



THE WORLD POLICY FORUM

Economic Realignment

How companies can measure social and environmental progress

value balancing alliance

Speakers:

Keynote:

- **Mairead McGuinness**, Commissioner for Financial Services, Financial Stability and Capital Markets Union, European Commission

Panelists:

- **Nisha Agrawal**, Co-Chair T20 TF 6 - Social Cohesion and the Future of Welfare Systems; former CEO, Oxfam India
- **Ulrik Vestergaard Knudsen**, Deputy Secretary-General, OECD
- **Colin Mayer**, Peter Moores Professor of Management Studies, University of Oxford
- **Paul Penepent**, Head of Group Financial Reporting and Accounting, Novartis
- **Ulrich Störk**, CEO, PwC Germany

Moderator:

- **Christian Heller**, CEO, value balancing alliance

Session description:

Our current measures of progress are primarily financial and short-term. Macro level reporting has had a particular emphasis on GDP and corporate reporting has largely been focused on shareholder value. In the context of broader social objectives, our current approaches to reporting are neither sufficient nor effective.

While there has been a proliferation of standards and frameworks, there is an absence of common terminologies, guidelines and market standards, and little common understanding of how business is impacting environmental sustainability and people's wellbeing.

Both macro (government) and micro (corporate) reporting must be shifted away from an almost exclusive emphasis on short term financial results. There must also be a clearer relationship between macro and corporate reporting so that businesses demonstrate how their activities align with the interests of the society in which they operate.

This session discusses how we get there. It discusses frameworks seeking to introduce coherence and commonality. It discusses risks and opportunities of these frameworks. It also discusses options for applying standards at global scale.



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Objectives:

- Discuss implications of current focus on short term financial results and a lack of alignment between macro (national accounts) and micro (corporate reporting)
- Focus on the need for common reporting standards across non-financial as well as financial metrics
- Introduce and discuss a methodology for measuring non-financial indicators
- Emphasise the importance of business activities pulling in the same direction as public policy goals and therefore