

Social inclusion and human rights in finance: a view from Asia Pacific

Tokyo, 12 December 2017

The session looked at how financial institutions, in addition to applying human rights due diligence in their business, tackled social issues specific to the region. It also highlighted global trends from the finance and human rights agenda to inform local financial institutions in their approaches to human rights issues, and introduced the [Corporate Human Rights Benchmark](#) (CHRB), developed in 2017 with strong support from investors as a tool enabling businesses to better understand and act on corporate human rights performance.

Key session takeaways

- Against a backdrop of sustainable finance being focused on the ‘green’ pillar of sustainability in the region, a handful of financial institutions embarked on innovative approaches to address burning and country-specific social needs and challenges. Highlighted examples included tackling the problem of an ageing society with an increase of dementia cases in elderly people in Japan through adapted financial guardianship systems and tailored lifestyle solutions; as well as empowering women and reducing economic inequalities in vulnerable communities through fintech in China. Stressing the need for increased awareness around these issues and their long-term impact on society and the economy, financial institutions also explained the potential for their proposed solutions to be scaled in and cross-countries.
- With regard to the uptake of the UN Guiding Principles on Business and Human Rights (UNGPs) in the region, progress is slow but steady at the level of individual financial institutions. A particular challenge relates to the lack of disclosure, which does not allow for full visibility of exiting company efforts vis-à-vis human rights. Australia and New Zealand constitute a dynamic finance and human rights scene, including on specific topics such as tackling modern slavery and human trafficking. The region is very nuanced in how the UNGPs penetrates the finance sector; hence country-specific dialogues would be more appropriate to understand the needs and progress with the implementation of the UNGPs.
- The CHRB is an interesting tool to explore by financial institutions, both from the perspective of engaging with clients and investees potentially exposed to human rights risks, but also to understand how to improve their own human rights performance. While aiming to further improve the performance assessment methodology, the CHRB encourages a positive competition between companies on the application of human rights standards. A call was launched for financial institutions to provide feedback on the CHRB use and methodology, to make it as relevant as possible for the finance sector.

Speakers

- Hiroki Hachiya, General Manager, Private Banking Department, Sumitomo Mitsui Trust Bank Limited, Japan
- Selina Xu Xiuling, Senior Vice-President, CreditEase, China
- Ashleigh Jayne Owens, Executive Director, Climate Change & Sustainability Services, Ernst & Young Japan
- Daniel Neale, Programme Director, Corporate Human Rights Benchmark

Moderator: Sabina Timco Iacazzi, Human Rights and Social Issues Lead, UNEP Finance Initiative