

Islamic Reporting Initiative



ACHIEVING LONG-TERM PROFITABILITY
AND OUTSTANDING CORPORATE GOVERNANCE
THROUGH SUSTAINABILITY



Invitation to Participate in the Pilot Program

Join the Islamic Reporting Initiative Pilot Program and be a part of transforming the way corporate sustainability is reported in the Islamic world.

As a participant, you will help pave the way forward for other companies to tap into the benefits of corporate sustainability, improving the quality of living environments and communities worldwide.

Through the Pilot Program, you will have the unique opportunity to provide valuable feedback on what could be the first values-based reporting standard for corporate sustainability, network and engage with international partners, and increase visibility through the growing media network of the IRI.

Participate in the Pilot Program at one of two levels and receive an individualized dashboard showcasing your company's sustainability performance according to the IRI Reporting Standard.

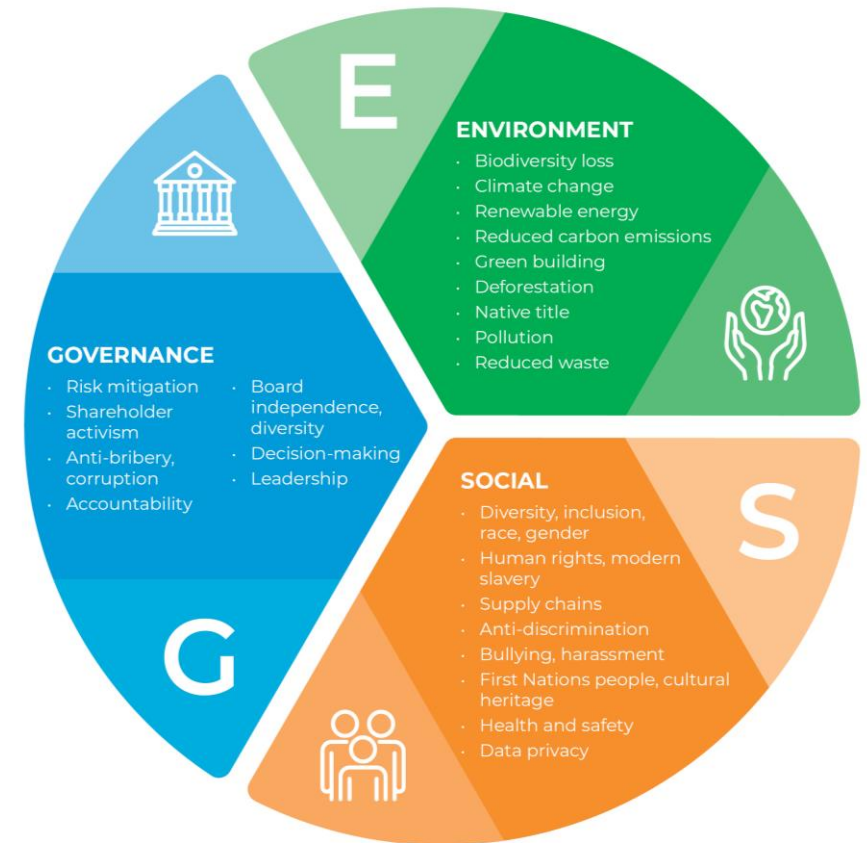
Partners will be Launch Partners during the COP28 in Dubai and granted use of the IRI Reporting Standard with no further contribution or time limit.

Partner with the IRI and be a part of a community committed to transparency and alignment with Islamic values. Together, we can make a positive impact on the environment and society while improving financial results and increasing access to capital.



What are the Benefits of Corporate Sustainability?

- Reduced business costs due to lower energy and material usage
- Better risk management and decision-making
- Improved reputation
- Greater customer and employee loyalty
- Higher sustainability rating or ranking
- Greater access to capital
- Better terms and conditions for borrowing
- Competitive advantages in tender processes

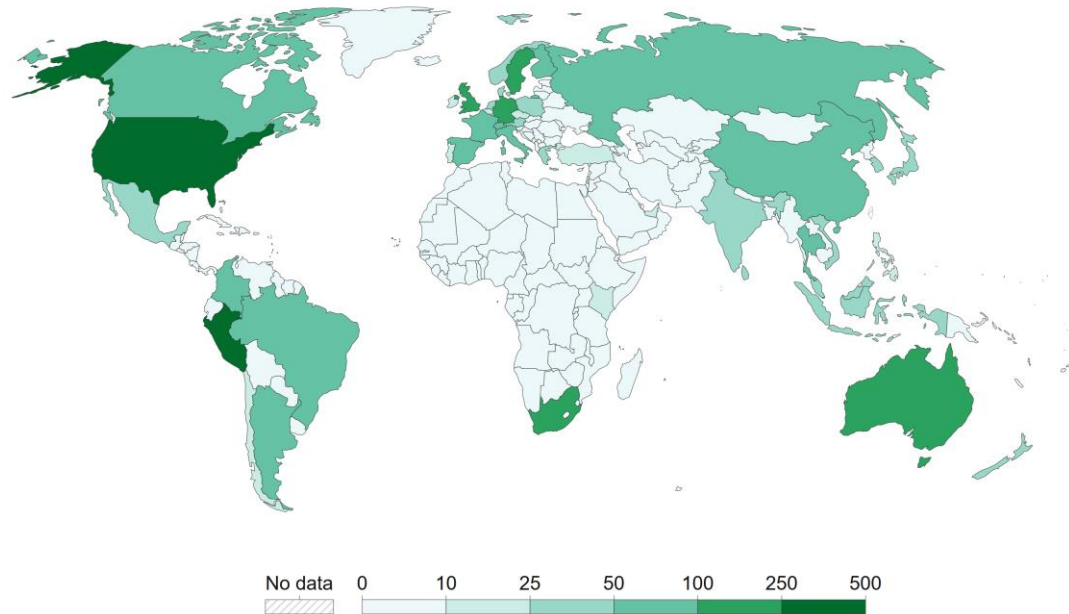




Who's Capturing these Benefits?

Number of companies publishing sustainability reports meeting the minimum requirements, 2020

To meet the minimum requirements a company must have published information on a set of key disclosure elements covering the company's governance practices as well as economic, social and environment impacts.



Source: UN Conference on Trade and Development

OurWorldInData.org/trade-and-globalization • CC BY

- This graph shows the level of sustainability reporting worldwide
- Our research among 200+ companies in Muslim-majority countries showed that mainstream reporting standards for sustainability are not seen as relevant or practical in the local context



Bringing these Benefits to the Islamic World: The *Islamic* Reporting Initiative

- In Islam, corporate sustainability and social responsibility are highly valued
- Easy for Muslim-run organizations to implement, natural for employees to relate to
- A practical tool for Muslim-run organizations to capture the business benefits
- Islamic banking and finance shows that values-based business is highly effective
- Highly scalable: Islamic values and principles are practiced by almost 2 billion people



Launching the Islamic Reporting Initiative: What's the Plan for 2023?

1. Creation of a basic IRI Reporting Standard based on Islamic values and principles which allows companies to assess, report, and verify their sustainability performance
2. Development of an online tool for data collection/visualization, and an innovative new AI-enabled tool for upscaling sustainability performance (in collaboration with software partners)
3. Conducting a Pilot Program with a minimum of 5-10 companies to pioneer the IRI Standard, identifying strengths and opportunities for improvement
4. Implementation of feedback, run a public consultation, create IRI Standard for mainstream use
5. Creation of comprehensive metrics and methods, culturally-relevant training materials



Compatible with the SDGs



- The protection of human life and respect for human dignity are the foundation of the teachings of Muslim religion
- The objectives of the SDGs – to end poverty, improve health and education, reduce inequality, spur economic growth, and be good custodians of the environment – are all covered in Islamic scriptures in some way or form, without exception



Achievements To-date



- Members in 50+ countries; strategic partners include the Organisation of Islamic Cooperation, IEMA, IRTI (IsDB Group), OIE, WBCSD, e.a.
- Registered participant of the UN Global Compact; UNEP Observer, member of the UNEP Finance Initiative
- First roundtable discussion took place at COP 22 in Marrakech; first IRI-certified training courses held in Saudi Arabia and Oman
- Awarded multiple excellence awards at the Global Islamic Finance Awards and the 2023 Global Good Governance Awards



The Benefits of Participating in the IRI Pilot Program (1)

1. **Enhanced sustainability reporting:** The IRI will be an established provider of sustainability reporting frameworks and developing partnerships with the IRI will help companies to develop high-quality reports that align with current industry practices.
2. **Improved credibility:** By partnering with the IRI, companies can demonstrate their commitment to sustainability and responsible environmental practices. This can help improve their reputation and credibility with customers, investors, and other stakeholders.
3. **Access to resources:** The IRI will provide tools and resources that can help businesses assess and report on their sustainability performance. By partnering with the IRI, companies can benefit from access to these resources and expertise.
4. **Networking opportunities:** Partnering with the IRI can provide opportunities for companies to connect with other sustainability-minded businesses and participate in industry-wide initiatives to promote sustainability and responsible practices.



The Benefits of Participating in the IRI Pilot Program (2)

- 5. Brand recognition:** Being a Partner or Member of the IRI will help companies gain brand recognition and differentiation, as they can use the IRI logo on their sustainability reports and marketing materials.
- 6. Improved stakeholder engagement:** By following the IRI's reporting standard, companies can improve their engagement with stakeholders and enhance their reputation for transparency and accountability.
- 7. Better decision-making:** Sustainability reporting helps companies make better-informed decisions by providing insight into their environmental, social, and governance (ESG) performance. This can enable them to identify areas for improvement and mitigate risks.



Two Levels of Participation

	Benefits	One-time Participation Fee
Membership	<ul style="list-style-type: none">• Basic media coverage by the IRI (in social media, press releases) and on the IRI website• Upon provision of sustainability data: Individualized dashboard that shows the Participant's sustainability performance according to the IRI Standard• Opportunity to utilize participation in the Pilot Program as an example of sustainability leadership in its own marketing and communication, and its 2023 sustainability/CSR/ESG report.• Upon formation of the IRI operating company (2024), entitled to receive shares	USD 3,500 (approx. 13,000 SAR)
Partnership	<ul style="list-style-type: none">• All the above, plus:• Maximum media coverage by the IRI, featuring in all IRI communications about the IRI Pilot Program• Official launch partner of the IRI Standard during COP 28 (includes speaking slot on participation in the IRI Pilot Program)• Opportunity to use the first element of the IRI's innovative new AI-enabled tool for identifying areas of improvement and to increase sustainability performance• Use of the IRI Standard, with no further contribution, and no time limit	USD 25,000 (approx. 94,000 SAR)



What others say about the IRI

The OIC is dedicated to preserving and promoting Islamic values of peace, equality, human dignity, and environmental prosperity. The Islamic Reporting Initiative, in its journey towards making business responsible through the application of ESG and ESG reporting, has many values aligned with our own.

The OIC commends the Islamic Reporting Initiative in its efforts in promoting economic, social and environmental prosperity in a manner that is not only impact-oriented and sustainable, but culturally relevant and responsive.

Organisation of Islamic Cooperation (OIC)
'the collective voice of the Muslim world'
The OIC is the second-largest inter-governmental organization after the UN



Open public reporting is essential if business is to build and maintain societal trust. It is a key part of the commitment to the principles of the UN Global Compact.

So, I commend the ambitions of the Islamic Reporting Initiative; by seeking to emphasize and build on our shared values for human and environmental prosperity, the Islamic Reporting Initiative will accelerate progression towards the objectives outlined in the UN Sustainable Development Goals by leveraging business potential.

Sir Mark Moody-Stuart
Chairman
UN Global Compact Foundation



The Islamic Reporting Initiative combines a deeply convincing vision with practical effectiveness.

It deserves warm support and collaboration not only from Muslims but also from anyone else who cares for a sustainable economy in a healthily plural world.

Professor David F. Ford OBE
Emeritus Regius Professor
of Divinity, Selwyn College
University of Cambridge



The noble Quran contains a message not only concerning human life in itself, but also the world of nature and our responsibility towards it. It orders Muslims to live in harmony not only among themselves but also with the rest of God's creation. On the basis of its teachings Muslims created a civilization that over the centuries was in balance with what we now call the natural environment. Colonialism and certain weakness in the practice of Islamic teachings relating to the care of His creation caused most Muslim countries to become impervious to their duties towards the natural environment as a result of which some of the most polluted cities, towns, and rivers in the world are now to be found in the Islamic world.

The efforts of the Islamic Reporting Initiative are, therefore, to be highly commended and supported as a religion duty by all Muslims who are aware of the seriousness of the environmental crisis. May the efforts of the Islamic Reporting Initiative and other organizations with similar aims succeed by God's grace and the efforts of dedicated Muslim men and women. Our future depends on this spiritual jihād carried out with God's succor in this holy effort. wa'l-Llāhu a'lam.

Professor Seyyed Hossein Nasr
Professor of Islamic Studies
George Washington University





We look forward to hearing from you!

To download the application form (Participation Agreement), please visit:

<https://islamicreporting.org/iri-pilot-program/>

For more information, please call or message: +31 6 5555 2533

or send us an email: iri@islamicreporting.org

Stichting IRI Reporting Standard

Herengracht 420

1017 BZ Amsterdam, The Netherlands

www.islamicreporting.org

