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 **NORTON ROSE FULBRIGHT**

How sustainability and human rights expectations disrupt traditional approaches to regulation: strategies for innovation and success

Monday, June 6, 2016

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discussing what matters

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Speakers



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Michael is a member of the Norton Rose Fulbright Canada LLP Risk Advisory practice. He specializes in advising on international standards of human rights and risk management. Recent work includes international human rights assessments in West and North Africa, development of supplier codes of conduct on human rights issues and advising on the application of international sustainability standards for finance and reporting.

Benjamin Miller



Director, Citizenship Impact Measurement, Evaluation & Report
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Ben helps build a better working world by identifying extra-financial value drivers of organizations, assessing their correlation to financial performance and building performance management systems, governance and controls to execute long-term and resilient business strategies that take into consideration material externalities and resource relationships.

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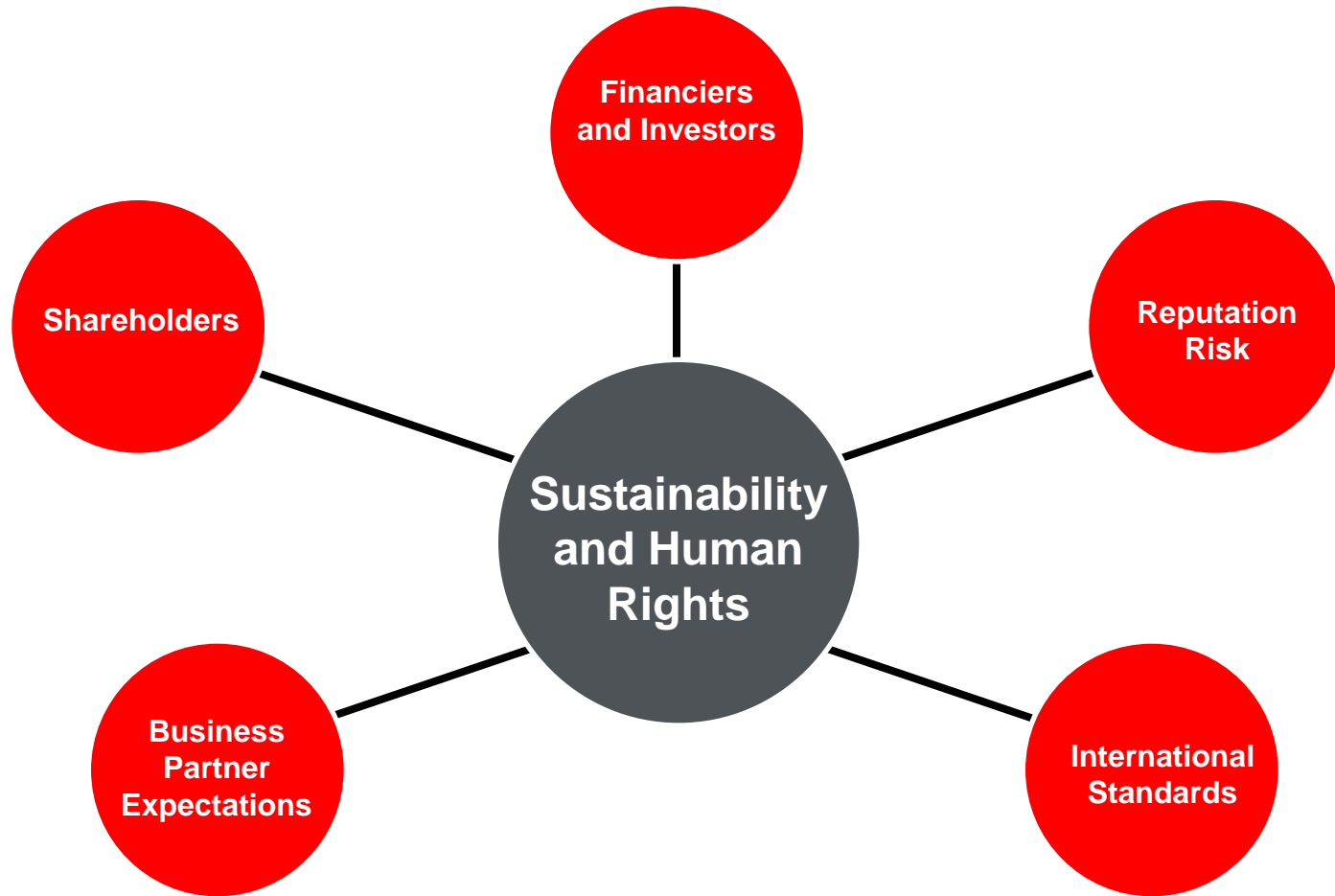
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Jonathan Drimmer is Vice President and Deputy General Counsel at Barrick Gold Corporation, where he helps oversee the Company's international regulatory and compliance programs (including its business and human rights and anti-corruption programs), as well as its global investigation group, entity level litigation and disputes, and other matters.

Drivers of Risk



Why it matters?

- Important for **finance**
- Consider Ichthys LNG Project - Darwin Australia
 - \$20 billion – limited recourse project finance – involvement of ECAs and EP banks
 - Application of Australian Law and international standards such as IFC Performance Standards for Environmental and Social Sustainability
 - Major due diligence exercise
 - Gap analysis – Laws and International Standards
 - Manage risks through an “Action Plan” to be implemented by the project proponents.

Why it matters?

- Consider recent financing of Hydro Electric Dam in South America
 - Long history of conflict with indigenous peoples related to project
 - NGO begins campaign alleging bank failed to apply concept of Free Prior and Informed Consent (FPIC) of Indigenous Peoples
 - Cites case law of the Inter-American Court of Human Rights (IACHR)
 - Will the financing go ahead? What standards/regulations must be met? How will risk be managed?

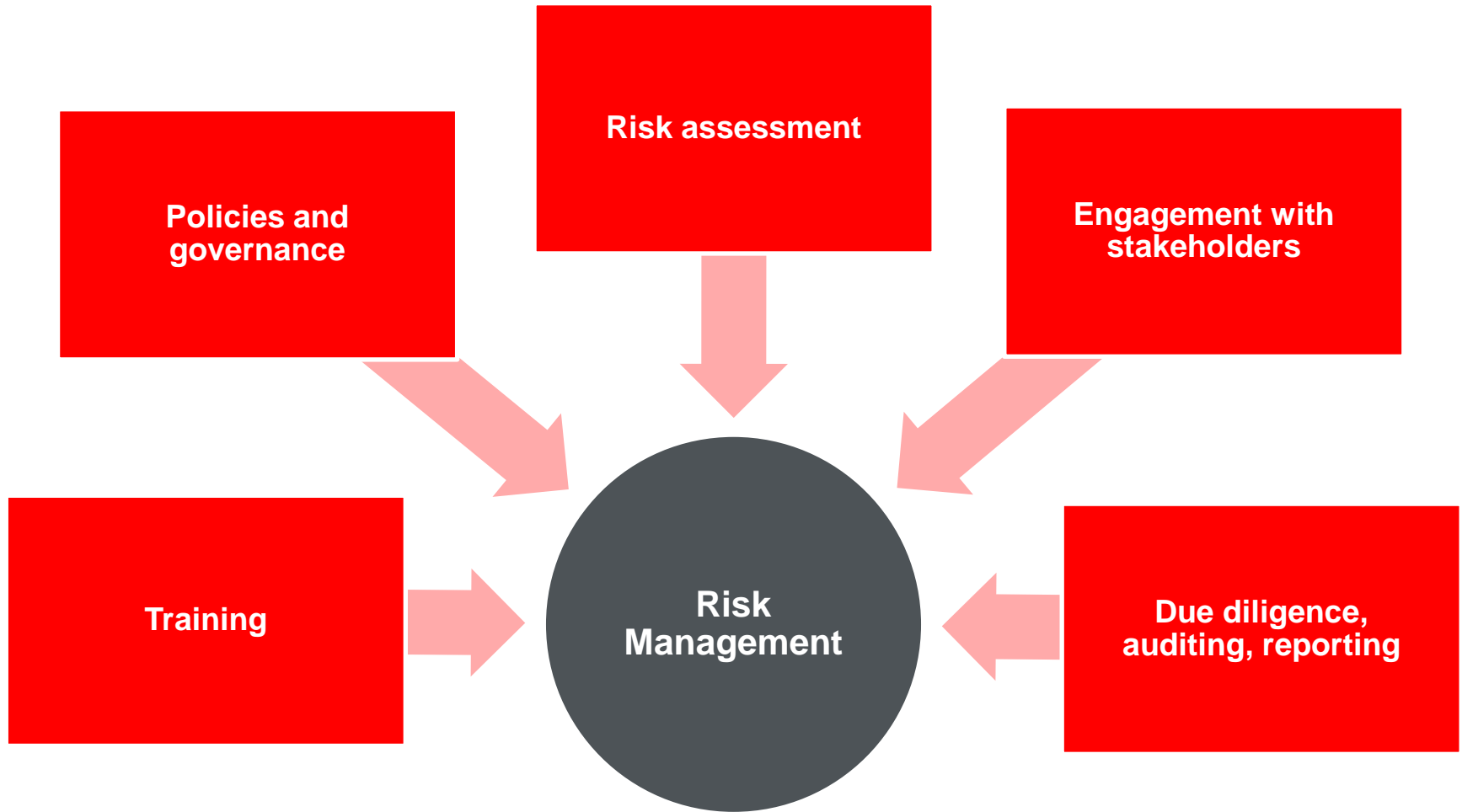
Why it matters?

- Important for shareholders and business partners
- Shareholder Activism – Demands of business partners
 - Resolutions calling for human rights assessments, applying UN Guiding Principles on Business and Human Rights
 - Supply chain human rights - increasing focus of shareholders and purchasers of services
 - Two recent examples – shareholder resolution, supply chain code of conduct requirement
 - Reporting requirements

Why it matters?

- Likely area of **new regulation**
- New legislation
 - UK *Modern Slavery Act* – reporting obligations
 - *California Transparency in Supply Chains Act* – reporting obligations
 - Action plans for implementation of UN Guiding Principles on Business and Human Rights
- New case law in Canada
 - Tort claims – *Choc v. Hudbay*
 - Class actions – *Rana Plaza*
 - New legislation? Where is this heading?

Risk Management



Discussion

- What drives compliance expectations when it comes to sustainability and human rights? Governments? Markets? Shareholders? Stakeholders?
- Are governments a leader or a laggard in setting expectations?

Please share an example from your own experience

Discussion

- What role do international standards, including voluntary ones, play in sustainability and human rights?
- How does your company decide when to adopt voluntary standards? Or not to?
- What risks do companies face in making these decisions? How do you and your companies manage these risks?

Discussion

- How does this affect the bottom line?
- What are the financial implications of these kinds of these issues?
- Does it matter from a business perspective? How do your companies view this and why?

Discussion

- How are transparency obligations changing in this new paradigm?
- What does this mean for your business and what strategies are you adopting to respond?

Discussion

- Where is this all going?
- What are the biggest trends you foresee in the coming decade for the governance of sustainability and human rights?



If you have any questions regarding today's presentation or would like to discuss any of the topics that have been presented, please feel free to stay behind or leave your business card behind and we will be sure to follow-up with you.

Thank you.

Contact

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Resource material

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