Enterprise Action 12. Ensure governing body leads by example

Action is mapped to practice indicators as follows:

- Governing body includes sustainable development competencies and diversity in its composition, operates transparently and recognizes the importance of acting on behalf of impacted stakeholders (4.2)
- Governing body holds management accountable for its responsible business and impact management practices (in line with the Enterprise’s values, purpose, and policies) and performance (4.2)

Guidance notes can be found below:

Guidance Note 4.2

Board competencies
With respect to board competencies, the board may consider including human rights/sustainability/impact skills in its board skills matrix, implementing a ‘fit and proper’ test for new board members/directors, human rights and sustainability training for existing members/directors, including appropriately skilled Stakeholders or individuals with relevant scientific or social sustainability expertise – especially in the SDGs most relevant to the enterprise’s context, nominating an independent director/member to have responsibility for championing human rights/sustainability/SDG/impact management issues, creating an independent sustainability/SDG/impact management advisory committee of suitably qualified and experienced personnel, and/or promoting diversity for example by including representation by women and under-represented stakeholder groups.

Training for the whole board is another option to strengthen the board’s competencies in relation to sustainability matters and to ensure knowledge remains current.