

GRI SOUTH ASIA CHARTER ON SUSTAINABILITY IMPERATIVES

SUPPORTING A DECADE OF URGENT ACTION

A. Preamble

The world today is at a crucial crossroad: to continue with all the existing practices of business-as-usual, or to pause, reflect, plan and embark on a fresh start. The pandemic has turned everybody's lives topsy-turvy, and with no sign of abatement, the world is pushed into a corner. The only way out is to introspect deeply and come up swiftly with practical, implementable and innovative solutions that will arrest the downward spiral, and then reverse the adverse effects and /or re-shape the decisions that so far did not bring in desired results of a sustainable future for all. Urgent action is therefore needed to resolve the major issues afflicting us all today and enabling human activity to be a part of the solutions rather than the problem.

The GRI South Asia Charter on Sustainability Imperatives - a unique creation by GRI South Asia Hub - is a clarion call for decision and action for business and its stakeholders. It is anchored to a framework of transparency and disclosure, as enshrined in the GRI Standards, and provides an ameliorating way out of the quagmire. Given the Covid-19 recovery context, it is essential to focus on the SDGs and respond to the call to *build back better* while keeping in the mind the underlying principle of *leaving no one behind*. The Charter serves as an important stimulus to implement sustainability-oriented imperatives that help to realise the UN Sustainable Development Goals eventually by the end of the current decade.

Businesses are encouraged to use the Charter as a 'Constitution' that guides and reinforces appropriate ideas, decisions and actions, and integrates its elements into strategies and plans. It relates to and strengthens an organisation's vision, mission, purpose, values, objectives and goals. Furthermore, it provides a compass to identify areas of focus, determines strategy, makes decisions and initiates actions. This call for urgent and timely action attempts to use the current pandemic only as a pretext to kick-start new thinking. The Charter underpins the ways in which an organisation develops strategic plans to realise its vision, as well as the SDGs, and shapes its operating principles and functions. The GRI South Asia Charter on Sustainability Imperatives may be used as a guiding beacon in conjunction with GRI Standards or other frameworks that can be used along with GRI Standards which serve as a driver for meaningful actions with measurable impacts.

Businesses of all sectors and sizes are encouraged to join this regional, multi-stakeholder initiative. While the Charter will be dynamic and evolving as the initiative progresses and grows, it will be run as a pilot for a period of two years.

B. The Principles of the GRI South Asia Charter on Sustainability Imperatives

The Charter is not an add-on to a range of frameworks for disclosure that are already available. Rather, it serves to make efforts inclusive, enabling convergence and simplifying the efforts of disclosing organisations. By signing this Charter organisations confirm their commitment to the following three Principles:

1. **Beyond Compliance**: Commit to move beyond mere compliance with all applicable sustainability related national and sub-national laws and regulations wherever they operate. The former would also include working with and demanding their value chains to be compliant as well, ultimately leading to a mutually rewarding relationship with those impacted.
2. **Ethics and Governance**: Organisations will act with the highest ethical standards and integrity, taking decisions and implementing actions in good faith and fair-dealing norms. They will also compete in a transparent and open manner with a zero tolerance for bribery and corruption. This will serve to demonstrate exemplary performance.
3. **Transparency and Disclosures**: Organisations will present in the public domain their performance on economic, environmental and social dimensions at least once a year. Simultaneously, they will bring out the sustainability context for all key stakeholders on all material topics, and apply quality checks for clarity, balance, accuracy, timeliness, comparability and reliability, while also adopting the UNSDG 2030 Goals & Targets.

C. Action Expected from Signatories

By becoming a signatory an organisation demonstrates a long-term commitment to adopt and implement the Charter's Principles to be among South Asia's leaders in corporate social, economic and environmental responsibility. After all, businesses can be successful only in a vibrant, thriving society. On signing up, organisations are expected to implement the following steps within the first two years:

1. Publicly disclose the organisation's understanding of sustainability and its strategy which manages its contributions to sustainability, either in an existing regularly published document, on the website, or other platforms or formats deemed relevant.
2. Disclose the specific SDGs identified by the organisation as considered 'material' for it, and a brief description of how these Goal/s relate to their business and are integrated in their strategies and implementation plans.
3. Disclose at least two new initiatives linked to the SDGs the organisation plans to implement in next two years.
4. Disclose resultant impacts and business benefits arising out of these initiatives and alluding to the commitment to the Charter.
5. Focus on MSMEs: Respect their importance and large companies signing up are encouraged to adopt at least 2 MSMEs to guide them in their sustainability journey.
6. Collaboration, Partnership and Inclusion: Attention on 'Social' and 'Environment' elements in ESG.
7. Inclusive Innovation: Drive digitalisation, business models, circular economy / resource efficiency, and promote (social) entrepreneurship to address SDGs.

D. Becoming a Member

Organisations that are signatories to this Charter will become Members as soon as their case is approved after review by a Steering Committee. There will be two categories of memberships for organisations that demonstrate and provide evidence of their commitment to all the Principles stated in the Charter:

1. Members: within a period of two years from the date of signing
2. MSME Members: beyond two years but up to a maximum of four years from the date of signing

At the time of sign up or joining, by default, all organisations are 'Signatories'. After the earliest review the names of all of them qualifying successfully as Members / MSME Members will be announced. There will be a half-yearly review of all Signatories to ensure all conditions are fulfilled before they get Member status.

E. Steering Committee

This Committee will comprise a Board-level representative of the organisation that has become a Member. The Head of this Committee will be in this role by rotation for a period of no more than two years. The primary roles of this Committee are to review the Charter, provide guidance in the evolution of the Charter, check the Signatories for qualification for becoming Members, also check Members for renewal of their Member status, and offer suggestions to make overall improvements. To start with, this Committee will consist of business (GRI South Asia's Corporate Members, and others), and partner organisations (non-commercial) including a representative of civil society. In the ultimate analysis, the Steering Committee will help GRI South Asia to take on the role of policy advocacy while championing the SDGs through action taken by the Members.

F. Benefits of Being a Member

This will be a first-of-its-kind effort within GRI. Organisations that are Members of the GRI South Asia Hub's Charter on Sustainability Imperatives will be eligible to be represented in the Steering Committee that will have the overall responsibility for decisions taken regarding the Charter. They will also be entitled to use the GRI South Asia platform to showcase their leadership position and stewardship in ushering in real change in South Asia, encompassing the three dimensions of sustainability in a balanced manner. Finally, with a spirit of continual improvement driving the initiative, and the perseverance of the Members, the journey towards Agenda 2030 will be testimony to the resilience South Asia is capable of.

To sign up please send a request to GRI South Asia at gupta@globalreporting.org