



goodcorporation

## The GoodCorporation Standard

(Revised July 2010)

The GoodCorporation Standard is based on a core set of principles that define a framework for responsible management in any type of organisation. Under each principle, the Standard sets out management practices that can be assessed to determine how well the organisation works in reality. GoodCorporation uses an independent assessment process that looks at four levels of evidence for each individual practice and assesses them against a five-point scale.

### The assessor checks

**that a fair policy exists**

policy documents are reviewed

**that a system is in place to implement the policy**

systems are examined

**that records exist which show that the system works in practice**

a sample of records is reviewed

**that stakeholders, when asked, agree that the system works and is fair**

interviews are held with employees, customers, suppliers, shareholders, community and environmental groups

### The assessor awards grades

**fail**

there is no policy or system, or it has largely broken down

**minor non-compliance**

there is a policy and system but it is not always working

**observation**

there is a policy and system that works but potential improvements have been identified

**merit**

the policy and system work well

**commendation**

the policy and system are examples of best practice

Any organisation can undergo an assessment and those that demonstrate working policies and practices in every area set out in the Standard will attain GoodCorporation Accreditation.

In all cases, an assessment report is provided setting out the evidence presented, the assessment grade awarded for each practice, and commentary on potential improvements.

An independent Accreditation Council approves all assessment reports and deals with any disputes regarding assessments.

The GoodCorporation Standard was established in June 2001 and developed in partnership with the Institute of Business Ethics. The Standard is reviewed and updated every three years.

This document is the third revision to the Standard, released in July 2010.



# The GoodCorporation principles and assessed practices

*While the organisation is accountable to its shareholders (or equivalent for not-for-profit organisations), it takes into account the interests of all its stakeholders including employees, customers and suppliers as well as the community and environment in which it operates. The organisation aims to achieve clarity, fairness and effectiveness in the setting of policies and procedures, and it respects human rights as defined by the United Nations Global Compact and the Universal Declaration of Human Rights.*

## 1. Employees

*The organisation provides clear and fair terms of employment.*

- EMP1: There are clear employment terms and conditions for all employees.
- EMP2: There is a process to ensure that the privacy of employee data is respected.
- EMP3: There is a clear disciplinary procedure that is applied fairly.
- EMP4: There is an effective process to deal with employee complaints and grievances.
- EMP5: Freedom of association and organisation of employees is respected.
- EMP6: There are effective employee communication and consultation processes.
- EMP7: There is a process to monitor compliance with relevant employment laws and regulations.
- EMP8: In the event of significant redundancies, there is mitigation of the adverse impact on employees.
- EMP9: There is a process for ensuring that contracted or agency workers have fair terms and conditions.

*The organisation provides clean, healthy and safe working conditions.*

- EMP10: There are procedures to ensure the provision of a healthy and safe working environment and the continuous improvement of health and safety performance.
- EMP11: There are processes to provide adequate resources and training for the provision of a healthy and safe working environment.

*The organisation has a fair remuneration policy everywhere it operates.*

- EMP12: There is a process to ensure that employees know and understand how and when their pay and benefits, including bonuses and pensions, are determined.
- EMP13: Local cost of living and market rates are taken into account when setting pay and benefits.

*The organisation strives for equality and diversity for all present and potential employees. It does not discriminate on the grounds of disability, colour, ethnic origin, gender, sexual orientation, age, religion, political or other opinions.*

- EMP14: The organisation encourages diversity and recruits, promotes and rewards employees on the basis of merit alone.

*The organisation encourages employees to develop skills and progress in their careers.*

- EMP15: Employees have appropriate training, learning and development opportunities to support their work and career progression.
- EMP16: Employees have regular performance reviews that set objectives and consider skills development and career prospects.

*The organisation does not tolerate any sexual, physical or mental harassment or bullying of its employees.*

- EMP17: There is a process to ensure that no forms of harassment, bullying or discrimination are tolerated.

*The organisation employs only voluntary and appropriately aged employees.*

- EMP18: There is a policy not to employ forced, bonded or otherwise exploited labour.
- EMP19: There are processes to ensure that employment practices for young people follow internationally accepted standards.

## 2. Customers

*The organisation is honest and fair in its relationships with its customers.*

- CUS1: Terms of business with customers are clear and respected.
- CUS2: Customers' personal and confidential information and intellectual property are protected and used only in ways explicitly agreed.

- CUS3: The organisation ensures that none of its advertising, public statements and customer information is misleading or causes public offence.
- CUS4: There is a process for acknowledging and resolving customer complaints and comments.
- CUS5: The organisation regularly seeks and uses customer feedback.
- CUS6: The organisation competes fairly and takes measures to prevent anti-competitive behaviour.

*The organisation provides the products and services to the standards that have been agreed.*

- CUS7: The specification of products and services is clear, including, where appropriate, quality, total cost, delivery charges and timescales for delivery.
- CUS8: The organisation's after-sales obligations are clearly stated and met.
- CUS9: There is a process to protect the interests of vulnerable consumer groups.

*The organisation takes all reasonable steps to ensure the safety of the products and services it provides.*

- CUS10: There are processes to protect the health and safety of customers using the organisation's products and services.

*The organisation does not engage in bribery or corruption.*

- CUS11: There is a process to ensure that there are no forms of bribery or corruption in relation to customers.

### 3. Suppliers and Contractors

*Where an organisation has joint venture partners, the assessment will contain a separate partner section that will include all the points found here in the supplier section.*

*The organisation is honest and fair in its relationships with its suppliers and contractors.*

- SUP1: There are clear and transparent processes for selecting suppliers and contractors and renewing contracts.
- SUP2: Terms of business with suppliers and contractors are clear and respected.
- SUP3: Personal and confidential information received from suppliers and contractors is protected and used only in ways explicitly agreed.

- SUP4: Intellectual property, such as copyrights, trademarks, patents or software, belonging to suppliers or contractors is used only with their explicit permission.

- SUP5: There is a process for acknowledging and responding to supplier and contractor complaints and comments.

- SUP6: Supplier and contractor feedback is taken into account in managing supplier relationships.

*The organisation pays suppliers and contractors in accordance with agreed terms.*

- SUP7: There is a process to ensure that all suppliers and contractors are routinely paid in accordance with agreed terms.

*The organisation does not engage in bribery or corruption.*

- SUP8: There is a process to ensure that there are no forms of bribery or corruption in relation to suppliers and contractors.

*The organisation encourages suppliers and contractors to adopt responsible business practices.*

- SUP9: There is a process in place to inform suppliers and contractors about the organisation's responsible business practices and to encourage them to abide by equivalent principles.

- SUP10: The organisation manages the employment, environmental and ethical risks in its supply chain.

- SUP11: The organisation ensures that contractors working on its behalf follow responsible health, safety, labour and environmental practices.

### 4. Community

*The organisation contributes to making the communities in which it operates better places to live and do business.*

- COM1: Where activities have a potentially significant impact on the community, the company has a process to minimise the negative impacts.
- COM2: There is a process in place to deal with enquiries and complaints from members of the local or national community.
- COM3: There is a programme of support for community projects and activities that is appropriate to the organisation and the needs of the community.

*The organisation is sensitive to the local community's cultural, social and economic needs.*

- COM4: The organisation engages in meaningful dialogue with the community where there are concerns about its products, services or operations.
- COM5: The organisation works in a constructive way to satisfy the requirements of bodies responsible for regulating its activities.
- COM6: There is a process to ensure that risks to public safety resulting from the organisation's products and operations are minimised.

*The organisation conducts itself in a responsible and neutral manner in the affairs of the countries in which it operates.*

- COM7: There is a process to ensure that any lobbying activities are conducted in a responsible manner.
- COM8: There is a process to ensure that there are no forms of bribery or corruption in relation to public officials and public bodies.
- COM9: The organisation ensures that it remains politically neutral in all countries in which it operates.

## 5. Environment

*The organisation protects the environment in terms of its use of resources and minimisation of waste and pollution.*

- ENV1: The organisation identifies and measures the impacts of its operations and products on the local and global environment, including climate change.
- ENV2: The organisation monitors and continuously reduces its environmental impacts.
- ENV3: There is a process to monitor compliance with environmental regulations and industry-specific codes of practice.
- ENV4: There is a process to encourage employees and contractors working on the organisation's behalf to participate actively in environmental protection.
- ENV5: Where appropriate, there is a process to encourage environmentally responsible use and disposal of products.

## 6. Shareholders or equivalent

*The organisation is financially accountable to its shareholders (or equivalent) and communicates to them all matters material to the organisation.*

- SHA1: There is a regular report that provides shareholders with a clear understanding of the organisation's finances and operations.
- SHA2: Relevant material issues are disclosed to all shareholders in a timely fashion.
- SHA3: As appropriate, the organisation's strategy and prospects are clearly communicated.

*The organisation protects shareholders' funds, manages risks and ensures that funds are used as agreed.*

- SHA4: There are procedures to guard against insider trading and misappropriation of information.

*The organisation communicates to shareholders (or equivalent) all matters that are material to an understanding of its corporate governance.*

- SHA5: There is a process to review corporate governance to assess compliance with relevant local codes.
- SHA6: The principles and practices of corporate governance are clearly communicated to shareholders and variances from relevant codes are explained.
- SHA7: There is a process to deal with queries and complaints from shareholders regarding corporate governance.

## 7. Management commitment

*Management ensures that the organisation conforms to the letter and spirit of this Standard.*

- MAN1: The responsibility for adhering to this Standard rests with the senior management team.
- MAN2: There is a process to ensure that significant financial and non-financial risks are assessed and there are appropriate controls in place to manage them.
- MAN3: The organisation has a process to manage internal and external conflicts of interest.
- MAN4: Confidential reporting channels are in place where appropriate.