



## A note on the International Organisation for Standardization (ISO)

Probus Sigma is the only research and development facility in the world that is currently concentrating on developing and maintaining investment grade, private standards that are compliant with the requirements and technical development methodologies established by the ISO (International Organisation for Standardization). Probus Sigma has developed, advised and managed such standards with a perpetual view on lowering investment risk and ensuring effective investment in environmental conservation. In this article we want to highlight the reasons why we believe this is only possible if these standards are aligned with the ISO by providing more information about the ISO as well as discussing why Sigma, our ESG metrics tool, is based on ISO standards.

### What is the ISO?

The ISO is “the world’s largest developer of voluntary International Standards.” [\[1\]](#) It is made up of a network of national standard setters from 164 member countries. For a full list of members please [click here](#). The ISO’s Central Secretariat is based in Geneva, Switzerland and members participate in a General Assembly meeting, which is where decisions are made in relation to objectives and strategy. Principle Officers are appointed from the General Assembly on a rotation basis and staff within the Central Secretariat comes from a number of different countries. There is no one singular person, entity and country in control of the ISO. Therefore ISO provides a non-conflict of interest and neutral platform from which to deploy International standards.

Of course as any public body is, the ISO is not free from criticism and in the past it has been called to respond to the under-representation of less developed regions and the dominance of Western European nations in the voting base [\[2\]](#), however, the organisation maintains a level of transparency about stakeholder participation and is committed to reducing the influence of industry in participation relating to the development of environmental standards. When viewed objectively, the structure and governance of ISO is free from corporate and industry influence or bias that is not replicated in any other standards-setting, verifying and validating bodies, and for this



reason Probus – an agnostic entity with no vested interest in environmental and associated standards – continue to use ISO as a model for the development of Global individual and umbrella standards. (Please see [A Note on ISEAL Alliance](#))

Among their mission statements about international standards is the following, which echoes Probus Sigma’s approach to standards: “Developed through global consensus, they help to break down barriers to international trade.”

### **Why is Sigma ISO based?**

Aside from the obvious reasons insinuated by the transparency, neutrality and common objectives upon which the ISO is based, there are a number of key reasons why Sigma was developed in line with ISO Standards. One of these reasons was that Probus recognized that many global financial institutions already trust and rely upon ISO standards for numerous financial transactions. In addition to this ISO standards and related conformity assessments currently impact 80% of world trade. There follows an already established reputation and reach, within which Sigma is compatible.

ISO also provides a pre-established common language and set of metrics, which act as a catalyst for implementation and interoperability. It was also critical that Sigma ensured objectivity. This was attainable by using ISO, which acts as an empirical measurement within a traditionally subjective market, which thus reduced any suggestion that Sigma was an industry specific or influenced tool. It is not.

ISO is also designed and developed to provide practical tools for addressing and achieving sustainable economic, social and societal development. While Sigma and Probus Sigma do not maintain any political, corporate or other affiliations, both are committed to these goals and so it is sensible to align a product with a framework that shares its overall objectives.

The ISO platform contains the Accreditation, Oversight, Neutrality and other features required to demonstrate Regulatory Compliance. Whereas (Please see more about this [here](#).) Voluntary codes of practice and principles, etc. do not fulfil the same compliance requirements.

[1] <http://www.iso.org/iso/home/about.htm>

[2] [http://www.pacinst.org/reports/iso\\_participation/iso\\_participation\\_study.pdf](http://www.pacinst.org/reports/iso_participation/iso_participation_study.pdf)

