

Democracy and Culture Foundation

THE ATHENIAN CHARTER FOR A NEW BUSINESS CULTURE

Sustainable, well managed and profitable businesses must actively support the principles of liberal democracy on which they depend: The Rule of Law, Legal Equality, Political Freedom, and Human Rights. In 2021, businesses must include in their Purpose Statements specific commitments to tackle inequality, address climate change, and move to a circular economy-- in recognition of the finite ecological limits of the natural world, which they must strive to protect in order for them to survive.

The backbone of this Charter is business' commitment to the UN's 17 Sustainable Development Goals and the ten principles of the Global Compact. Their achievement necessitates intra-business as well as business and government collaboration. Multiple stakeholders should be brought in at every stage of the decision-making process.

Recent geopolitical, social, and economic development have brought to the forefront the 50-year lingering issue on inequality. Its persistence threatens not only business' purpose to invest, innovate, and create jobs but, more fundamentally, the functioning of democracy and its institutions: the acceptance of free democratic elections, the rule of law and unalienable human rights.

There is thus a moral as well as an economic reason for business to lead by example and join this fight against inequality and for democracy, not merely by conforming to the status quo but even more by pro-actively and meaningfully caring for The Open Society.

To address the issue of inequality, in a necessary conjunction with the related global challenges of accelerating climate change, rising migration, and the recurrence of pandemics, the business community must adopt a new set of values and implement them with a new unique sense of purpose that will transcend all of its levels and influence all of its actions.

There are three main critically radical issues, three areas where the Athens Charter for Business differs from, indeed departs from all other charters that have been put forward in the past:

- Short-term profit maximization to be replaced by long-term value maximization as the business' primary aim, overriding all else.
- The end result of all actions must have an impact on addressing the issue of inequality, which thus gains primacy in the implementation of SDGs.
- The total commitment of the entire company, thus addressing the intergenerational gap

The current state of affairs – where greenwashing goes along with genuine commitment, and where the adoption of single option action like the reduction of carbon emissions puts all other pressing issues on the back-burner—is hardly in line with the pressing needs of our common political, social, and economic challenges.

The adoption of The Athens Charter for Business implies a cultural shift – which will inevitably meet with obstacles and delays—as is always the case when current values are upended, and an

alternative vision tries to take hold. It rests upon business leadership to install the sense of urgency in its decision-making process as well as in the implementation of its actions.

We, the undersigned, recognize the above truth and commit to the following

“THE TEN PRINCIPLES”

1. **Declaration of Purpose:** The company will create a written purpose statement and adopt governance structures to deliver and report on its performance against it. The company's Purpose must include addressing inequality in its own operations, in its stakeholder relationships, and in society. Stakeholders will be involved in reviewing the Purpose Statement.
2. **Accountability to Purpose:** The company will commit to profitably deliver positive impact, to be accountable and transparent in its tax reporting and company structures and to report publicly and openly on its successes and failures in its reports.
3. **Commitment to change:** An all-inclusive and inter-generational leadership will commit to the company's unique mission. The Board will come on board and accept its responsibility to create sustainability and impact.
4. **Commitment to educate:** A process of organizationally transcendental education will be initiated to enable the cultural change to take roots in the entire organization, also leading to the abandonment of bad habits.
5. **Commitment to Collaborate:** The company will agree to collaborate, share knowledge and ideas to achieve sustainability at a faster pace through collaboration with company's clients, external and internal stakeholders, and other businesses and relevant state and government entities.
6. **Commitment to transparency:** The company undertakes to reflect direct or indirect state funding, if any, in its price structure, except in cases where such funding aims to compensate for negative externalities outside the company's remit. The company commits to develop means and procedures so as to integrate financial with non-financial reporting within the period of the next decade, in a way that will incorporate all externalities in its balance sheet.
7. **ESG Standards:** The company undertakes to participate in the development and adoption of globally recognized ESG industry standards and report annually on progress regarding their quantification, integration in financial reporting and impact on the stock market.
8. **Long-term value:** For the company's mission to have a meaningful impact, a minimum three-year time horizon will be adopted for the implementation of the purpose statement, which will then be renewed and/or amended as necessary.
9. **Stakeholders and Community Participation:** Stakeholders, local authorities and their citizens will be necessarily involved and share in the tangible benefits, thus creating a multistakeholder operational framework.
10. **Value Chains:** The company takes responsibility over de-risking its value chains to mitigate environmental and social risks, including the commitment to change its internal and external

operations to achieve the science-based target of limiting average global warming to 1.5°C by 2050.