

ISO 37000

How to govern a sustainable organization

19 June 2024

For an organisation to survive and develop its rate of learning must be equal to, or greater than, the rate of change in its external environment.

Reg Revans

1983: World Commission on Environment and Development

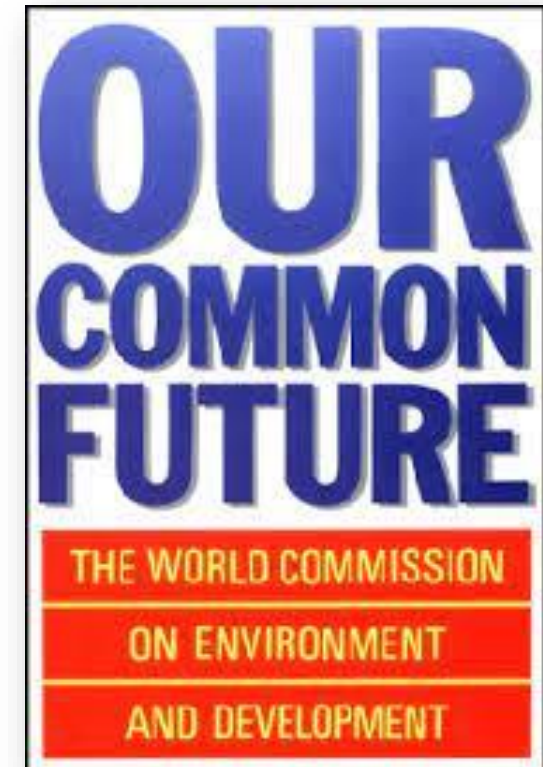
- ▶ 1983 Commission

World Commission on Environment and Development

- ▶ 1987 Brundtland Report

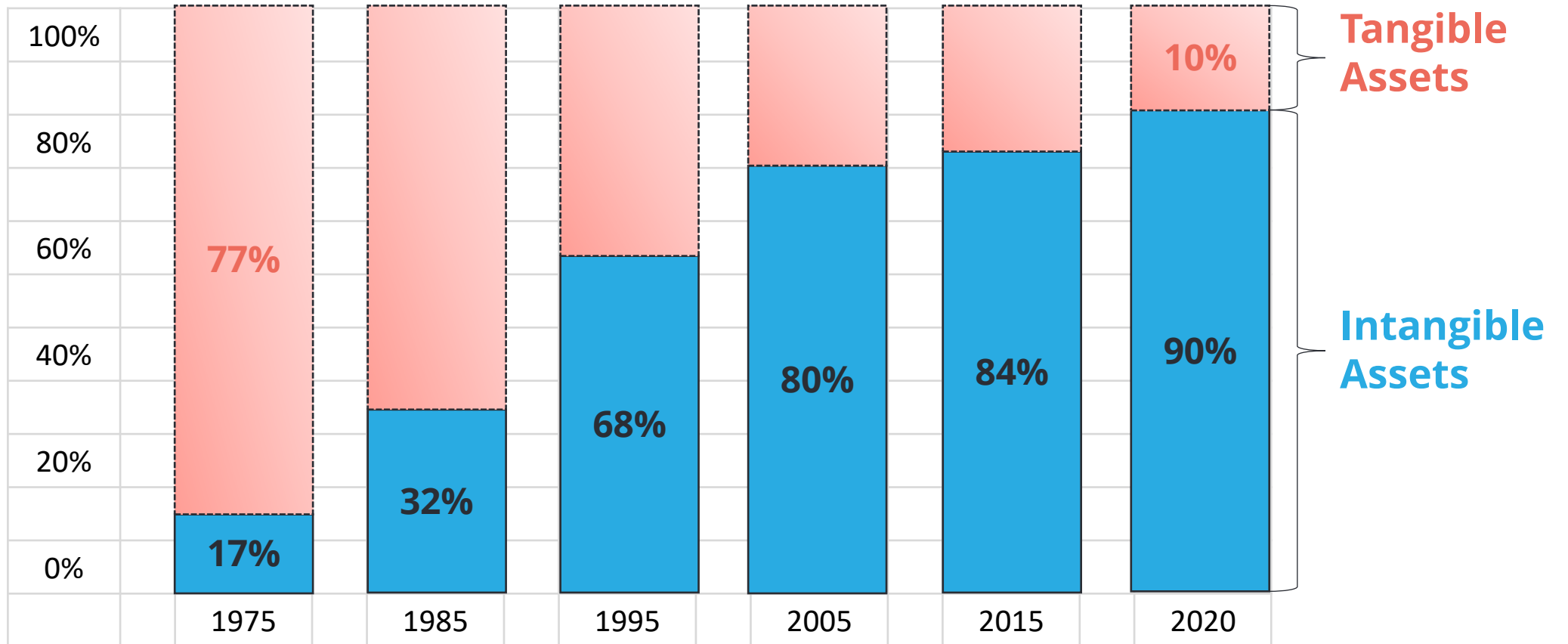
The three main pillars of sustainable development include economic growth, environmental protection, and social equality

People, Planet and Prosperity



Market recognition of intangible assets (ESG)

COMPONENTS of the S&P 500 MARKET VALUE



Financial Stability



1999

G7 Financial
Stability
Forum



2001

IFRS Foundation



2008

Global Financial Crisis



2009

G20 Financial
Stability
Board

Strengthen prudential oversight of capital, liquidity, and risk management. Enhance transparency and valuation. Change the role and uses of credit ratings. Strengthen the authorities' responsiveness to risks.

2010: Financial impacts on the organization from ESG



Impact of the organization
on society and the environment



Impact of society and the environment
on the organization



2015: Task Force on Climate-Related Financial Disclosures



Financial Stability Board



CDSB

Climate Disclosure Standards Board



Good Governance Academy



Governance

The organization's governance around climate-related risks and opportunities

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Risk Management

The processes used by the organization to identify, assess, and manage climate-related risks

Metrics and Targets

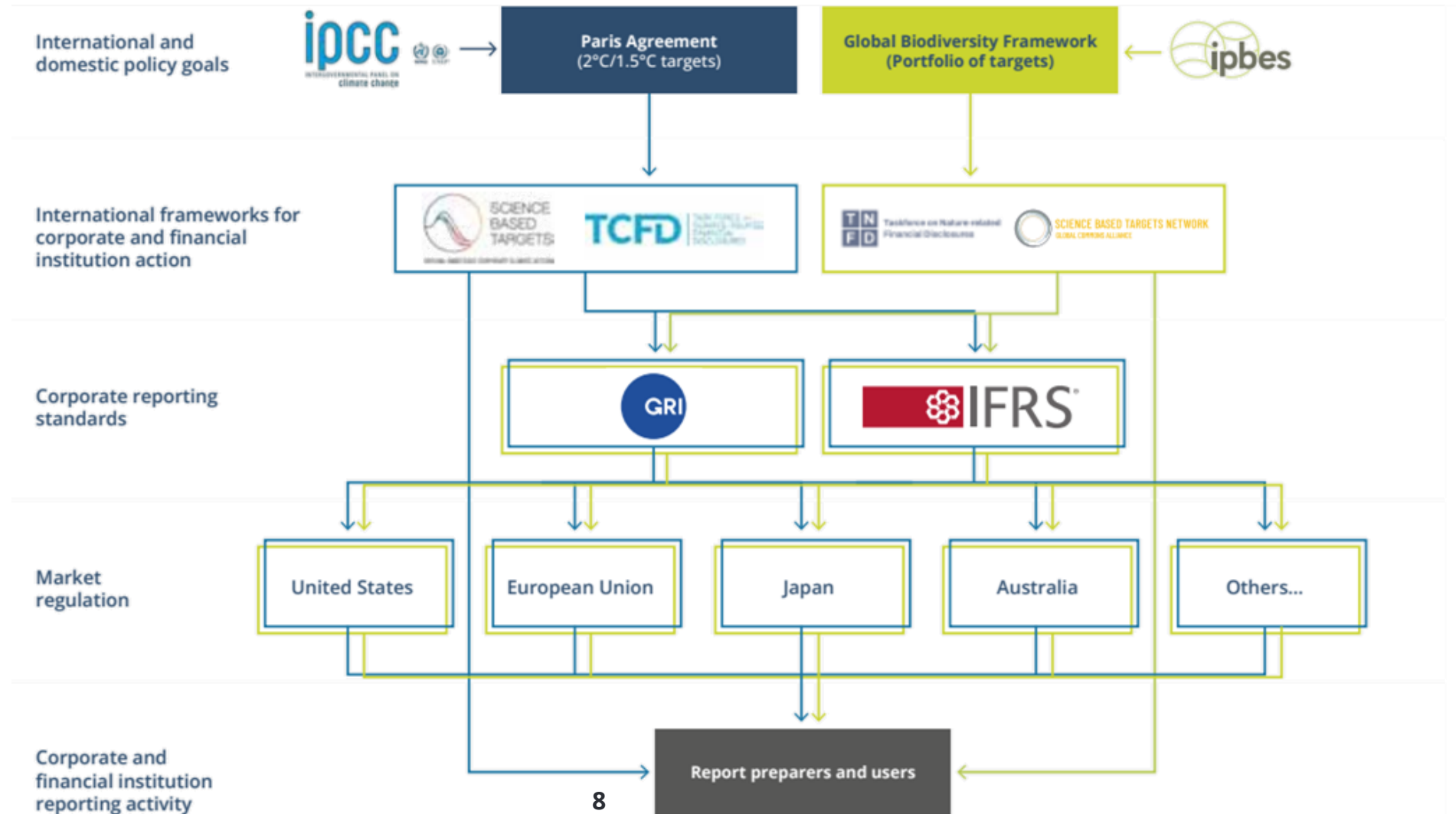
The metrics and targets used to assess and manage relevant climate-related risks and opportunities

2016: UN Sustainable Development Goals for 2030

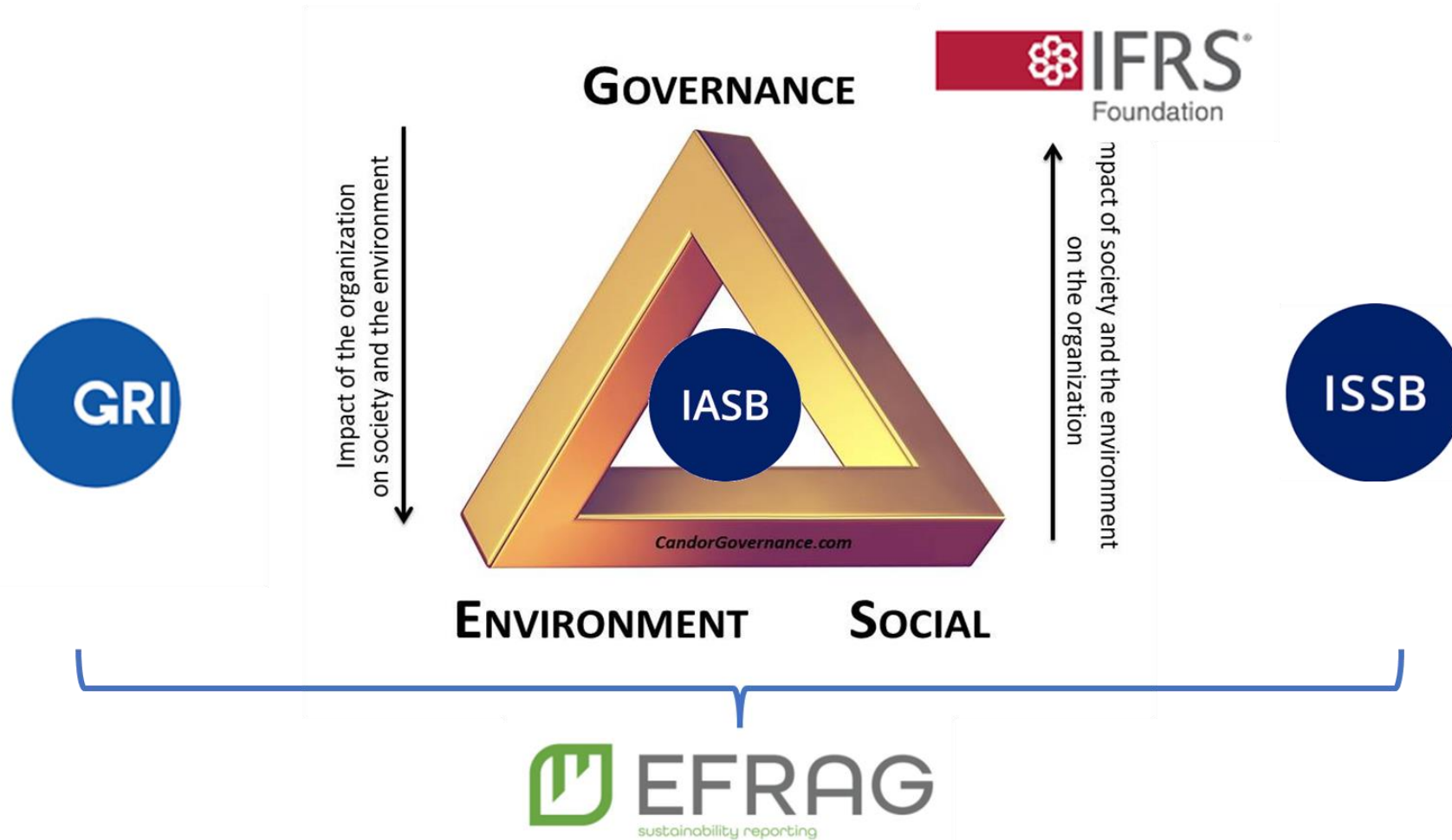


*shared blueprint
for peace and prosperity
for people and the planet,
now and into the future.*

2023 Sustainability Reporting Standards Alignment



2024: International Sustainability Standards



How to govern in this context?



Corporate governance in a sustainable development context

ISO 37000: human-based system by which an organization is directed, overseen and held accountable for achieving its defined **purpose**



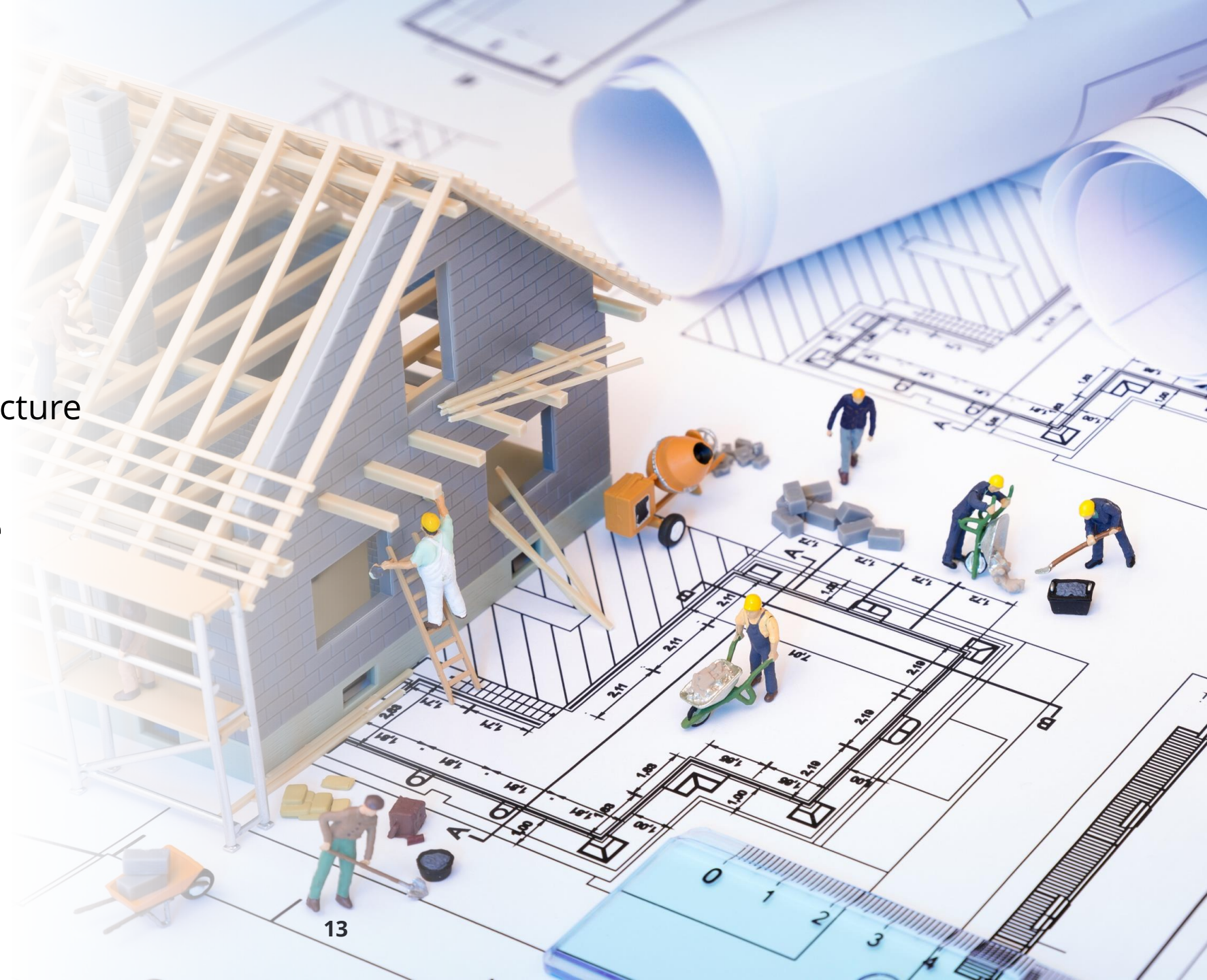
Standardization

- ▶ ISO
- ▶ Established: 23 February 1947
- ▶ Guidance by: United Nations - Economic and Social Council
- ▶ Primary Purpose – facilitate international trade
- ▶ National Standards Bodies participate and nominate experts
- ▶ SANS 37000:2023 – Governance of organizations - Guidance



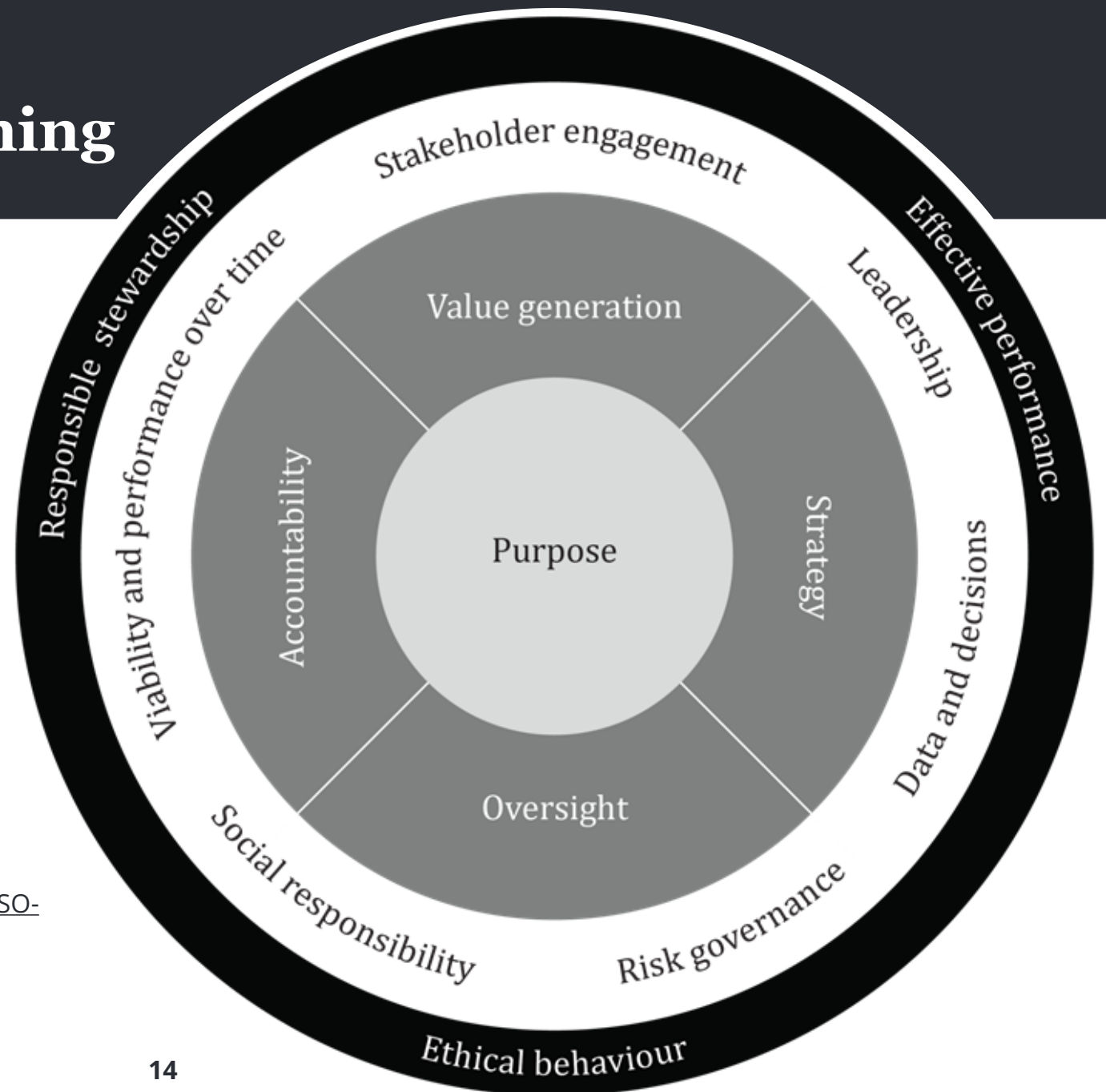
Conditions for Good Governance

- **The Governing Body**
 - Composition and structure
 - Competence
- **Integrated Governance**
 - Delegation
 - Management
 - Sustainability
 - Stakeholders



The Business of Governing

- ▶ Foundational principles
- ▶ Enabling principles
- ▶ Outcomes



<https://goodgovernance.academy/wp-content/uploads/2022/10/ISO-37000-Official-Presentation-Deck-September-2021.pdf>

International governance outcomes

- Ethical Behaviour
- Responsible Stewardship
- Effective Performance

Responsible Stewardship

1. Financial
2. Manufactured
3. Intellectual
4. Human
5. Natural
6. Social & Relational



ISO 37000 Certification

1. Guidance standard
2. Certification of understanding
3. APMG-International
4. Endorsement
5. Trainer
6. Training organization

ISO 37000 Governance of Organizations - Guidance Course

Foundational Level, Digital Course



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