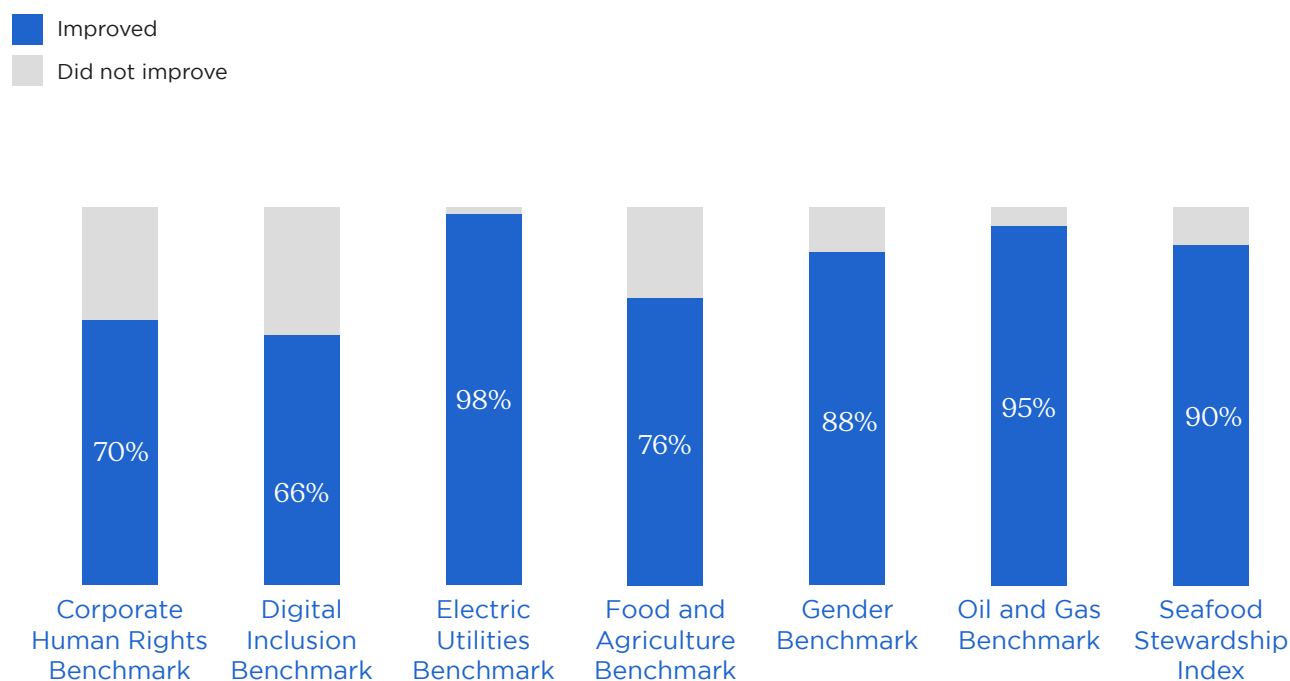
Companies are improving their performance in our benchmarks, but not at the scale and pace required

We find that most companies have improved their performance in our benchmarks since we first began ranking them. Improvements range from 70% for the Corporate Human Rights Benchmark to 98% for the Electric Utilities Benchmark. The electric utilities sector, which sits at the centre of the global ambition to decarbonise the world economy by 2050, has indeed been one of the fastest sectors to decarbonise, in part thanks to its ability to deploy renewable products. Other key industries are relying on it to decarbonise first, and fast.

WBA's independent evaluation also showed that the worst ranked companies are making more progress than companies in the second and third quartile, which could be explained by a 'catching-up effect'. However, we also find that, despite improvement from companies, overall business models

Improved baseline scores

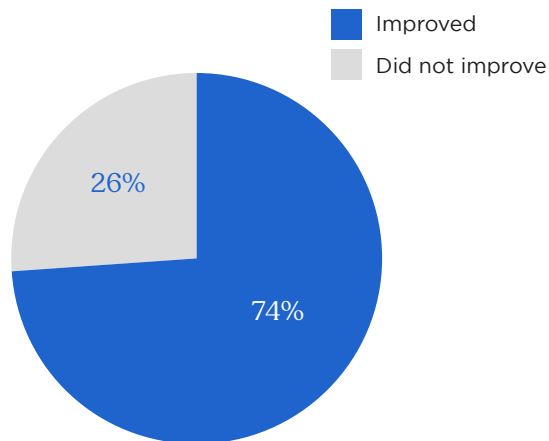
Percentage of companies benchmarked in 2023 that have improved on indicator scores compared to first benchmark iteration scores (baseline) by benchmark



and strategies by no means represent the kind of transformation needed to achieve the Sustainable Development Goals. For example, over a third of the 350 companies in our 2023 Food and Agriculture Benchmark still fail to recognise their role and impact on sustainable food systems.

Improved baseline scores

Percentage of companies benchmarked in 2023 that have improved on their scores when compared to the first benchmark iteration



↑ Our Energy and Decarbonisation Lead, Vicky Sins, presenting findings from our 2023 Oil and Gas Benchmark to stakeholders during the 2023 London Climate Action Week in London

In 2023, we published a new iteration of the Oil and Gas Benchmark. Since the 2021 assessment, the number of companies that have set scope 1 and 2 reduction targets has increased to 75%, while for scope 3 it has increased to 28%. Although it is encouraging to see an increased acknowledgement from companies of the need to reduce the emissions caused by their operations, 80% of them score negative on the forward-looking indicators that assess how the company is expected to contribute to reducing emissions in the future. This is due to the fact that

actual performance on emissions reduction fails to live up to the targets set. There is a lack of full and credible transition planning that includes a time-bound target for the phase-out of fossil fuels from company operations. In order to reach the goals set by the Paris Agreement, stronger leadership is needed from within the sector, as are more investments in low-carbon solutions and greater transparency on these investments. These are all necessary if we are to scale the vast ambition and performance gap that exists in the sector.

WBA is working to achieve greater impact in developing countries

In the fourth quarter of 2023, we published our paper *Do intentions translate into reality? The role of companies in transforming seven systems needed to put the world on a more sustainable path*. The report highlights the significant potential for WBA to exert positive change in company behaviour in developing countries, where the SDG financing gap is widening and under increasing pressure. In 2024, WBA will continue to examine how it can have greater impact on company behaviour, in particular in the Global South.



← Our Digital Transformation Engagement Lead, Nicholas Sewe and Tapiwa Chinembiri, Research Analyst, Digital Inclusion, at the 12th edition of the Africa Internet Governance Forum in Abuja

Laying the groundwork for an insights laboratory

In the five years since WBA's inception, our research has focused on producing a range of corporate benchmarks across our seven systems transformations. With the exception of a majority of the companies in our Urban Benchmark, most, if not all, of the 2,000 companies identified as key to the achievement of sustainable development across these systems have been benchmarked at least once. As highlighted elsewhere in this report, the various benchmark data have been used by Allies and stakeholders to positively influence companies. However, if we are to achieve the Sustainable Development Goals by 2030, bolder action is required.

Research plays a key role in strengthening the corporate accountability that's needed to compel this action. It does so not only by enhancing transparency on corporate progress, or lack thereof, but also by deepening our insights into market drivers

and policy environments that either facilitate or hinder such progress. WBA's research is uniquely positioned to deliver these insights – we are currently the only organisation that publishes free and public assessments of companies at scale on a diverse range of sustainable development topics, while also engaging with companies and other stakeholders based on these assessments.

But we have learnt that we need to create the time and space for our research team to analyse and produce insights. We also need to ensure a predictable rhythm for publishing benchmark data and results to give our Allies and stakeholders time to produce actionable insights for collective action. This is why, in 2023, I made the decision, along with our Engagement and Communications Director, to transition towards a new two-year rhythm. In the first year, commencing October 2024, research will focus on data collection and



Lourdes Montenegro
Research and Digitisation
Director

company assessment before shifting, in the second, to a focus on analyses, syntheses and insights creation.

Needless to say, 2023 has been a remarkably productive year for the Research (and Digitisation) function. On top 1,063 of companies assessed across 10 benchmarks, we have also completed other necessary steps to ready our research to generate more insights. To do so, we successfully developed in-house capacity and expertise for the Assessing low-Carbon Transition

(ACT) initiative, which is now housed by WBA and pushes for climate action by allowing for benchmarking against advanced metrics. Massive learnings were gained this year on analyst training and tooling to augment our capacity to analyse data.

We also made a lot of progress in the digitisation and automation of our research processes. This will ultimately redound to better data quality, greater cost-efficiencies, a higher productivity for our research analysts and an improvement in our overall ability to generate insights from our data. Key to this progress is the formation of a small but technically equipped digitisation group which has enabled us to build key data and scoring interfaces in-house. Finally, we have created a small team to oversee the SDG2000 dataset, standardise this data across teams and develop insights on common themes and topics. This will serve our Allies and stakeholders well in terms of providing more transparency, as well as better quality data which will be more widely disseminated.

→ [2023 Research and Digitisation Leads workshop](#)

Underpinning all the achievements of 2023 are our relentless efforts to recruit and retain research talent. I have made it my mission to ensure that WBA's research and digitisation function is as regionally diverse as the companies we assess. This ensures a team

with a better grasp of the context in which various companies operate and ultimately strengthens both our research and company engagement. People have been, and always will be, the key to our growth and impact.



An aerial, top-down view of a construction site, heavily overlaid with a blue color filter. The ground is marked with numerous tire tracks and tracks from heavy machinery. Several pieces of equipment are visible: a large excavator in the upper right, a truck or bulldozer in the center right, and another excavator in the lower right. The overall scene depicts active earthmoving or construction work.

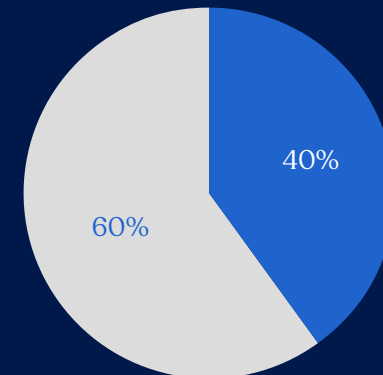
How companies are actively responding to being benchmarked

Intro

Engaging companies actively throughout the benchmarking process is a key component of our Theory of Change. We hold dedicated peer learning sessions through benchmark-specific Communities of Practice (CoPs) to stimulate company learning. In these sessions, we provide a neutral space for companies to openly discuss and share best practices and experiences. CoPs conversations are based on insights and learnings from our benchmarks and help raise awareness about the priority areas for action. Further valuable engagement points for WBA are the contact we have with

companies that are seeking to learn more about their draft assessments during the research phase or that are using the published benchmark to identify areas for improvement. Company engagement typically increases over time as companies become more familiar with WBA. Engagement is also spurred by stakeholders' increased use of WBA benchmarks as an essential reference point during their engagement with companies.

40% percent
of companies engaged with us in the benchmarking process in 2023

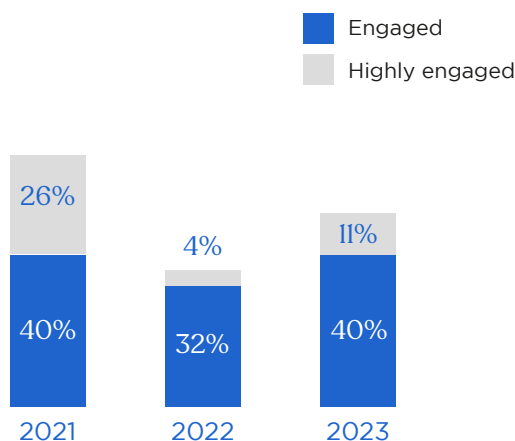


Engagement increases over time and has a positive impact on performance

The 2023 independent evaluation found broad evidence of learning effects for companies, in particular for those that engage with WBA via CoPs or one-on-one. According to the evaluation, this process allows companies to receive valuable feedback from their assessment in the benchmark; ample evidence was found of companies incorporating feedback ahead of a future benchmarking cycle. Internal analysis of three iterations of the Digital Inclusion Benchmark also shows that companies that engage with us perform much better than those that don't, with an average score that is almost double the score of non-engaged companies. Even when controlling for factors like revenue, region, ownership structure and GRI disclosure, engaged companies still observed a higher score than those that don't engage by 16%.

Engaged versus highly engaged

Graph illustrates the proportion of companies that engaged with us versus those that engaged with us on a high level, from 2021 to 2023

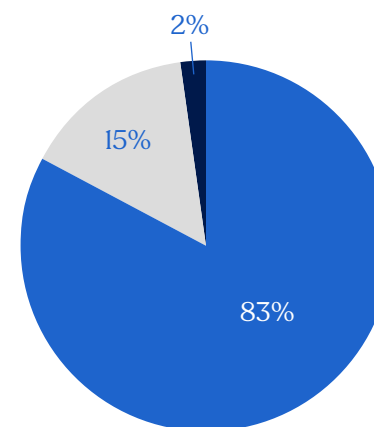


Note: In 2022, we published three benchmarks for the first time (Transport Benchmark, Financial System Benchmark and Nature Benchmark) which partly explains the lower engagement rate compared to 2021 and 2023. Overall, we completed 812 company assessments in 2021, 1,014 in 2022 and 1,411 in 2023.

Public private engaged

83% of companies that engaged with WBA in 2023 were public companies

- Public companies
- Private companies
- Government owned companies

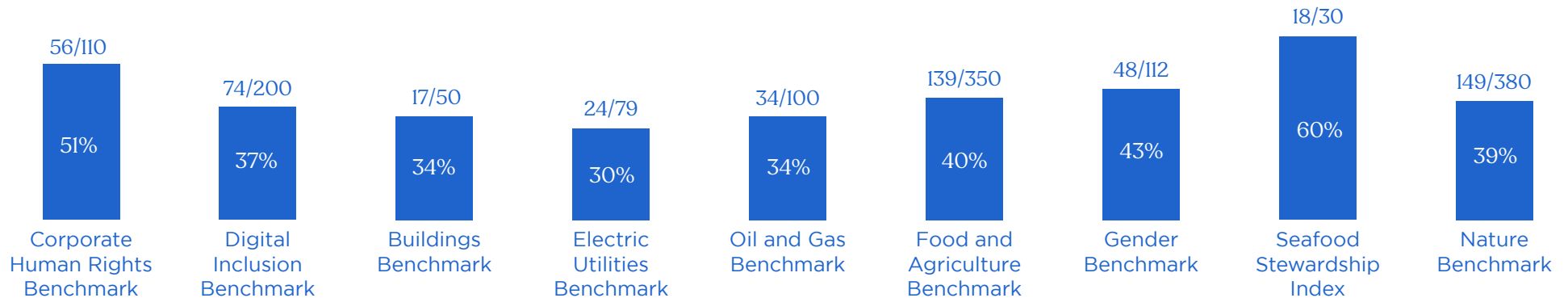


Company engagement increased slightly since last year, from 32% to 40%. Most notably, engagement rates for the longest running benchmarks, the Corporate Human Rights Benchmark (51%) and the Seafood Stewardship Index (60%), were higher compared to newer benchmarks.

assessments we did, provided feedback on their draft assessment. Following this year’s launches, most of which took place in the fourth quarter, WBA conducted post-publication follow-ups with 47 of these companies. We are expecting this number to increase in the first quarter of 2024.

Many one-on-one engagements took place this year between WBA and ranked companies. During the benchmarking process, 489 companies, out of the 1,411 company

Percentage of engaged companies



Facilitating company learning on stakeholder engagement in human rights due diligence

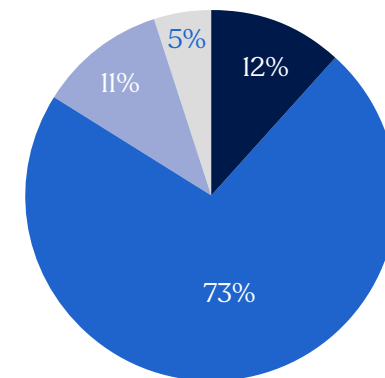
In May 2023, WBA hosted two Community of Practice (CoP) sessions on stakeholder engagement in human rights due diligence. Over 60 company representatives attended both sessions. Two experts from UNDP joined the sessions and provided insights to companies. The sessions included three case studies of company good practice as well as challenges faced by companies when engaging, or attempting to engage, with stakeholders as part of their due diligence process. The case studies sparked discussions and questions and allowed companies to share thoughts about good practices while exploring how to implement new strategies accordingly.

WBA will be hosting a Gender CoP in 2024, focusing on a topic selected by a majority of the companies in the CoP.

While the CoP sessions were useful for companies, WBA discovered that the use of interpreters would have been helpful to bridge language barriers created by the geographic diversity of those in attendance. It was also determined that when WBA contacts companies shortly after a benchmark launch there is more interest in CoPs. To capitalise on the momentum created by a benchmark launch, WBA learnt that it's therefore best to hold a CoP in the quarter immediately following it.

73% of engagement interactions with companies

were related to feedback on their draft assessment



- Feedback on data request
- Feedback on draft assessment
- Feedback on draft scorecard
- Feedback on scorecard/ranking

Insights on how benchmarking supports investors and companies in shaping sustainability strategies

This year, the Impact, Learning and Development function published three case studies examining how benchmarking supports investors and contributes to promoting more sustainable practices from companies.

The [first case study](#) focused on how benchmarking has contributed to improving business practices with regard to human rights in the automotive manufacturing sector. Automotive companies have been benchmarked twice by the Corporate Human Rights Benchmark, first in 2020 and more recently in 2022. The case study details mechanisms and processes through which WBA has supported automotive manufacturing companies.

The [second case study](#) highlighted the role of benchmarking in improving the inclusion of women and girls in tech. The Digital Inclusion Benchmark has undergone three iterations, making it possible to compare performance of companies over time. The findings of the case studies have increased our understanding of the process through which WBA's outputs, including the publication and socialisation of methodologies and results, have contributed to companies changing their behaviour and improving sustainable business practices related to human rights.


Following WBA's first evaluation in 2020, investors were identified as a key stakeholder group needed to help facilitate the systems change needed to meet the SDGs. Since then, our engagement with this stakeholder

group has grown significantly. The [third case study](#) looks at how investors are using WBA's research in their engagement with companies, how WBA resources empower investors with in-depth information on sustainability expectations and shows the value of WBA's ability to convene multi-stakeholder groups to tackle sustainability challenges. The study showed that, while the size of the Alliance and the number of investors using our materials has grown, we must also deepen our understanding of the trajectory between investors using WBA's outputs and eventual behavioural change by companies. This is a topic that we will seek to explore with others in this ecosystem, such as organisations that build collective investor engagements and academics examining this theory of change.

Our benchmarks to date

In 2023, we published nine benchmarks and one assessment, with the fourth quarter marking a particularly busy period in terms of benchmark publication.


→ Our benchmark iterations to date.

 Social


Social Benchmark
Coming in 2024

Corporate Human Rights Benchmark
2017, 2018, 2019, 2020, 2022, 2023

Gender Benchmark
2021, 2023

 Urban


Urban Benchmark
Coming in 2024

 Financial system


Financial System Benchmark
2022

 Digital

Digital Inclusion Benchmark
2020, 2021, 2023

 Nature

Nature Benchmark
2022, 2023

 Decarbonisation and energy

Oil and Gas Benchmark
2021, 2023

Electric Utilities Benchmark
2021, 2023

Automotive Benchmark
2019, 2020, 2021

Transport Benchmark
2022

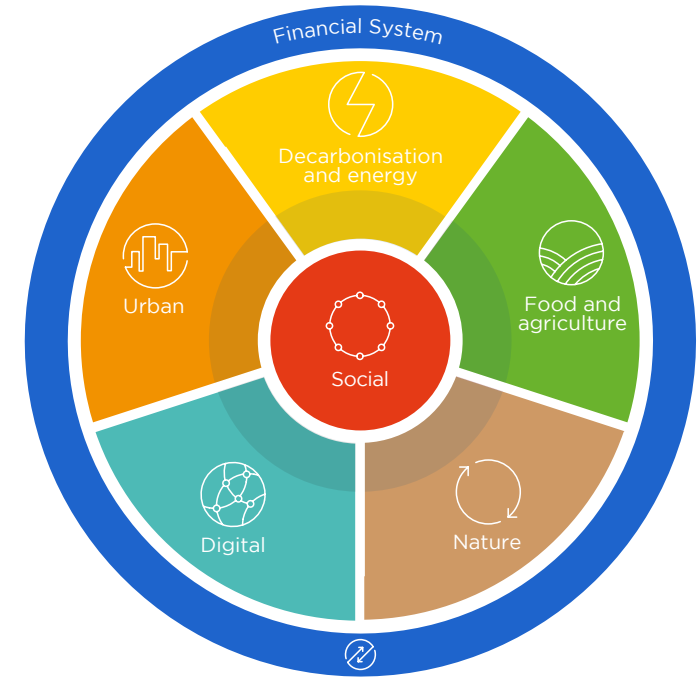
Buildings Benchmark
2023

 Food and Agriculture

Food and Agriculture Benchmark
2023

Access to Seeds Index
2016, 2019, 2021

Seafood Stewardship Index
2019, 2021, 2023



Joint launches of the Food and Agriculture and Nature Benchmarks, and the Corporate Human Rights and Gender Benchmarks

Since there is an overlap of 350 food and agriculture companies between the Food and Agriculture and Nature Benchmarks, it was decided that their results would be shared jointly. The rationale was threefold. First, the joint release could be used to highlight the critical role and responsibility that large food and agriculture companies have across both issue areas. Second, it provided stakeholders with an up-to-date picture of company performance across both areas, providing opportunities to break down siloes across the food/nature space. Third, combining company research across benchmarks reduced the burden of company engagement for WBA.

Similarly, we also launched the Gender and Corporate Human Rights Benchmarks (CHRB) jointly in 2023. The CHRB assesses 110 companies in the apparel and extractives sector, while the Gender Benchmark is the first of its kind in terms of scale, assessing 1,006 companies and ranking 112 of the largest apparel and food and agriculture companies globally on their responsibility to drive and promote gender equality in their entire value chain. Since the apparel sector was assessed in both the CHRB and the Gender Benchmark, the joint launch allowed for joint messaging, including a joint press release and, for the first time ever, a joint set of key findings using data from both benchmarks. The publication was accompanied by two

interconnected insights reports, as well as two detailed datasets and company rankings. The common threads in both publications included the people affected, particularly supply-chain workers and local communities, as well as the fact that companies, for the most part, have failed to incorporate their perspectives and concerns into their policies.

The joint launch also allowed us to bridge the gap between different communities that do not always work together – business and human rights on one end and business and gender equality on the other. In addition, these joint launches contributed to efficiency and alignment of resources while capitalising on audiences' limited attention.



**How key stakeholders are
using our methodologies and
benchmark results to act**

Intro

WBA methodologies and benchmarks help to close the information gap and help stakeholders, such as companies, investors, banks, governments, multilaterals, civil society and media, make more informed decisions. Similarly to 2022, we saw an exponential growth in the number of investors using our materials to inform engagement with companies, with this number increasing from 41 in 2022 to 325 in 2023. This was the case despite

the anti-ESG backlash that we witnessed this year. As mentioned elsewhere, our independent evaluation also found evidence that investors are increasingly using WBA research as a resource to put pressure on corporates. Yet only 10 actions by civil society organisations were informed by WBA materials. In this chapter, we provide examples of how key stakeholder groups are using our benchmarks to hold companies to account for their impacts.

Investors

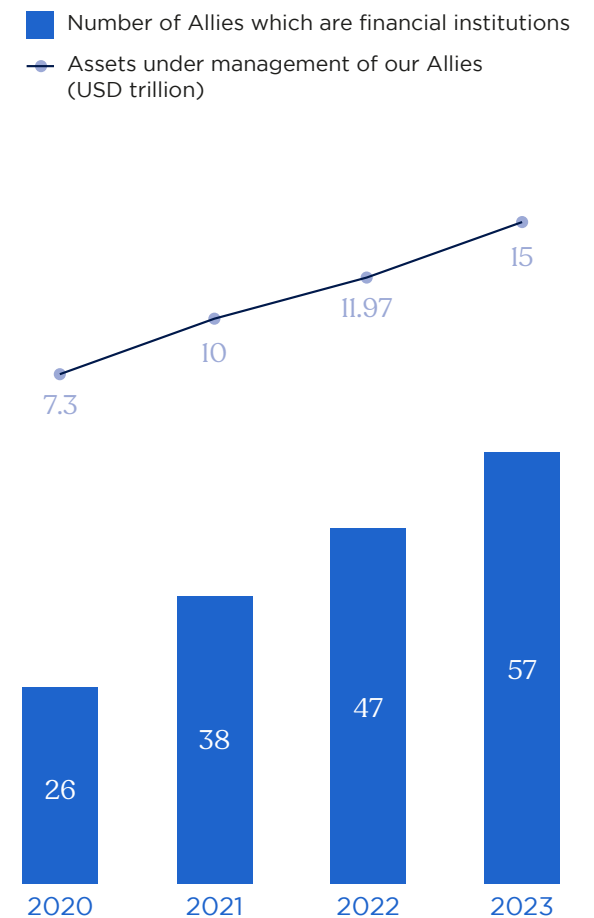
In 2020, 26 financial institutions were members of WBA's Alliance. There are now over 50 financial institutions in the Alliance representing over USD 15 trillion in assets. The last investor Ally to join in 2023 was Norges Bank Investment Management, one of the world's largest asset owners, which has stakes in about 9,000 companies worldwide and holds 1.5% of all listed companies globally.

WBA works with asset managers, asset owners and key actors across the investment industry to accelerate corporate accountability and compel transformation towards more sustainable systems. WBA's first independent evaluation in 2020 established investors as a key stakeholder group WBA needed to engage with further in order to maximise our reach and hold companies accountable. We witnessed a significant increase in the total number of investors using our data in their work (from five recorded cases in 2020 to 233 by 30 June 2023). Our insights therefore facilitate a shared understanding of sustainability priorities. Investors contribute to the development of our methodologies, co-host events to share their insights and work with WBA through our

engagement activities, such as our Collective Impact Coalitions (CICs).

In order to better communicate our investor engagement work externally and empower others, we launched, in 2023, the Investor Engagement section of the WBA website and published [a new edition of Stories of the WBA's Alliance](#) that provides a snapshot of how investors are using our benchmarks and insights to inform their activities. We worked, throughout 2023, to build awareness of WBA's work with investors, including by speaking at numerous events, such as

→ [Growth in the number of financial institutions that have become WBA Allies and their assets under management](#)



the Oxford Sustainable Finance Summit, Responsible Investor Europe and ESG Investor's first Stewardship Summit. We also connected with Allies and key actors in the investor ecosystem by ensuring an engagement team presence at Davos, Ceres Global Conference, WBA's Allies Assembly in Mexico and New York Climate Week. Additionally, WBA's Investor Engagement Strategic Lead visited Singapore, Bangkok and Hong Kong in November 2023 to meet with financial institutions and other key actors within the finance industry. Given that a large proportion of SDG2000 companies have their headquarters in Asia (30% in East Asia and the Pacific and 6% in South Asia) it is important for us to build connections with investors and explore levers for influencing companies in the region. This will be a continued priority for 2024.

Having had an Investor Engagement Lead, and an associated investor engagement strategy, for two years, we decided that it was timely, in 2023, to conduct a more in-depth [case study](#). Through interviews with a group of investors, including investors from Aviva, Boston Common Asset Management,



↑ WBA's Investor Engagement Strategic Lead, Nikki Gilliam-Beeharee, and Andrea Webster, Financial System Transformation Lead, visited Bangkok and Hong Kong in November 2023 to meet with financial institutions and other key actors within the finance industry.

Fidelity International, Morgan Stanley Investment Management, Robeco and Scottish Widows, this case study outlines how WBA's work is being used to drive corporate behavioural change and highlights WBA's role during this process. This is a

topic worthy of further exploration with others engaged in this ecosystem, including organisations who build collective investor engagement strategies and academics examining this theory of change.

Informing proxy voting with our benchmark results

Proxy voting is a core component of any asset manager's fiduciary duty. It's a tool for clear and effective investment stewardship and is a way that asset managers can send clear signals to companies on social, environmental and governance issues. To exert our influence during these processes, we piloted the publication of one-page, company-specific updates on companies covered in our climate and energy benchmarks. These were published three weeks before each company's annual general meeting (AGM). This is the moment when asset managers can vote on both company-filed as well as shareholder-filed resolutions.

These learnings are being utilised as we move forward with CICs and other engagement plans, and as we work on updating our research processes over the coming two years.

Learning from our Annual General Meeting pilot

This pilot publication of pre-AGM one-pagers helped WBA learn several important lessons:

- Compelling investors to support shareholder proposals or use climate insights in their routine items (i.e., voting on management AGM items, such as the re-election of board members) requires carefully managed, coordinated and well-resourced engagement with investors and the investor ecosystem. Indeed, as we have seen, this is how companies win the investor vote. An equivalent level of engagement is therefore necessary to convince investors to vote against a company or to support a shareholder proposal.
- More targeted work is needed to engage with the largest proxy voting agencies who continue to exert an outsized influence over the outcomes of these votes. A theme that has emerged from the 2023 investor

voting season is that asset owners are actively considering how to translate their longer-term interests into AGM voting. This means either bringing voting in-house or strengthening their policies around, and monitoring of, asset managers. Asset owners have always been a key stakeholder group for WBA, which this pilot project confirmed.

- This pilot has also been valuable for our understanding of the research process. It has brought us insights into how frequently companies publish new data and which company documents contain new information, in addition to informing annual and sustainability reports. We also learnt about the process needed for research updates to align with specific external moments (i.e. a company's own AGM date in this case).

How investors are using the Social Benchmark Framework to track the performance of 40 companies in the mining and renewable energy sector

In November, the UN-supported Principles for Responsible Investment (PRI) launched the assessment framework for its human rights stewardship initiative Advance. The initiative announced that it would use WBA's Social Transformation Framework to track the performance of the companies targeted by this collective investor initiative rather than developing its own benchmark. PRI Advance brings 265 investors together, with over USD 35 trillion assets under management, to initially target 40 companies in the mining and renewable energy sector. Among the reasons for choosing WBA's framework and data, PRI highlighted that our Social Benchmark "covers the highest number of companies of any benchmark considered across all sectors of the economy - this allows for comparability as Advance expands to more sectors in the future."

Simplifying the decision-making process for responsible investments in food and agriculture

In support of the 2023 Food and Agriculture Benchmark, we released an [Investor Guidance](#), which highlights key questions investors can ask on topics relating to the five key findings highlighted in the benchmark. The second finding on nutrition is also supported by the Access to Nutrition Initiative's work with investors. The guidance simplifies the decision-making process for responsible investments in food and agriculture.

How financial sectors can play a role in influencing national oil companies in the energy transition

Most WBA investor engagement to date has focused on leveraging shareholder influence through one-to-one and collective investor engagement. However, we have seen the limits of this approach with certain benchmark issue areas. One example of this is with national oil companies (NOCs), which account for half of oil and gas production,

40% of investments in the sector and two thirds of the planet's hydrocarbon reserves. In November 2023, WBA published a [brief](#) developed in collaboration with the International Institute for Sustainable Development and the UC Santa Barbara 2035 Initiative. It explores how financial actors (banks, investors and credit rating agencies) could play a role in influencing internationally exposed NOCs in the energy transition. The brief received some traction in the media and was cited by several civil society organisations who work on this topic. WBA will engage with key actors linked to this brief across 2024.

Governments and multilateral organisations

There is a clear opportunity for our benchmark methodologies and results to help steer governments towards policies that incentivise businesses to contribute more to a sustainable future. This can be done by engaging with key stakeholders during the design, drafting and application of such policies, as we detail here.

According to WBA's 2023 independent evaluation, the organisation's most important long-term goal in terms of impact is informing and supporting policy change based on our research-driven insights and evidence. The evaluation identified early WBA successes in contributing to policy change and there is a clear potential for more, in particular in new/emerging areas covered by WBA's work. Throughout 2023, WBA has advocated, at both national and regional levels, for policies related to the sustainability performance and disclosure of companies and financial institutions, in line with the Sustainable Development Goals and the Paris Agreement. This includes our ongoing engagement on the European Union's development of key rules on corporate transparency (under the Corporate

Sustainability Reporting Directive) and mandatory human rights and environmental due diligence (under the Corporate Sustainability Due Diligence Directive). Both policy initiatives speak to the heart of what WBA data and benchmarks highlight in terms of key gaps and opportunities to improve corporate sustainability performance.

The overall goal of WBA's engagement in the policy debates surrounding these bills was to advocate that the final rules reflect best practices and current international standards and that they set a high baseline for transparency and supply chain due diligence. WBA also advocated that these rules place responsibility and accountability with the large multinationals within the law's scope.

Finally, we worked to ensure that the bills would not include anything that might cause an adverse or detrimental impact on suppliers, producers or workers down the value chain. In line with WBA's white paper on corporate accountability, we advocated that the largest and most impactful companies comply with their legal responsibility and improve the standards within their own value chains rather than simply outsourcing their responsibility.

How WBA engages with policymakers towards ambitious goals like the EU Corporate Sustainability Due Diligence Directive

Given the wide array of data and corresponding insights published by WBA,

the question of where and how to best use these to positively influence policy discussions is an important one. Considering the direction of existing political winds and

contributing to ongoing policy debates is one way to exert significant impact. The EU Corporate Sustainability Due Diligence Directive (CSDDD) presented one such a

political opportunity. The goal of CSDDD was to translate the existing United Nations Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines) into law. WBA's Corporate Human Rights Benchmark (CHRB) already assesses adherence to the UNGPs/OECD Guidelines. It was, therefore, logical for WBA to provide data and insights relevant to the CSDDD debate. Furthermore, our analysis showed that over half of WBA's SDG2000 companies are likely to be included in the scope of CSDDD. This would mean that the final legislative outcome of the bill would directly impact the results of our next benchmark analysis. We were well placed to provide expertise on issues within the scope of the law, including the often-significant burden placed on suppliers and smallholders to fulfil the due diligence requirements imposed by major companies in the value chain.

← Snapshot from a video recording by EU Justice Commissioner Didier Reynders during the launch of our white paper on corporate accountability in New York. He thanked WBA for our tireless work in promoting corporate sustainability and responsibility.



“Allow me to acknowledge and thank the World Benchmarking Alliance for their tireless work to promote corporate sustainability and responsibility.”

Throughout the CSDDD negotiations, WBA provided data to support key policy asks as well as comments to the media emphasising the importance of corporate accountability. We positioned ourselves as supporters of this legislation that would address the gaps in company sustainability performance we had already identified in our benchmark data. This data-based position allowed us to provide an objective reasoning for supporting this government policy.

Practically, this policy work was made possible by organising meetings with key European Commission officials, Member State negotiators and Members of the European Parliament. We built on our existing network, as well as working closely with key CSOs such as PRI, the Investor Alliance for Human Rights, the Institutional Investor Group of Climate Change, the European Coalition for Corporate Justice and others, to ensure our engagement had as much impact as possible.

The key elements of CSDDD that WBA emphasised were:

- The inclusion of financial institutions within the scope of CSDDD
- The obligation for companies to produce a credible climate transition plan
- The need for stakeholder consultation to be embedded as part of the overall due diligence obligation

Though our involvement with CSDDD was one of WBA's most comprehensive and consistently impactful policy engagements, one of the key challenges that we faced was ideologically motivated political opposition from conservative parliament members who could not be persuaded even when presented with clear data-driven evidence. While our data is the backbone of WBA, it must be accompanied by tailored packaging and narrative geared towards diverse voices within the EU. This, however, makes such engagement extremely time consuming and limits WBA's bandwidth to engage on other initiatives.

It was nonetheless heartening to see more large and impactful companies coming out in support of the legislation over the course of debates. This provided an opportunity

for WBA to connect with these companies as part of our corporate engagement, with the goal of pushing them to raise the bar on sustainability. We also witnessed a shift in the narrative: from giving voluntary measures a chance to a belief in the importance of embedding corporate accountability into legislation.

These concrete examples of WBA interventions further illustrate our involvement in the process:

- A press narrative publicly supporting corporate accountability legislation: The first draft of a political agreement came about on 15 December. WBA shared comments to the press welcoming the introduction of mandatory due diligence as part of the bill. Our comments were featured in the [Financial Times](#), [Euractiv](#) and [Reuters](#), among others.
- **Working with Allies to promote key insights:** WBA worked with the Danish Institute for Human Rights and the Luxembourg-based Initiative pour un devoir de vigilance to publish, on 12 December 2023,

shared [insights](#) on how financial institutions are struggling to show respect for human rights. These insights were accompanied by a specific policy ask: that EU policymakers ensure financial institutions meet minimum expectations on human rights by including financial institutions in the scope of CSDDD.

- **Highlighting undue risk to smallholders and suppliers:** On 6 December, WBA published a [blog](#) calling for EU legislators to place the people impacted by corporate behaviour, as well as smallholders, at the centre of incoming corporate accountability legislation. This blog highlighted key insights from CHRB showing that most companies - more than half, or 55% - fail to include rightsholders in their human rights due diligence processes. Suppliers are often set up to fail by larger companies who do not live up to their responsibilities. This blog was widely disseminated to key EU policymakers.

How WBA collaborated with the UN's Food Systems Coordination Hub

The UN Food Systems Coordination Hub was formulated after the first UN Food Systems Summit (UNFSS) in 2021 to bring together and coordinate relevant UN agencies, coalitions, international financial institutions, the private sector and other actors in support of a food systems transformation. The first Food and Agriculture Benchmark was also published in 2021, alongside the UNFSS. Given its strategic global mandate, working with the Hub offers an enabling environment for embedding corporate accountability, as it brings together 127 governments.

In April 2023, WBA organised one of the main sessions of the 4th Global Conference of the One Planet Network Sustainable Food Systems Programme in Hanoi, Vietnam on 'Measuring Transformation'. This session highlighted the important role of benchmarks and accountability mechanisms in strengthening national pathways towards sustainable food systems in line with the UNFSS follow-up process. WBA also held bilateral meetings with the Hub on

embedding monitoring tools for a private sector accountability framework within the stocktaking process. The Hub has shown a strong interest in deepening its work with WBA on private sector accountability.

In July 2023, the Hub hosted UNFSS+2, the first global stocktake on food systems to evaluate country-level progress on food systems transformation. In anticipation of this event, WBA brought together Allies to push corporate accountability onto the agenda at the Hub. Together with Access to Nutrition Initiative (ATNI), the Food Foundation and the Scaling Up Nutrition Civil Society Network, we published an [op-ed](#) calling for the embedding of corporate accountability into the UN food systems' stocktaking process. The article was well received by the Director of the UN Coordination Hub and culminated in discussions aimed at setting up a private sector taskforce of different measuring organisations in support of the UN Coordination Hub.

During UNFSS+2, WBA attended a special event organised by the World Bank, IFAD and the UN Coordination Hub. There, WBA

reiterated its call for the private sector to embed corporate accountability into the follow-up process leading to the next UN food Stocktaking Moment in 2026. WBA received positive feedback from members of the World Bank, CSOs and many private sector representatives, including of companies benchmarked by WBA. WBA spoke as well during an event hosted by the True Value of Food Initiative, of which WBA is part of an official coalition led by Rabobank and other organisations.

The Food Systems Coordination Hub is continuing to engage with a joint WBA and ATNI proposal to embed corporate accountability into the UN food system process in 2025. The initial goal of this proposal is to focus on three indicators in each measurement area our benchmark assesses for 10-50 of the companies. Discussions are being held to determine how best to create a private sector accountability framework in the lead-up to the next stocktake.

→ Our Head of Public Policy, Asia, Dio Herdiawan Tobing, give a presentation at the 6th ASEAN Inclusive Business Summit in Indonesia.



Civil society organisations and NGOs

Civil society organisations and academia help bring our methodologies to bear on companies outside of our 2,000 benchmarked companies. Meanwhile, some NGOs are using our benchmarks as independent monitoring tools. However, our independent evaluation made clear the potential in placing more emphasis on WBA's engagement with NGOs and civil society organisations. Past experience has shown the value of a dedicated Engagement Lead focused on the needs and interests of a particular stakeholder group. We are exploring a similar approach for civil society organisations.

How WBA benchmarks are being used as independent monitoring tools by civil society

ClientEarth, an environmental law firm and WBA Ally, is suing Shell's Board of Directors for failing to move away quickly enough from fossil fuels. It is the first ever case of its kind seeking to hold corporate directors personally liable for mismanaging climate risk and failing to properly prepare for the energy transition. In its capacity as shareholder, ClientEarth filed a lawsuit against 11 Shell directors for breaching their legal duties under the UK Companies Act. In doing so, it is supported by a group of large pension funds and by other institutional investors that hold more than

half a trillion dollars in total assets under management. ClientEarth referenced WBA's ACT methodology and the WBA Oil and Gas Benchmark in its case. According to ClientEarth, "These were helpful benchmarks to illustrate best practice for robust climate strategies, and to provide a third-party assessment of the company's performance in this respect."

ClientEarth is supporting another case in France alongside French NGOs Notre Affaire à Tous, Sherpa and France Nature Environnement against TotalEnergies, an oil and gas company. It is alleging that the company's marketing breaches consumer law. This case also references the ACT methodology and the WBA assessment of

TotalEnergies in our Oil and Gas Benchmark as evidence of the common principles for 'net zero' pledges.

Meanwhile, Another WBA Ally, Save the Children, is using the Food and Agriculture Benchmark results as part of its corporate due diligence to determine which companies they are comfortable engaging with and also shares WBA scorecards with their corporate partners.

Country snapshots

Our Corporate Human Rights Benchmark (CHRB) core indicators enable our stakeholders to obtain a snapshot of a company's approach to human rights

engagement. These indicators, a subset of the full CHRB methodology, provide governments and organisations with a 'snapshot' of which companies in their region are implementing key expectations of the United Nations Guiding Principles on

Business and Human Rights. These snapshots support WBA's mission of driving corporate accountability globally by building awareness around business and human rights. Our methodology supports stakeholders, including civil society

organisations, academia and national human rights institutions, in their efforts to push for, and influence, human rights policies, such as national action plans and human rights due diligence legislation. An overview of 2023 snapshots can be found below.

Ireland

Third party: Trinity College Dublin
Focus: top 50 publicly listed companies operating in Ireland
Publication: To be published in 2024

Luxembourg

Third party: Action Solidarité Tiers Monde (ASTM)
Focus: 27 state-owned companies in Luxembourg
Publication: 2023

Denmark

Third party: Danish Institute for Human Rights (DIHR)
Focus: 22 of the largest Danish financial institutions
Publication: 2023

Kazakhstan

Third party: UNDP
Focus: 60 companies
Publication: 2023

South Korea

Third party: HumanAsia
Focus: 15 South Korean companies
Publication: To be published in 2024

Colombia

Third party: Danish Institute for Human Rights and the Ombudsman Office Colombia
Focus: 20 Colombian companies
Publication: To be published in 2024

Chile

Third party: Programme for Corporate Sustainability of the Catholic University of Chile
Focus: 29 Chilean companies
Publication: To be published 2024

Spain

Third party: ECODES
Focus: 44 Spanish companies
Publication: 2023

Kenya

Third party: Kenya National Commission on Human Rights
Focus: 31 largest Kenyan companies
Publication: 2024



National snapshots from 2023

- The CHRB methodology was used for a National Baselines Assessment on Business and Human Rights conducted in Kazakhstan by the UN Development Programme. The study utilised the CHRB methodology to assess the extent to which the UN Guiding Principles (UNGP) were incorporated into the business policies of 60 companies. It revealed numerous gaps. Based on this study, UN experts have formulated 20 recommendations to enhance UNGP implementation, including the development of a National Action Plan.
- With the support of the CHRB team, local researchers have completed snapshot studies of the state of corporate respect for human rights in Kenya and Colombia using the CHRB methodology. The two teams of researchers found the CHRB methodology to be an important tool for assessing companies and accelerating conversations on business and human rights at the national level. In Kenya, the assessment provided a basis for increased engagement between civil society, companies and the Kenya National Human Rights

Commission. The Commission is exploring the potential establishment of a business and human rights forum to facilitate further engagement with companies, including those outside the scope of the snapshot assessment.

- In December, our Ally ECODES, a not-for-profit engaged in sustainable development, published its third CHRB snapshot in Spain, evaluating the performance of 44 Spanish companies using the CHRB Core UNGP indicators. The report includes an analysis of trends from previous years and recommendations for how companies and the government can better prepare for the implementation of the recently approved EU Corporate Sustainability Due Diligence Directive.
- Action Solidarité Tiers Monde (ASTM), a Luxembourg-based NGO focused on international development, has published a ‘snapshot’ study assessing the human rights policies and practices of 27 state-owned companies in Luxembourg using the CHRB UNGP Core Methodology. The company scope included financial institutions and SMEs. Overall, results were poor, with 18 out of 27 companies scoring zero points.

ASTM presented the study during a webinar, which was attended by representatives from the government and the private sector. The results will include a review of the National Action Plan on Business and Human Rights.

- In January 2023, the Programme for Corporate Sustainability of the Catholic University of Chile launched its first ‘snapshot’ study of Chilean companies, and the first of its kind in Latin America, using the CHRB UNGP Core Methodology. WBA spoke at the launch event, which included two panels with company representatives from Global Compact Chile and the International Labour Organization. The study received media attention in national newspapers El Mercurio and El Mostrador.



Media

Media can help shine a much-needed light on companies and plays an influential role in pressuring companies to meet international standards. WBA recognises the media as a key stakeholder in our Theory of Change, since they serve as a necessary conduit for reaching broader audiences and amplifying our thought leadership. Media coverage has increased significantly over the last three years and our independent evaluation suggests that the reputation of WBA is growing.

Strengthening our institutional communications

In 2023, we continued to grow WBA's reputation, to publicise the results of our benchmarks and to promote our institutional message on corporate accountability. Our high-quality mentions increased from 215 in 2022 to 392 in 2023.

We experimented with press release distribution via newswires to expand the

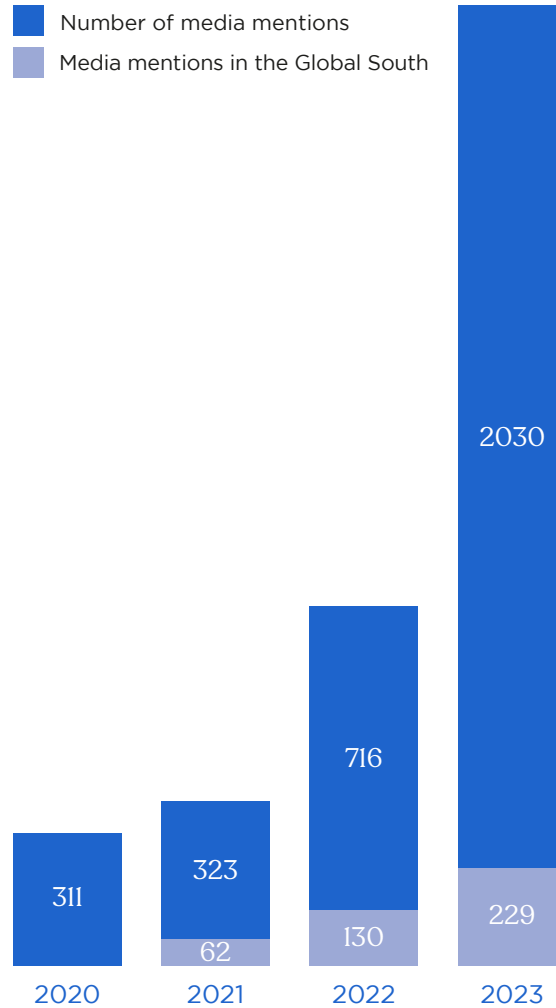
geographic reach of our media attention. This was one of the main factors behind the notable increase in our overall media mentions. While it generated more awareness of our benchmarks, the stories published by the newswires did not necessarily contribute to higher quality media coverage. In 2024, we will continue experimenting with new ideas to increase the attention we get from top-tier media in new geographic areas.

In 2023, we focused on building awareness for corporate accountability by placing more opinion pieces from our WBA experts in media outlets such as [Nikkei Asia](#), [ESG Clarity](#) and [Accountancy Age](#) and on podcasts like S&P Global's [ESG Insider](#). This allowed us to highlight examples of company improvements. This increase in opinion pieces along with posts on LinkedIn by our WBA colleagues also helped build our thought leadership with specific stakeholders.

With the publication of our white paper on corporate accountability, we launched a corresponding campaign at UNGA and at COP. This gave us the chance to hone our message on corporate accountability in the media (and on social media) and discover where we can align our messaging with Allies. Thanks to this experience, we understood the need to simplify our message for the public. This message is simple: currently, improving on sustainability is insufficiently consequential for companies. While focusing on this message, we dedicated significant effort to a communications campaign on an institutional level for the first time. This allowed us to better understand how we can align our messaging with our Allies. In 2024, we will continue to dedicate more time to institutional storytelling and to partnering with media to hold companies accountable.

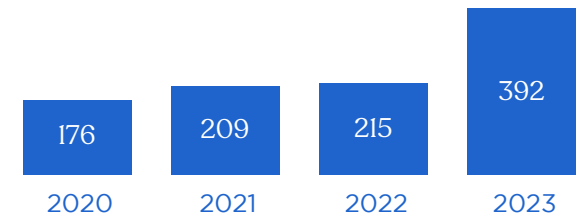
Media mentions

significantly increased



Number of top tier media mentions

of WBA and/or WBA benchmarks



In our fifth year, WBA embraces collaboration towards the SDGs

In 2023, the world reached the halfway point in the deadline for the implementation of the Sustainable Development Goals (SDGs). A lot has been said about our overall progress towards these goals and our collective performance. We know from our benchmark assessments that most companies don't have robust net-zero transition plans. Only 5% of companies have assessed their impacts on nature and biodiversity and only 1% of companies in the scope of our assessments are meeting fundamental expectations from society with regard to human rights. In this context, I think most of us agree that we need 'a rescue plan for people and planet'.

Last year also marked WBA's fifth birthday. We were established five years ago to incentivise the private sector to step up and play its role in the implementation of the SDGs. In 2023, with five years behind us and 1,815 companies assessed, we know

that incentivising is not enough and, given the huge corporate accountability gap that persists, we need to up our game even more.

There are many excellent examples of progress as well as numerous actions that have been taken by companies. We can point to many best practices and leaders in our benchmarks published in 2023. But there isn't currently a mechanism that enables us to close the corporate accountability gap. There are many pathways that can help take us in the right direction. In fact, we identified three key ones in our white paper published last September, which we hope will contribute to reviving the 2030 Agenda and pushing companies to play their part in correcting course and accelerating progress.

Our stakeholder consultation examining best pathways forward reminded us of the incredible value of our stakeholder groups



Paulina Murphy
Engagement and
Communications Director

when they come together to mobilise companies towards change. In the spirit of SDG 17, strengthening partnerships to achieve the goals, we need to empower, scale up and legitimise multi-actor initiatives and enhance stakeholder participation. With this in mind, and as our global Alliance grew by another 50 Allies in the last year (nearing 400 in total), we hosted our biggest Allies Assembly yet in Mexico City. This enabled us to introduce our work to potential new allies and partners, learn about how the region is addressing the SDGs and set the stage to build new

relationships with influential stakeholders in Mexico and other countries in the region.

These efforts must be strengthened and supported by strong multilateral systems that integrate corporate accountability as part of the global agenda and that help to drive company action towards the SDGs. To this end, we continued utilising key global forums and events to ensure a successful feedback loop between the publication of our benchmark evidence and insights and support for UN and intergovernmental policy processes, EU legislative developments and ASEAN, G20 and G7 workstreams and convenings. We also identified the potential of working more closely with multilateral development banks to leverage their influence over companies and governments. This will be a key part of our engagement in 2024, as will the need to expand our relations with governments in the Global South.

In 2023, we continued to grow awareness of WBA and its benchmarks. There was an increase in our presence and reach both on social media and in traditional media. We will continue our proactive outreach to guide the

WBA narrative on corporate accountability. Our organic growth in 2023 is an important indicator of general awareness, as well as the positive image of WBA, our benchmarks and our thought leadership across the media.

Since our inception, WBA has embraced collaboration. Some of our biggest learnings last year were, unsurprisingly, around the role we can play in convening stakeholders to hold companies accountable and to ensure that global agendas, such as the SDGs, the Paris Agreement and the Global Biodiversity Framework, are consequential to the success of companies. We will continue, in 2024, to explore how the Alliance can play a key role in driving forward this movement. Additionally, our Collective Impact Coalitions (CIC) bring multi-stakeholder groups together around a specific benchmark topic, such as ethics in artificial intelligence or the just transition. Our insights, shared during CIC meetings, serve as a common language facilitating informed conversations between investors and companies and fostering a shared understanding of sustainability priorities.



How bringing stakeholders together is facilitating action

Intro

To achieve the SDGs through systemic change, actors of different scales, across diverse contexts and over time, must work together. WBA is actively bringing together key stakeholders to collectively hold companies to account using WBA's benchmark results and insights to drive progress on catalytic issues.

Collective Impact Coalitions (CICs) provide a space for WBA Allies and stakeholders to bring forward collaborative action based

on the data and evidence provided by WBA benchmarks. CICs are multistakeholder and time-bound, bringing together actors ranging from large institutional investors to civil society, academia and business platforms to coordinate and collaborate on actions to drive positive change from companies on systemically important topics. CICs also provide an appropriate mechanism to initiate action on emerging and catalytic topics (for example, ethical AI) and launch initiatives that can continue to grow and

evolve within other host organisations, including WBA Allies.

Building on our experience since the launch of our first CIC (the Social CIC) in 2022, it is worth exploring how additional stakeholder groups (such as multilateral development banks, commercial banks, consultancies and others) can actively engage with CICs, alongside identifying specific outcomes associated with their participation.

CIC members

in 2023 according to stakeholder group

| | Food and agriculture | Digital inclusion | Decarbonisation and energy | Social | Total |
|---|----------------------|-------------------|----------------------------|-----------|------------|
| Academic research institutions | 2 | 2 | 0 | 1 | 5 |
| Benchmark, reporting framework, standards platforms | 2 | 1 | 0 | 0 | 3 |
| Business platforms | 2 | 0 | 0 | 2 | 4 |
| Civil society organisations | 12 | 5 | 0 | 5 | 22 |
| Consultancies | 2 | 1 | 0 | 0 | 3 |
| Financial institutions | 8 | 32 | 15 | 4 | 59 |
| Foundations | 1 | 0 | 0 | 0 | 1 |
| Government/multilateral organisations | 0 | 0 | 0 | 1 | 1 |
| Others | 6 | 3 | 0 | 1 | 10 |
| Total | 35 | 44 | 15 | 14 | 108 |

Human Rights Due Diligence: The Social CIC

In 2022, we launched the Social CIC focused on human rights due diligence (HRDD). The CIC incentivises company action on HRDD and supports an enabling environment for the mainstreaming of HRDD, with the goal of it becoming a norm in business. The HRDD CIC has provided a platform to support investor engagement initiatives and policy advocacy efforts. Some initiatives supported by the CIC include, but aren't limited to:

- [Investor engagement with ESG data providers and proxy advisers](#): In early 2023, the Church Commissioners for England, Aviva Investors and Scottish Widows came together within the Social CIC to enable more investors to take systematic action against businesses that fail to meet societal expectations on human rights. The CIC members convened a group of 15 investors to engage with major ESG data providers and proxy advisers to compel them towards greater availability and quality of

the human rights related data they provide. Pushing large global data providers, raters and advisors to accelerate and enhance their asks of companies (on disclosing evidence of human rights due diligence) will, in turn, not only exert pressure on the SDG2000 companies, but on many other companies as well to take more steps to embed and report on human rights diligence processes. This engagement from investors also raises the profile of WBA among financial service providers, who have been coming to WBA with increasing frequency for insights from various WBA benchmarks.

- [Collective investor engagement coordinated by the Investor Alliance for Human Rights](#): Through the CIC, we continue to collaborate with IAHR, to convene global investors and call on companies that score zero on HRDD in CHRB to step up to the plate.

- [Policy advocacy in South Korea](#): Alongside the Business and Human Rights Resource Centre, we have provided evidence-based input to policymakers in South Korea, advocating for the development of mandatory human rights and environmental due diligence legislation and guidance for businesses.

Learnings from 2023

Following several discussions around the co-creation of the Social CIC strategy in 2022, we embarked on a strategy of coordinated actions by stakeholders at national levels. We began with a pilot examining Spanish companies. We then helped align a national Spanish snapshot created by our Ally ECODES with engagement with Spanish companies through another Ally, Forética. We learnt, however, that it is hard to maintain momentum among Allies in other countries that are not targeted by the action. Moving forward, our actions will take place at a global level – which can ideally also be translated into more localised action – to keep CIC members active and engaged.

“For the Church Commissioners, company approaches to human rights risk and impact management is a financially material issue for all companies. While some companies may pose greater human rights risks than others, we see the fundamentals of HRDD as a universal issue. As such, we have a clear need for consistent, comparable and global data on HRDD to support our stewardship and decision-making, which we hope this CIC will help deliver.

We’ve had positive conversations with several data providers regarding this initiative. They have generally been responsive to both our calls for greater insight into methodologies, but also to our critiques of current offerings around norms breaches and principal adverse impact indicators in particular.”



Dan Neale

Responsible Investment Social Lead, Church Commissioners for England

Climate and Energy: The Just Transition CIC

In January 2023, as part of our Just Transition CIC, 54 investors signed WBA's Investor Statement for a Just Transition, which pushed for an improvement in oil and gas companies' fundamental approach to the just transition. The statement called for significant steps that are imperative for the success of a low-carbon transition. As a first step, the oil and gas sector must engage in robust transition planning, which involves setting and publishing time-bound, measurable indicators of any social impacts and sharing them with all stakeholders affected by the low-carbon transition. In the second quarter, the engagement phase for this work began. Fourteen investors signed on to eight company engagements over the course of 2023, which yielded many positive results.

Learnings from 2023

One of the key challenges faced was determining whether investors in the CIC had the right leverage points to engage with the companies. We failed to engage with Marathon Petroleum, Devon Energy and Chevron. All of these companies are headquartered in the US where there has been a growing backlash towards ESG. We can only speculate as to whether this had a direct impact on how companies engage with organisations such as WBA or investors who are trying to hold companies accountable for credible transition plans.

“Royal London Asset Management has partnered with WBA since 2019 to champion an inclusive approach to climate action and to avoid deepening existing injustices – or creating new ones. We have targeted energy utilities, banks and social housing. Joining this CIC felt like the best opportunity to engage on the issues with oil and gas companies, with the backing of WBA research and its supporting investor network. We care about a just transition because, without adequate considerations given to the social impacts of accelerating the path towards net zero, there is a risk that people will not be willing to make the hard choices we need in order to limit the impacts of climate change.”



Simonetta Spavieri
Senior Engagement Analyst,
Royal London Asset
Management

Digital: The CIC for Ethical AI

The CIC for Ethical AI (formerly Digital CIC) was launched in September 2022. This CIC pushes technology companies to advance ethical AI policies and practices. It builds on the findings of the Digital Inclusion Benchmark (DIB), which has revealed large transparency gaps in companies' disclosures on ethical AI. In September 2023, we published the first [CIC progress report](#). It outlines the CIC investor engagement process and outcomes, as well as civil society actions including a joint submission with recommendations for the United Nations' Tech Envoy on AI Governance. Furthermore, the report captures new company performance data on ethical AI. While progress in the adoption of ethical AI principles is still slow, there are clear signs of investor influence over company performance. Most companies are receptive to investor outreach on ethical AI as part of the CIC engagement, though a minority remain unresponsive or even push back. Out of the 44 companies that investors have attempted

to engage with since the inauguration of the CIC, 28 – about two thirds – have responded to our collective outreach. Eleven others remained unresponsive or explicitly declined to dialogue. Several argued that the risks of AI were either not material or not applicable to their businesses.

Currently, 52 out of the 200 companies included in the benchmark have publicly available AI frameworks. This is up from 44 in the March 2023 DIB findings. The CIC currently has 62 active members – 50 investors and 12 civil society groups.

Since the launch of the CIC for Ethical AI, 19 of the 200 companies evaluated in the 2023 DIB have announced their inaugural AI principles. CIC members had engaged with all 19 of these companies throughout the year. As of September 2023, 52 companies – more than a quarter of those we evaluate – have a publicly available set of principles on AI, up from 33 in the 2021 DIB. Several of

these companies have been evaluated across three editions of the benchmark beginning in 2020, underscoring the value of collective engagement.

Learnings from 2023

Despite success in terms of increased investor action as well as company disclosures on AI principles, WBA experienced a challenge in bringing together the CIC's two main stakeholder groups – investors and civil society groups – towards collective action. We plan to draw up a strategic plan to support the work of the CIC's civil society cohort by focusing on experts and organisations from underrepresented countries and communities. Our goal is to increase interaction and coordination between CIC investors and other stakeholders and push tech companies to demonstrate stronger commitments to ethical AI principles.



Food and Agriculture: Regenerative Agriculture CIC

WBA is no longer hosting a Regenerative Agriculture CIC, which was first launched in 2022, but is closely involved in discussions around its next steps. While there was growing momentum and interest from stakeholders, a lack of a globally agreed upon definitions and different/localised approaches made it difficult to target companies. Instead, WBA pivoted its approach to focus on enabling and supporting learning on the topic. WBA held Communities of Practices with companies in the benchmark and spotlighted analyses of companies on key components of regenerative agriculture (e.g. soil health, input and water use) in our 2021 and 2023 benchmarks.

WBA remains engaged with stakeholders on this issue. WBA is part of the World Business Council for Sustainable Development (WBCSD)'s Regenerative Agriculture Metrics Group, which is working on defining metrics related to regenerative agriculture (part of WBCSD's Regen10 initiative). WBA is also in contact with the Agroforestry Coalition, which has close ties with WBCSD, particularly regarding the development of the definition of regenerative agriculture.



The evolution of WBA's Alliance

Intro

Our Alliance brings together a network of around 400 organisations from more than 45 countries around the world working together to shape the private sector's contribution to achieving the Sustainable Development Goals (SDGs). Echoing the true spirit of SDG17 - Partnerships for the Goals - our Allies represent diverse constituencies committed to benchmarks, cross-sector partnerships and collective action as critical drivers of systemic progress towards the SDGs.

391

Allies

Growth of the Alliance from 2020 to 2022

187

in 2020

290

in 2021

342

in 2022

61

Allies are headquartered in the global south as of 2023

48

countries represented in the Alliance

Total number of Allies broken down by stakeholder group in 2023



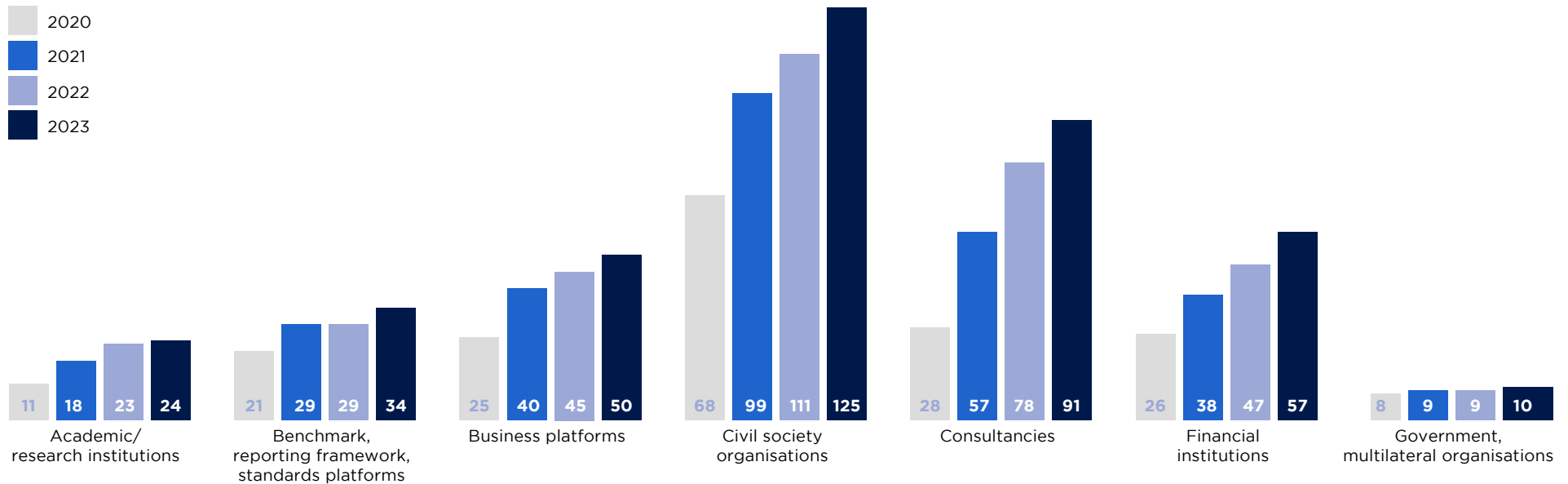
Stakeholder action in the Alliance

With seven different stakeholder groups making up the Alliance, WBA works to understand and unlock the potential of each through their distinct roles in holding business accountable towards the SDGs. In 2023, we made important strides

in our engagement with investors and consultancies. As the year came to an end, WBA counted approximately 56 financial Allies who we've collaborated with, alongside financial stakeholders, to create systemic change using WBA benchmarks. Investors

came together to learn during quarterly WBA meetings, teach-ins and benchmark launches. We also continued to engage investors one-on-one, along with external investor collaboratives, to embed WBA benchmarks and best practice knowledge

↓ Growth of the Alliance



into individual, as well as collective, actions. (More details can be found in the investor engagement section of this report.)

The second largest stakeholder group in our Alliance is consultancies, and we've been exploring new ways of working with them more effectively. In November, WBA convened its first 'Consultancy Café' for consultancy Allies as well as those interested in becoming an Ally. This first meeting attracted 23 attendees for a 60-minute call, which focused on the Nature Benchmark. The Consultancy Café came about after many enquiries from both Ally and non-Ally consultancies about WBA benchmarks and methodologies. The desired outcomes raise awareness of WBA and our methodologies and build closer relationships with consultancy Allies, who will hopefully use and promote WBA's methodologies, making WBA's methodology, insights and results the 'go to' for consultancies when engaging with companies.



Activating the Alliance

Throughout the year, we actively engaged in community-building activities. This included the monthly email bulletin that allowed us to amplify Ally developments to the entire Alliance (more than 100 updates shared over the year).

The Allies Assembly in Mexico

The Allies Assembly 2023, held in June, was an impactful three-day gathering in Mexico City that helped foster a dynamic exchange of ideas and experiences. Attendees included WBA Allies from around the globe as well as regional stakeholders.

Over the course of the Assembly, WBA organised multiple workshops and sessions, each intended to provide our global and multi-stakeholder community with a platform to network and engage. Sessions included a consultation on the then soon-to-be launched

→ [Some of our Allies participating in the 2023 Allies Assembly held in Mexico](#)

white paper on corporate accountability, a discussion with Mexican SDG2000 companies, a multi-stakeholder high-level panel discussion on corporate accountability, multiple workshops focused on different transformation themes (social, nature, urban, financial system), a workshop on WBA data and insights and an Ally World Café, a networking platform for Allies to interact with us on topics of shared

importance. During each session, we noted a high level of interest and engagement from our participants. Partnering with the International Chamber of Commerce, a WBA Ally, also added to the success of the Assembly since it helped WBA connect with local audiences and networks. This led to the participation of over 200 stakeholders during the 'public day' open to non-Allies.



Although the event was successful overall, attendance from investor Allies was low despite multiple attempts to engage with them and prioritise their attendance at the Assembly. Potential causes include organisations choosing to travel less to minimise their carbon footprint, multistakeholder collaboration in their home countries leaving little incentive to travel and a lesser focus on sustainability among local groups compared to the ESG teams we interact with in Europe. As a direct application of this learning, the 2024 Allies Assembly in Bangkok is set to have a full day of programming directly targeted at financial actors, specifically investors, banks and financial companies.

Overall, the Allies Assembly solidified our shared commitment to driving sustainable change, sharing learnings and exploring innovative strategies to promote collective action towards our common goals.

→ A cross section of speakers and different stakeholder groups at the second edition of our Alliance Action Forum in New York

Alliance Action Forum at UNGA

On the sidelines of the UN General Assembly (UNGA) in September 2023, we hosted the second edition of the Alliance Action Forum in New York. This workshop counted 30 attendees from diverse stakeholder groups (civil society, academia, private companies, financial institutions, etc.) from across the globe and was aimed at silo-bursting the corporate accountability dialogue within the context of UNGA.

A significant difference between this Alliance Action Forum and the inaugural edition in 2022 was the emphasis on regional consultation and collaboration. Keynote speakers from Asia, Africa and Latin America provided insights into regional challenges and opportunities, as well as the distinctive nuances of corporate accountability across the world.



Reflections from our Allies

“As an academic research institution, it is important to stay in touch with the latest developments across civil society and the private sector, to ensure our research remains societally relevant. WBA’s Allies Assemblies allow us to connect with sustainability leaders in this space from around the world to share learnings and ideas. The breadth of topics, expertise and passion that the WBA Allies Assembly participants represent is unlike any other conference around. I always leave these assemblies a lot more positive, hopeful and inspired than when I arrive!

Our research focuses on how financial institutions can leverage their influence to drive positive change in the real economy. WBA’s Theory of Change resonates a lot with us and we are excited to learn from, and support, its implementation. We have also started using the benchmarks in some of our research and work with financial institutions and are including them in some of our teaching materials.”



Christophe Christiaen

Head of Innovation and Impact,
Oxford Sustainable Finance Group,
University of Oxford

“Unifocal results on the economic success of large private corporations are significantly affecting the health of people and the planet. I believe they have the power and responsibility to contribute equally to positive outcomes. I want to help and ensure this. I love the whole of systems approach of WBA. In Mexico, I was impressed by both the depth of information and the width of subjects discussed during the Assembly. And I really loved the multi-sectoral participants. WBA reports are excellent sectoral analyses of broader information. When the Catalyst Group is deciding whether to work with a corporation, we use the WBA benchmarks to see if they are serious about change.”



Shiv Kumar

Cofounder, The Catalyst Group

Supporting WBA as a learning organisation

2023 was a year of evolution, development and growth for WBA. Not only did we manage to execute important elements of our learning agenda institutionally and among our various teams, but the year also saw us grow from 87 staff members in 2022 to a total of 100 staff members by the end of 2023 (with the intention of expanding our staff presence to all regions where our SDG2000 companies are based).

With our more diverse team, we proudly embarked on a new journey towards more authentic and honest inclusivity and introduced the 'Appreciation of Differences' programme, inspired by the philosophy of Ubuntu.

'I am because we are' is adapted by this African philosophy that inspires us to embrace an inclusive and harmonious culture in which everyone feels a sense of belonging

and is aware of our interdependence. We need one another if we are to create real positive impact. Through 'appreciation of differences', we embrace diversity, foster inclusivity, encourage learning from each other and ultimately work to ensure that every employee feels at home within WBA and embraces our TEAL culture.

For a second consecutive year, we conducted an internal learning and development survey. The goal of this was to gather insights into employees' perspectives on development opportunities, learning priorities, the workplace environment and the impact of our yearly learning week. It provided important insights into the needs of our organisation to inform our learning agenda.

We held our first ever in-person annual planning workshop, where relevant members of each of our functions came together to



Charmaine Nagel
Finance & Operations
Director

share, strategise and plan for the coming year. This helped create clarity and alignment across our functions and inspire our new way of working. Meanwhile, people operations has improved in terms of transparency, employee experience and HR processes thanks to the digitisation of our recruitment and other processes.

WBA also sought to improve the engagement and support provided to our supervisory board through our in-person board meeting, the creation of two additional committees,

the re-composition of other committees, the updating of board and committee terms of references and of the length of board member tenure, among others. These changes were made to ensure the good stewardship of the organisation and a conducive platform for the board to be able to challenge and/or support our strategy.

In 2023, we successfully navigated our funding gap using quarterly resource allocation meetings, which helped guide the execution of planned activities within the organisation, while avoiding the possibility of having to compromise on the quality of our work.

With the Operations (and Finance) function acting as the support structure of the organisation, we've had to work hard and smart to ensure that we provide the security blanket that the organisation needs to thrive. We will continue striving for excellence as we pursue the improvement of our internal efficiencies, as well as supporting WBA's development and growth as a learning organisation.



[↑ Finance and Operations in-person team day.](#)

A photograph of two individuals wearing wide-brimmed straw hats, looking down at a smartphone held by the person on the right. They are in an outdoor setting, possibly a field or rural area. The entire image is overlaid with a solid blue color. The text 'People, culture and governance' is positioned in the bottom-left corner in a white, bold, sans-serif font.

**People, culture
and governance**

Intro

Total staff in 2023 at year's end: 100.

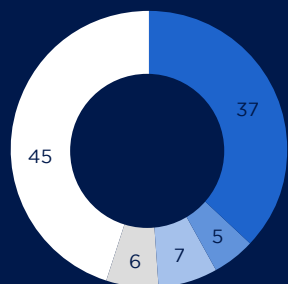
25 countries around the globe.

32 people joined WBA in 2023.

19 moved on to other opportunities in 2023.

Number of employees

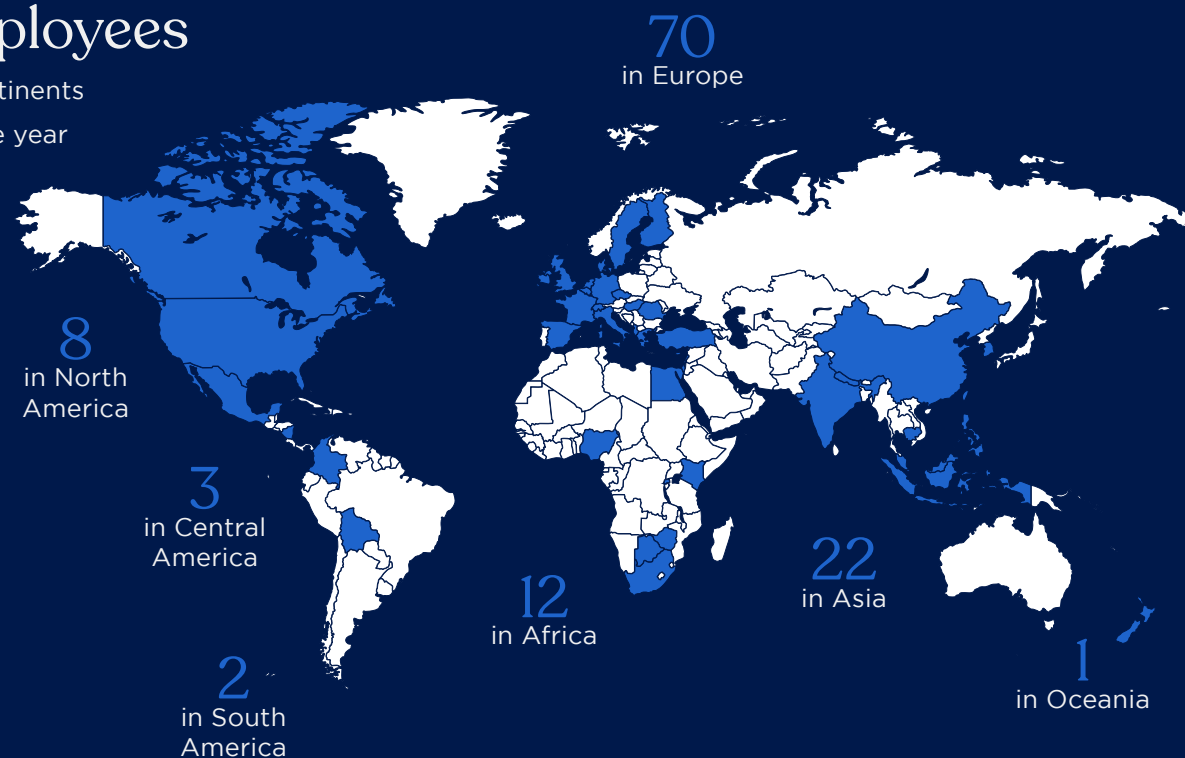
by department



- Engagement & Communications
- Executive Board
- Finance & Operations
- Impact, Learning & Development
- Research & Digitalisation

The nationalities of our employees

across the continents throughout the year





Becoming a learning organisation

In 2023, we focused on living up to the promise we made to ourselves and to the world – to create a real impact by ensuring companies are accountable for their impact on people and the planet. This year, we worked to ensure that learning is embedded, regular, ongoing and iterative. Our learning agenda has guided our learning priorities, both in the short- and long-term.

Our annual learning week marked a key milestone. It was focused on strengthening our social bonds while fostering collaboration across WBA. The focus during the week was on ‘Wholeness’ (one of the three pillars of TEAL), ‘Appreciation of Differences’ (exploring what it means to appreciate diversity) and putting collaboration into practice by working together on functional priorities for 2024. Using our Accountability Framework, we also examined the

accountabilities for different roles across our functions. Through a series of interviews, the Impact, Learning and Development team reflected on the week, alongside other colleagues across the organisation. Based on this, the team put together a series of learnings for future iterations. WBA colleagues appreciated the time spent connecting, which enhanced camaraderie and cross-functional collaboration. But people also expressed a desire for more content-driven activities. Overall, over two-thirds of the organisation indicated being able to bring learnings from the week into their daily work.

Our 2023 People Lead workshop

This year, we also embarked on our People Lead development journey. For the first time, we conducted a performance scan (performance evaluation) of our People Leads. This required each of these leads to take a deeper look into their required competencies, reflect on their own performance, challenges, learnings and developmental areas, and receive feedback from the people who they are leading.

Based on the insights gained from this scan, we developed the People Lead Development Plan. One of the main components of this plan was an in-person workshop that took place in Amsterdam. This was a two-day workshop where all our People Leads came together to reflect, learn, brainstorm and explore topics such as:

- Providing support through people operations
- People leading accountability, responsibility and contribution
- Performance and talent management, people lead development needs
- Appreciation of Differences – Inspired by Ubuntu
- Experience Wholeness, a pillar of our TEAL culture

The workshop provided a space for our People Leads to collaborate and share their experiences. It also set the tone for our virtual thematic learning sessions and provided a space for us to connect with each other and our values. Finally, it allowed us to foster a commitment to our development and progress in our role as People Leads.

Staff reflections on our values



Maria Patricia Gonzalez

Research Analyst,
Digital Inclusion

The Accountability Framework

“For me, accountability involves responsibility and reliability. In my role, I am accountable when trusted with tasks and accountabilities that I can self-manage and fulfil to the best of my abilities.

WBA has provided me with a fast-paced working environment with various opportunities to be involved at differing levels on an array of topics. This environment is prime for growth and professional exploration. However, the vastness of the work coupled with TEAL’s values of independence and self-management can make navigating one’s role a demanding task with

often blurred lines on duties and accountabilities. The accountability framework has placed a structure on the expectations of my role. In practice, this has helped me focus on my core accountabilities. With time, I believe the accountability framework will provide more clarity on my professional growth path within the organisation.”



Emir Erhan

Research Analyst

Learning at WBA

“In 2023, I embraced the significance of transparent communication within my professional journey, marking a departure from the isolated nature of my research master’s programme, where emphasis solely rested on the final product. As I navigated the dynamics of a flat organisation like WBA, I

initially recognised the necessity of openly sharing my progress, transcending initial hesitations. Transparent communication, I later realised, is also not limited to progress updates; it extends to expressing viewpoints during the planning phase, navigating the key findings process, mitigating misunderstandings that can happen due to working remotely, valuing the diversity of perspectives and

sharing your reflections where necessary. Wholeheartedly adopting the ‘work aloud’ principle, I strived to consistently keep my team informed, seek valuable advice (and offer when asked) and advocate for transparency, aspiring to cultivate a peer-learning environment where the amalgamation of our strengths contributes to collective progress and the growth of the team.”



Tony Widjarnarso
Urban Transformation
Lead

Appreciation of Differences - Inspired by Ubuntu

“Appreciation of Differences – to me at least – begins with mutual respect and self-awareness. Simply because I can’t see how one would begin to respect others from prejudiced views. That being

said, it is also important to be aware of the limitations of our own understanding and the inherent biases within us. Even if we’re all speaking the same language, some things or past experiences could colour the way we convey or perceive things. It’s (almost) always better to inquire directly,

provided that the inquiry comes from a place of genuine curiosity. Apparently, even in a remote-working environment, these things can still come through – but I’ll be real: this can potentially take more time than usual.



Gaone Moetse
Impact Analyst

Change/evolution within WBA

“Since joining WBA at the beginning of 2023, I’ve been able to participate in the development of WBA’s learning agenda. Becoming a learning organisation and centring reflection, analysis and learning in my work has offered me the chance to see my work as more than just a set tasks or activities, but instead as worthwhile contributions to WBA’s mission that will help WBA achieve greater impact in the world.

Reflecting on the different building blocks of learning has added a new dimension to my approach to work that centres humanity, empathy, open-mindedness, reflection and critical thinking as key tenets of my work life. By asking myself questions such as ‘How do I contribute to making WBA a place where people feel safe to be open, vulnerable and share new ideas?’, ‘How can I ensure that the organisation is a place where there is transparency in processes and information sharing?’ and ‘How

can I ensure that I create space for colleagues – no matter what their identity or background is – so that people feel like their voice matters and feel that they are treated with respect?’, I’ve been able to achieve a greater sense of personal fulfilment in my role. I’ve become aware that bringing this line of thinking into my work helps create a greater sense of unity, diversity of thought, understanding and cohesion within the organisation – and ultimately leads to greater efficiency and impact in our work.”

Our board

Our supervisory board oversees the strategic decisions and long-term ambition of WBA. The board comprises members with diverse experience and expertise across business, government and civil society from the developed and developing world to help further support WBA as an agent for systems change.



Paul Druckman
Chair of WBA Supervisory Board



Joyce Cacho
President, Adinura Advisory Services



Bukola Jejeloye
Managing Director, Offline Diplomat



Victoria Marquez-Mees
Managing Director, European Bank for Reconstruction and Development (EBRD)



Elizabeth Cousens
CEO, UN Foundation



Lysa John
Secretary-General, CIVICUS



Diane Holdorf
Executive Vice President, the World Business Council for Sustainable Development (WBCSD)



Jan Mattsson
CEO, M-Trust Leadership



Mark Kramer
Senior Lecturer, Harvard Business School, and Founder and Managing Director, FSG



Anthony Cheung
Managing Director ESG, Polymer Capital and Board Governor & Green Finance Convenor, Friends of the Earth (HK)

NOTE: Elizabeth Cousens and Mark Kramer stepped down at the end of 2023

Our ambassadors

Our ambassadors work with WBA to advocate for transformation and systems change, using their unique platforms and leadership to inspire, progress and mobilise the global community.



Cherie Blair CBE, QC
Chair, Omnia Strategy



Kathy Calvin
Board member,
UN Foundation



Richard Curtis
Writer, Director,
Co-Founder of Red Nose
Day and UN Sustainable
Development Goals Advocate



Jane Diplock
International Company
Director



Steve Howard
Secretary General,
The Global Foundation



Veronica Olazabal
Chief Impact and
Evaluation Officer,
The BHP Foundation



Hindou Oumarou Ibrahim
President of the
Association for Indigenous
Women and Peoples of
Chad (AFPAT)



Olumide Idowu
Co-Founder and CEO,
International Climate
Change Development
Initiative



Erika Karp
Executive Managing
Director and Chief Impact
Officer, Pathstone



Wadzi Katsidzira
 Founder and Managing
 Director, Taumba Advisory



Prof Mervyn King SC
 Senior Counsel and former
 Judge of the Supreme
 Court of South Africa



Wim Leereveld
 Founder, Access to
 Medicine Foundation



Lisa MacCallum
 Founder and Chief
 Strategist, Inspired
 Companies



Josien Piek
 Partner, Haven Green
 Capital Partners



Paul Polman
 Business leader,
 Campaigner and Co-author
 of "Net Positive"



Dr. Gunhild A. Stordalen
 Founder and Executive
 Chair, EAT



Hendrik du Toit
 Chief Executive Officer,
 Ninety One



Jonny Wates
 Owner and Director,
 Wates Group



Steve Waygood
 Chief Responsible
 Investment Officer,
 Aviva Investors



Derek Wilkinson
 Partner and Head of
 Washington Office,
 Odgers Berndtson



Robert W. van Zwieten
 Chief Executive Officer,
 The Serendra Group LLC

Our finances

From a financial perspective, WBA made significant strides during the 2023 financial year. We successfully implemented our annual budgeting and quarterly forecasting processes. We continue to enhance our internal financial procedures in anticipation of our new working rhythm. This involves aligning our budgeting and forecasting cycles with our new rhythm and instituting a 24-month budgeting cycle with regular quarterly updates.

Looking ahead towards 2024, our focus will be on improving clearly documented processes and procedures, facilitating knowledge transfer and increasing automation and digitisation to streamline our operations. Implementing dashboards with drilldown functionality will ensure live and up-to-date data availability.

Several significant improvements were made in 2023, including enhancing the regularity and timing of our internal reporting processes, improving external reporting and

enhancing accountability distribution within the finance team.

Below is a quarter-by-quarter breakdown of our activities:

In the first quarter, we initiated our annual audit, with a finance team that was fully committed to meeting corresponding deadlines. The annual report, including audited financial statements, was successfully published in March with organisation-wide input.

In our second quarter, our Finance Lead joined WBA. This addition allowed the finance team to significantly improve the regularity of our reporting and financial insights. We achieved several reporting milestones, including the successful submission of the final report covering 2020 to 2022 to one of our major institutional funders, the Dutch Ministry of Foreign Affairs, which received their approval. Other submissions to funders, such as the European

Commission, IKEA and the Generation Foundation, proceeded smoothly.

The 2024 budgeting cycle progressed and ran smoothly, with the final values approved by the supervisory board, allowing a shift in focus towards closing the funding gap to support our overall mission.

Our third quarter began slowly owing to the European summer holidays. This meant increased effort was needed to ensure accrual accuracy and encountering delays in grant disbursements. We announced a new partnership with the Climate Emergency Collaboration Group, securing €137k in funding, along with the approval and release of kr10m (€1.34m) in funding from the Danish Ministry of Foreign Affairs and a new three-year funding agreement totaling €900k with the Dutch Ministry of Agriculture, Nature and Food Quality (DMANFQ).

Our fourth and final quarter saw successful disbursements from various sources,

including DMANFQ, the Canadian Ministry of Foreign Affairs and Internews in support of the RDR integration.

Overall, in 2023 we secured €12,467,345 in funding, a 29% increase compared to 2022. This included 53% of funds from public donors (governments) and 47% from private donors (philanthropic foundations). WBA's expenses increased by 27% compared to 2022, notably in employee costs (30%) and outreach and communications (50%), while benchmark operation costs increased by 19% and operational support remained consistent. These changes were all in line with organisational growth and an increase in secured funding sources.

The finance team will serve as a strategic partner to the organisational leaders, providing not only timely and accurate financial reports but also insights to support decision-making. It will be crucial to report on how well the organisation is performing in key areas of success rather than purely financial data. Building reserves, automating processes and developing our finance team's skills will be crucial to achieving these objectives.



Balance Sheet

as at December 31, 2023

| ASSETS | Note | 12/31/2023 | | 12/31/2022 | |
|---|------|------------|------------------|------------|------------------|
| | | EUR | EUR | EUR | EUR |
| Non-current assets | | | | | |
| Financial fixed assets | 4 | | 94,587 | | 87,272 |
| Current assets | | | | | |
| Receivables, prepayments and accrued income | 5 | | 1,532,130 | | 1,881,558 |
| Cash and cash equivalents | | | 3,914,633 | | 2,682,183 |
| | | | 5,541,350 | | 4,651,013 |

| EQUITY AND LIABILITIES | Note | 12/31/2023 | | 12/31/2022 | |
|---|------|------------|------------------|------------|------------------|
| | | EUR | EUR | EUR | EUR |
| Equity | | | | | |
| Continuity reserve | 6 | | 81,448 | | 81,448 |
| Current liabilities | 7 | | | | |
| Accounts payables | | 66,919 | | 120,074 | |
| Taxes and social security contributions | 8 | 21 | | 14,916 | |
| Deferred income | 9 | 4,271,475 | | 3,535,757 | |
| Other debts and accruals | 10 | 1,121,487 | | 898,819 | |
| | | | 5,459,902 | | 4,569,565 |
| | | | 5,541,350 | | 4,651,013 |

Statement of Income and Expenses

for the year ended December 31, 2023

| Income | Note | Budget 2023 EUR | Results 2023 EUR | Results 2022 EUR |
|--|-------------|--------------------------------|---------------------------------|---------------------------------|
| Grants and subsidies | 12 | 13,088,394 | 11,404,346 | 8,856,979 |
| Donations | | | 19,063 | 10,445 |
| Financial income | | - | 11,587 | -3,567 |
| Exchange differences | | - | -54,724 | -25,083 |
| Total income | | 13,088,394 | 11,380,272 | 8,838,775 |
| Expenses | | | | |
| Salaries and wages | 13 | 6,698,781 | 6,575,453 | 4,965,288 |
| Social security and pension contributions | 14 | 905,759 | 792,994 | 671,369 |
| Other personnel expenses | 15 | 569,421 | 598,147 | 422,068 |
| Outreach and communication expenses | 16 | 1,180,185 | 732,930 | 483,759 |
| Data platform and research partners expenses | 17 | 3,197,870 | 2,228,209 | 1,893,229 |
| Operation support expenses | 18 | 536,378 | 452,539 | 479,601 |
| Total expenses | | 13,088,394 | 11,380,272 | 8,915,315 |
| Net result | | - | - | -76,540 |
| Distribution of net result | | | | |
| Addition to continuity reserve | | | | |

Notes to the Financial Statements

for the year ended December 31, 2023

1. General information

1.1 Activities

Stichting World Benchmarking Alliance Foundation (the 'Foundation'), with a statutory seat in Amsterdam, the Netherlands, is a foundation ('stichting') incorporated according to Dutch law. The Foundation's registered office is Prinshendrikkade 25, 1012 TM Amsterdam. The Foundation is registered with the Chamber of Commerce under 53744993 (RSIN No. 850999765).

The World Benchmarking Alliance (WBA) was launched in 2018 because we believed that there needs to be real change in the way that business impact is measured to boost motivation and stimulate action for a sustainable future for everyone. Our mission is to build a movement to measure and incentivise business impact towards a sustainable future that works for everyone.

We envision a society that values the success of business by what it contributes to the world.

WBA identified seven transformations that need to take place to put society and the worldwide economy on a more sustainable path to achieve the SDGs. To turn these transformations into action, WBA develops, in close collaboration with the Alliance, a series of benchmarks assessing 2,000 of the world's most influential companies, ranking and measuring them on their contributions to the SDGs.

The Foundation was established on October 13, 2011 and its first accounting period ended on December 31, 2012. Thereafter, the Foundation has reported its figures on a calendar-year basis (12 months). The current reporting period covers the period from January 1 to December 31, 2023.

1.2 Going concern

The continuity reserve of the Foundation amounts to EUR 81.448 as at December 31, 2023.

The budget for next year is for a major part already covered by grant agreements with the Dutch Ministry of Foreign Affairs (DMFA), the European Commission (DG-DEVCO), the Danish Ministry of Foreign Affairs (Danish MoFA) and the IKEA Foundation. Additional grants are being

requested from various funders in order to ensure continuity for the publication of benchmarks.

The continuity of the Foundation depends to a significant extent on the willingness of funding organisations to continue these financing facilities. On this basis, the accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements are based on the assumption of continuity of the Foundation.

1.3 Estimates

In applying the principles and policies for drawing up the financial statements, the management of the Foundation sometimes needs to make estimates and judgments that may be essential to the amounts disclosed in the financial statements. To provide the transparency required under Book 2, article 362, paragraph 1 of the Dutch Civil Code, the nature of these estimates and judgments, including related assumptions, is disclosed where necessary in the notes to the relevant financial statement item.

2. Accounting policies for the balance sheet

2.1 General information

The financial statements have been prepared in accordance with the Guideline for Annual Reporting 640 'Non-profit Institutions' of the Dutch Accounting Standards Board.

Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, statement of income and expenses, references are made to the notes.

2.2 Prior-year comparison

The accounting policies have been consistently applied to all the years presented. The comparable figures for past years have been adjusted for comparison/presentation purposes.

2.3 Foreign currencies

2.3.1 Functional currency

The financial statements are presented in Euros (€), which is the functional and presentation currency of the Foundation.

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the respective Foundation operates (the functional currency).

2.3.2 Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates stated in OANDA prevailing on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing on the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the statement of income and expenses.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing on the dates of the transactions.

2.4 Financial fixed assets

Financial fixed assets like deposits are valued at historical cost or manufacturing price. Impairment losses are deducted from amortised cost and expensed in the statement of income and expenses.

2.5 Receivables, prepayments and accrued income

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

2.6 Cash and cash equivalents

Cash and cash equivalents include bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are valued at nominal value.

2.7 Current liabilities

Liabilities are initially recognised at fair value, net of transaction costs incurred. Liabilities are subsequently stated at amortised cost, being the amount received taking into account any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the liabilities using the effective interest method.

All donor payments received by the Foundation for activities that have not been performed yet are presented as 'deferred income' under current liabilities.

3. Accounting policies for the statement of income and expenses

3.1 General information

The result is determined as the difference between total income and total expenses. Income and expenses are recognised in the statement of income and expenses in the period that they are realised.

3.2 Grants and subsidies

Grants and subsidies are recognised as income when there is reasonable assurance that they will be used and that the Foundation will comply with the conditions associated with these contributions. Grants and subsidies that compensate the Foundation for expenses incurred are recognised as income on a systematic basis in the same periods in which the expenses are recognised.

3.3 Financial income

Interest income is recognised on a time-weighted basis, taking into account the effective interest rate of the assets concerned.

3.4 Exchange differences

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the statement of income and expenses in the period that they arise.

3.5 Expenses

Development costs for the benchmarks created by the Foundation are recognised as expenses, since no future benefits are expected.

The Foundation is the owner of the intellectual property rights of the benchmarks. These rights are internally developed and on that basis not capitalised (in accordance with Dutch law).

3.6 Employee benefits

Salaries and wages, social security and pension contributions and other personnel expenses are reported in the statement of income and expenses based on the terms of employment, where they are due to employees.

3.7 Financial expenses

Interest and similar expenses paid are recognised on a time-weighted basis, taking into account the effective interest rate of the liabilities concerned. When recognising interest and similar expenses paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

3.8 Taxes

The Foundation is exempt from both income taxes and VAT. For services purchased outside of the EU yet consumed in the Netherlands, the reverse charge mechanism applies. The Foundation must then self-assess and pay VAT on these services.

4. Financial fixed assets

| | 12/31/2023 EUR | 12/31/2022 EUR |
|---|-------------------|-------------------|
| Guarantee deposits intended for housing | 94,587 | 87,272 |
| | 94,587 | 87,272 |

5. Receivables, prepayments and accrued income

| | 12/31/2023 EUR | 12/31/2022 EUR |
|--|-------------------|-------------------|
| Agence de la transition écologique [ADEME] | 465,867 | 711,676 |
| Dutch Ministry of Foreign Affairs | 270,001 | 270,001 |
| Canadian Ministry of Foreign Affairs [GAC] | | 151,993 |
| Danish Ministry of Foreign Affairs | 672,300 | 672,300 |
| Prepayments | 65,381 | 57,449 |
| Other receivables | 58,581 | 18,141 |
| | 1,532,130 | 1,881,558 |

6. Equity

Continuity reserve

Movements in the Foundation's continuity reserve can be broken down as follows:

| | | |
|---------------------------------|---------------|---------------|
| Balance as at January 1, 2023 | 81,448 | 158,996 |
| Movements | | |
| ATSF Liquidation balance | | -1,008 |
| Result for the year | 0 | -76,540 |
| Balance as at December 31, 2023 | 81,448 | 81,448 |

The Foundation's financial position is sufficient to ensure continuity. Though sufficient funding is secured, these donor commitments are not irrevocable. For this reason, the Foundation maintains a continuity reserve. The

continuity reserve has been drawn up to cover risks in the short-term and to ensure that the Foundation can meet its obligations in the future.

7. Current liabilities

All current liabilities are due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

8. Taxes and social security contributions

| | 12/31/2023 EUR | 12/31/2022 EUR |
|----------|-------------------|-------------------|
| Wage tax | 21 | 14,916 |

9. Deferred income

| | 12/31/2023 EUR | 12/31/2022 EUR |
|--|-------------------|-------------------|
| Ikea Foundation [XPF programme - Core support] | 1,891,153 | 1,500,000 |
| Dutch Ministry of Foreign Affairs | 141,003 | 785,755 |
| Ikea Foundation [Incentivising food system transformation] | 220,505 | 640,002 |
| Generation Foundation | - | 257,079 |
| Rockefeller Foundation [Climate Arc] | 291,667 | 153,405 |
| Walton Family Foundation | 60,097 | 199,516 |
| Ford Foundation | 20,014 | |
| Porticus | 200,000 | |
| Ford Foundation - (Ranking Digital Rights integration) | 187,082 | |
| Danish Ministry of Foreign Affairs | 1,016,823 | |
| Canadian Ministry of Foreign Affairs [GAC] | 194,763 | |
| Internews - (Ranking Digital Rights integration) | 48,369 | |
| | 4,271,475 | 3,535,757 |

The Foundation allocated the grant arrangements based on the costs as budgeted in the funding proposals for each funder and recognised it as income (grants and subsidies) for the period to which it is related.

10. Other debts and accruals

| | 12/31/2023 EUR | 12/31/2022 EUR |
|--|-------------------|-------------------|
| Accrued vacation days | 222,769 | 157,838 |
| Accrued vacation allowance | 129,094 | 110,541 |
| Accrued auditor's fees | 23,116 | 21,937 |
| Accrued Expenses | 736,262 | 600,588 |
| Accrued social sec. contr. holiday allowance | 10,246 | 7,915 |
| Interim account net wages | - | - |
| | 1,121,487 | 898,8197 |

Accrued expenses consist of outstanding obligations to our suppliers. The foundation engages in services provided by a UK-based service provider under a downstream grant agreement. The potential Value Added Tax (VAT) implications associated with these transactions are uncertain. Consequently, the likelihood of the WBA being liable for the applicable VAT is undetermined. Nevertheless, exercising prudence, the foundation's management has opted to record an estimated VAT percentage on the total grant to this service provider as an accrual.

11. Commitments and contingent liabilities

The Foundation has an office rent obligation of EUR 6.179,37 per month for the Netherlands with Stadsgoed Amsterdam B.V. until June 30, 2025, which can be terminated with eight month's notice. The

Foundation also has an office rent obligation of GBP 4.950,00 with LABS Worldwide Ltd. until April 30, 2025, which can be terminated with three months' notice.

12. Grants and subsidies

| | 12/31/2022 EUR | 12/31/2021 EUR |
|--|-------------------|-------------------|
| Dutch Ministry of Foreign Affairs | 2,844,752 | 2,214,245 |
| Ikea Foundation [XPF programme - Core support] | 2,608,847 | 1,000,000 |
| Agence de la transition écologique [ADEME] | 1,753,449 | 1,011,677 |
| Ikea Foundation [Incentivising food system transformation] | 745,939 | 567,071 |
| Generaton Foundation | 655,471 | 137,508 |
| Canadian Ministry of Foreign Affairs [GAC] | 599,848 | 614,176 |
| Dutch Ministry of Agriculture Nature and Food Quality | 408,479 | 246,540 |
| Rockefeller Foundation [Climate Arc] | 361,738 | 1,346,595 |
| Danish Ministry of Foreign Affairs | 323,047 | 672,300 |
| Walton Family Foundation | 231,629 | 107,301 |
| Ford Foundation | 208,903 | 361,242 |
| Packard Foundation | 186,359 | 211,617 |
| Tipping Pont Foundation | 139,386 | - |
| Climate Collaboration Group | 137,000 | - |
| Porticus | 100,000 | 107,868 |
| Laudes Foundation | 99,500 | - |
| European Commission [DG-DEVCO] | | 133,122 |
| Rockefeller Foundation [Global Commons Alliance] | | 125,718 |
| | 11,404,346 | 8,856,979 |

The Foundation allocated the grant arrangements based on the costs as budgeted in the funding proposals for each funder and recognised it as income (grants and subsidies) for the period to which it is related.

13. Salaries and wages

| | 12/31/2023 EUR | 12/31/2022 EUR |
|--------------------------|-------------------|-------------------|
| Gross salaries and wages | 3,937,138 | 3,383,240 |
| Vacation allowance | 221,703 | 197,683 |
| Vacation days | 72,910 | 110,266 |
| Other salaries | 2,343,702 | 1,274,099 |
| | 6,575,453 | 4,965,288 |

14. Social security and pension contributions

| | 12/31/2023 EUR | 12/31/2022 EUR |
|--------------------------|-------------------|-------------------|
| Social security expenses | 355,449 | 310,538 |
| Pension expenses | 437,545 | 360,831 |
| | 792,994 | 671,369 |

15. Other personnel expenses

| | 12/31/2023 EUR | 12/31/2022 EUR |
|---|-------------------|-------------------|
| Learning and Development | 249,048 | 17,051 |
| Illness absence insurance premium | 124,045 | 125,770 |
| Personal productivity tools | 55,925 | 43,999 |
| Recruitment expenses | 47,233 | 7,385 |
| Untaxed expenses allowance - Netherlands & France | 39,895 | 36,767 |
| Other employee expenses | 36,050 | 143,801 |
| Employee Laptops and Accessories | 27,016 | 34,110 |
| WKR Taxation Cost | 8,971 | 441 |
| Travel expenses (home-work) | 7,720 | 10,765 |
| Untaxed expense allowance - Sweden | 1,495 | 1,677 |
| Untaxed expenses allowance - Germany | 750 | - |
| Training expenses - People development | | 303 |
| | 598,147 | 422,068 |

16. Outreach and communication expenses

| | 12/31/2023 EUR | 12/31/2022 EUR |
|---|-------------------|-------------------|
| Stakeholder relationships expenses - Travel | 298,999 | 143,823 |
| Earned Media | 146,991 | 116,450 |
| Roundtables expenses - Travel | 94,603 | 101,786 |
| Publication tool /Website | 102,261 | 90,834 |
| Internal Roundtables expenses - Travel | 39,071 | - |
| Editing | 31,474 | 16,836 |
| Design | 19,531 | 13,404 |
| Expert Review Committees travel expenses | - | 625 |
| Stakeholder relationships expenses - Travel | 143,823 | 21,931 |
| | 732,930 | 483,759 |

17. Data platform and research partners expenses

| | 12/31/2023 EUR | 12/31/2022 EUR |
|--|-------------------|-------------------|
| Downstream partner [Carbon Disclosure Project] | 1,357,160 | 1,025,337 |
| Research partners | 764,706 | 585,104 |
| Technology | 61,638 | 184,810 |
| Other consultancy expenses | 39,265 | 92,298 |
| Hosting Support | 5,440 | 5,679 |
| Other consultancy expenses | 92,298 | 46,682 |
| | 2,228,209 | 1,893,229 |

18. Operation support expenses

| | 12/31/2023 EUR | 12/31/2022 EUR |
|------------------------------|-------------------|-------------------|
| Financial Expenses | 252,864 | 176,996 |
| Office Expenses | 163,845 | 269,166 |
| Supervisory board expenses | 19,659 | 21,258 |
| Operational Support Expenses | 16,171 | 12,181 |
| | 452,539 | 479,601 |

19. Audit fees

The following audit fees were reported in the statement of income and expenses in the reporting period.

| | 12/31/2023 EUR | 12/31/2022 EUR |
|------------|-------------------|-------------------|
| Audit fees | 41,428 | 25,312 |
| | 41,428 | 25,312 |

20. Average number of employees

During the financial year, the average number of employees, based on full-time equivalents, was 60,5 (2022: 57,77).

21. Management Remuneration

During the reporting the Foundation paid **EUR 727.339** as remuneration for the Executive Board (2022: EUR 646.341).

| | 12/31/2023 EUR | 12/31/2022 EUR |
|---|-------------------|-------------------|
| Gross salaries and wages [including vacation allowance] | 648,664 | 558,109 |
| Social security charges | 58,189 | 65,647 |
| Pension contributions charges | 20,486 | 22,585 |
| | 727,339 | 646,341 |

22. Financial results

We would like to highlight variances in our financial performance for the period, noting a 13% underspend compared to the budgeted amounts and a 7% underspend versus the updated forecast. These variances may be attributed to various factors including cost-saving initiatives, market fluctuations, strategic adjustments, operational efficiencies and unforeseen circumstances. We are committed to actively monitoring and managing these differences to ensure alignment with our financial objectives and organizational goals. For further details, please contact our finance department.

Amsterdam, Monday, 29 April, 2024

Stichting World Benchmarking Alliance Foundation

The Executive Board

The Supervisory Board

Gerbrand Haverkamp

Executive Director

Paul Druckman

Chair (ad int.)



INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting World Benchmarking Alliance Foundation

A. Report on the audit of the financial statements 2023 included in the annual report 2023

Our opinion

We have audited the financial statements 2023 of Stichting World Benchmarking Alliance Foundation, based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting World Benchmarking Alliance Foundation as at 31 December 2023 and of its result for 2023 in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the Balance Sheet as at December 31, 2023;
2. the Statement of Income and Expenses for the year ended December 31, 2023; and
3. the Notes to the Financial Statements comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting World Benchmarking Alliance Foundation in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (VIO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Report on the other information included in the annual report 2023

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The information that is presented in the contents on page 2, like the message from the Executive Director, a governance chapter, of the annual report;
- Other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the Executive Board Report in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.



C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Den Haag, April 29, 2024

JPA Van Noort Gassler & Co B.V.

H. Pot RA

Thanks to our funding partners in 2023



World Benchmarking Alliance

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