



## **UPDATE GRI's Sustainability Report**

GRI produced its first Sustainability Report for the fiscal year 2003-2004 – this was only the organization's second full year of operation as an independent institution. One of the main lessons learned was that the management system of policies, procedures and tracking systems were not yet fully formed for many of the sustainability issues identified as key to report on. As a result, the reporting process helped prioritize the development of the management system, in tandem with lessons learned from the organizations financial reporting experience. The first sustainability report was an important exercise in benchmarking the current situation, and has provided a useful building block for future reporting.

In terms of stakeholder demand for the report, 800 copies of the printed summary were distributed, and requests for copies still arrive at the pace of about two per week. We estimate about the same number of visits to our web-based report. The release of our report generated interest on an anecdotal level (i.e., GRI is "walking the talk!") in addition to detailed and substantial feedback. Of those that engaged with the Secretariat after the launch of the report, most said that the overall sustainability management vision, and links to core processes are the key items that were missing and that they would like to see for next time.

From this, it was concluded that stakeholder interest in seeing a data update on a few indicators would likely be fairly low, without our ability to couch these in a greater management context. It was also observed that most other non-profits and small organizations are reporting on a bi-annual cycle, possibly reflecting the slow change over time in smaller organizations.

The Board of Directors, at its November 2005 meeting, reviewed the situation and instructed the secretariat to continue to focus on building the process and management system for organizational operations for this year, and not issue a sustainability report for the fiscal year 2004-2005. GRI will create its next sustainability report for the fiscal year 2005-2006, and aim to release it at the G3 Launch Event in October 2006.

At its November 2006 meeting, the Board would then re-evaluate the status of organizational management maturity and whether an annual, bi-annual or other cycle of sustainability reporting would be best for GRI in the future.

At the mid-point of the fiscal year, the GRI Secretariat had already reorganized to better focus on institutional management system building. The Chief Operating Officer's top priority is to continue to build out the financial management system, and from that, a cohesive set of policies and processes for management of key areas such as human resources, sustainability, procurement, and others. A careful work plan has been laid out for the development of the system, which is expected to take the best part of the coming year.

Sustainability management is an integral part of the organizations overall management. It should be developed in tandem and within the context of the organization's overall management system. To isolate or attempt to fast track this stream would take away from the overall effectiveness of the management system development.

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