



Public Comment to GISR re: its February 25, 2013 *Exposure Draft* of the *Principles for the GISR Ratings Standard and Accreditation Process*

Submitted by Members of the Sustainability Context Group
April 2, 2013

We the undersigned members of the *Sustainability Context Group*, an international community of corporate sustainability professionals, managers, academics, analysts and advisors, are pleased to submit the following comments to GISR in response to its February 25, 2013 *Exposure Draft*:

1. ***We fully support, in the strongest possible terms, the inclusion of the Context principle (Principle 12) as written in the draft standard issued for public comment by GISR on February 25, 2013 (with the exception of two important changes as proposed below in item #2). Measuring, rating, ranking, and reporting the sustainability performance of organizations simply cannot be done without reference to the kinds of norms, standards, or thresholds referred to in the GISR draft. Thus, the retention of the Context principle in the final version of the standard is vital to its success.***
2. ***Principle 12 should be revised so as to eliminate the terms “widely accepted” and “consensus” as preconditions for application of the principle.*** These terms appear in the opening definition of *Context* on page 15, and in the last paragraph of the principle on page 16, respectively. We believe the retention of these terms will make it *less* likely, not *more* likely, that raters will choose to include context in their ratings, since there will always be disagreement to one degree or another on what the norms, standards or thresholds should be for assessing sustainability performance. Thus, instead of providing raters with a requirement that context be included, the draft standard, as written, will provide them with a permanent excuse for choosing *not* to do so. This potentially obstructionist language should therefore be removed, and be replaced with language that fully enables and mandates the implementation of sustainability context. Our two more specific suggestions are as follows:
 - a. The term “widely accepted” in the opening definition of the *Context* principle on page 15 should be replaced with the word “specific”, so that the revised definition reads as follows: ***Context: A ratings framework should assess performance within the wider context of the company’s sustainability impacts at various geographical scales, referencing specific thresholds, limits, targets or norms applicable to such impacts.***

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- b. The sentence on page 16 in which the word “consensus” appears should be rewritten as follows: *With sufficient experimentation and – delete: “the emergence of consensus on”, and replace with: “growing confidence in the identification of” – thresholds and norms, sustainability context over time should take its place alongside time series and peer group benchmarks as integral to future ratings.*
3. **We also feel that contextually relevant thresholds and/or norms for determining the sustainability performance of organizations need not be limited to externally defined ones in order to have merit.** In many cases, it will be internally developed thresholds or norms that must be used, if only because externally developed standards have not yet been developed. Indeed, this is quite often the case today. This issue comes up in the first full paragraph of the **Context** section on p. 15, which we suggest be revised as follows:

“Performance assessment may be expressed from several different perspectives including: (1) performance across time periods, or time series; (2) performance relative to a peer group, e.g., recognizing ‘best in class’ or ‘top 10 percent’; and (3) performance relative to – change: “externally” to: “internally and/or externally” – defined targets based on physical limits or thresholds or social norms, commonly referred to as ‘sustainability context.’ ”

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Sincerely,

Signatories to April 2, 2013 Public Comment by SCG to GISR
During Public Comment Period re: GISR Exposure Draft

[Note: All signatories are signing in their personal capacity; organizational affiliations are included for identification purposes only.]

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