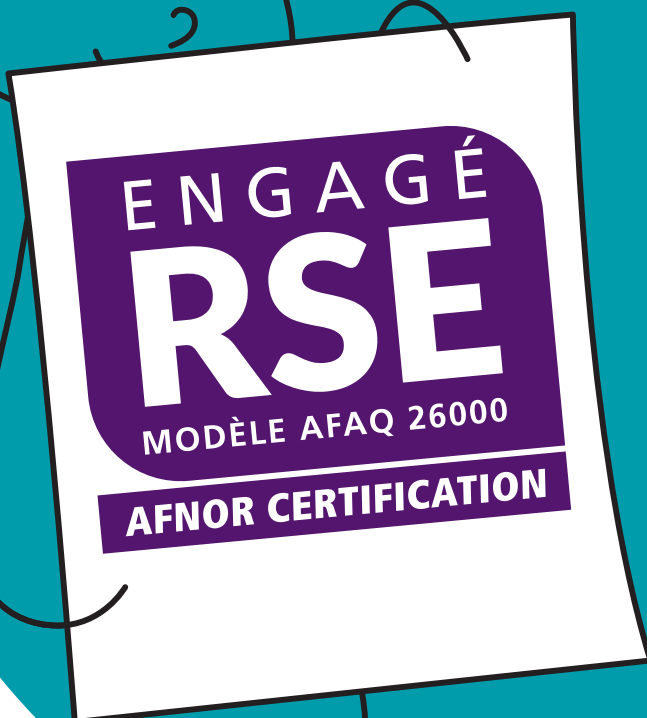


GUIDE TO THE CSR COMMITMENT LABEL

INSIGHT INTO THE

ASSESSMENT MODEL





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MEASURE YOUR STRATEGY NOW AND PREPARE FOR TOMORROW

Today's observers cannot fail to be delighted that corporate social responsibility has spread beyond the realms of the small circle of organizations that acted on their convictions by venturing down the CSR road over 10 years ago. Nowadays, it is no longer a question of "So who's made a start with CSR?" but rather "Why haven't you incorporated CSR yet?"

There is every likelihood that this underlying trend will gain traction under the growing weight of new regulations. France is a prime example with its law on due diligence, its Bribery Act and a draft bill on measures for enabling business growth and transformation, as well as non-financial reporting obligations that organizations must already incorporate into their business processes. The United Nation's 2030 Agenda (17 Sustainable Development Goals and 3 commitments), which became effective on 1 January 2016, also ushers in a new set of universal goals by which organizations can help transform our world. The wide-ranging Agenda is a plan of action for people.

If you are reading this guide, it means that social responsibility has reached the top of your organization's priority list. Congratulations are in order! You can count on our support and assistance in putting a relevant and effective strategy into action.

Social responsibility is such a vast subject.

As such, 2010 represents a milestone in the CSR history books, since it saw the inaugural release of an international standard that defined a framework and set of guidelines for corporate social responsibility. ISO 26000 was thus born. Featuring seven key principles, known as "core subjects", this voluntary standard offers organizations in every country a number of pointers for finding their bearings as they start thinking long and hard about their action plan for incorporating social responsibility. It prompts companies to take an in-depth look at their organizational structure and the way to deploy an effective strategy.

ISO 26000 may be a landmark in all matters of social responsibility, but it is still a generic, one size-fits-all guide. **So how do you address the sheer extent of the environmental, social and governance challenges facing your own organization? How do you identify which actions should be your top priorities? How do you determine whether your business practices are relevant? The answer is a third-party assessment.**



Agreeing to open your doors to a social responsibility expert is an invaluable step towards gaining a rare insight into your company's performance by taking a critical look at your business practices and the very foundations of your development policy. An assessment allows you to step back and think objectively about the directions in which you wish to grow your business, while ensuring your organization's long-term prospects and improving your contribution to sustainable development.

As part of its determination to help organizations measure the relevance and maturity of their practices, AFNOR Certification can draw on its assessment methodology and expertise, with a solid track record of over 10 years of delivering assessment services to nearly 600 organizations of all sizes in every sector of industry.

AFNOR Certification is proud to bring together and engage a community of over 400 companies in France and abroad with the CSR Commitment Label. **Joining this community is your passport to being part of a network of organizations that champion the same values, with the prospect of discussions between operations staff, comparing your strategies, projects and actions, benchmarking your KPIs and the indicators used to measure the means and resources implemented to achieve your objectives, disseminating feedback and disclosing the obstacles and keys to success... all of which with the aim of moving forward together.**

This community regularly comes together during workshops focusing on a number of different themes (CSR, circular economy, sustainable procurement, SDGs, biodiversity and so on), as well as during regional club meetings. Once a year, the AFNOR Group invites community members to its CSR Commitment Annual National Meeting alongside its network of CSR experts and its business and institutional partners (ministries, ADEME, Orée, Comité 21, Global Compact, etc.).

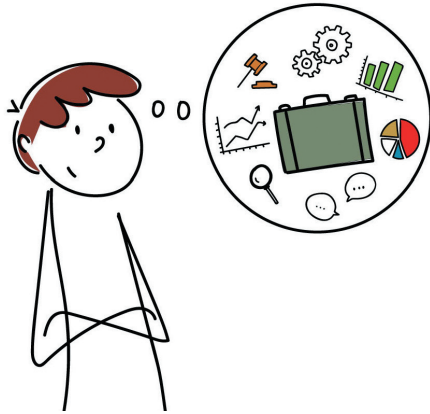
So what are you waiting for? Now is the time to take action. Join the "CSR Commitment" community.

DISCOVERING THE CSR COMMITMENT ASSESSMENT MODEL

Choosing to make a CSR Commitment sends out a strong signal that your organization takes responsibility for the consequences of its decisions and commits to sustainable processes and activities.

The CSR Commitment Label assesses the extent to which an organization has incorporated ISO 26000 into its strategy and management, while evaluating its maturity in terms of social responsibility and sustainable development.

The Label was initially modelled on ISO 26000, the only international standard to provide social responsibility guidance and international norms of behaviour to all types of organizations (businesses, associations, local authorities, NGOs, trade unions, etc.), irrespective of their size, sector of activity and issues. In addition, the standard complies with such milestone documents as the Universal Declaration of Human Rights and the International Labour Organization Conventions.



Seven principles of social responsibility

To effectively approach and practice social responsibility, organizations should respect the following seven principles:

- ① **Accountability:** an organization should be accountable for its impacts on society, the economy and the environment.
- ② **Transparency:** an organization should be transparent in its decisions and activities that impact on society and the environment.
- ③ **Ethical behaviour:** an organization's behaviour should be based on the values of honesty, equity and integrity.
- ④ **Respect for stakeholder interests:** an organization should respect, consider and respond to the interests of its stakeholders.
- ⑤ **Respect for the rule of law:** an organization should comply with all applicable laws and regulations.
- ⑥ **Respect for international norms of behaviour;** while adhering to the principle of respect for the rule of law.
- ⑦ **Respect for human rights:** an organization should respect human rights and recognize both their importance and the universality.

Seven core subjects of ISO 26000

To define the scope of its social responsibility, identify relevant issues and set its priorities, an organization should address the following seven core subjects:

- ① **Organizational governance:** a system by which an organization makes and implements decisions in pursuit of its objectives.
- ② **Human rights:** these basic rights can be divided into two broad categories: civil and political rights (right to life and liberty, equality before the law and freedom of expression), and economic, social and cultural rights.
- ③ **Labour practices:** encompass all policies and practices relating to work performed within an organization.
- ④ **Environment:** the decisions and activities of organizations invariably have an impact on the environment, no matter where the organizations are located. These impacts may be associated with the organization's use of resources, the location of the activities of the organization, and the generation of pollution (water, air and soil) and wastes.
- ⑤ **Fair operating practices:** concern ethical conduct in an organization's dealings with other organizations (government agencies, partners, suppliers, contractors, customers, competitors, associations, etc.) and the way an organization uses its relationships with other organizations to promote positive outcomes.
- ⑥ **Consumer issues:** organizations that provide products and services to consumers have responsibilities to those consumers, including education, awareness, sustainable consumption and accessibility of products and services.
- ⑦ **Community involvement and development:** involvement in the community, integration of local people in the value chain and contribution to the community's development are an integral part of the organization's social responsibility.

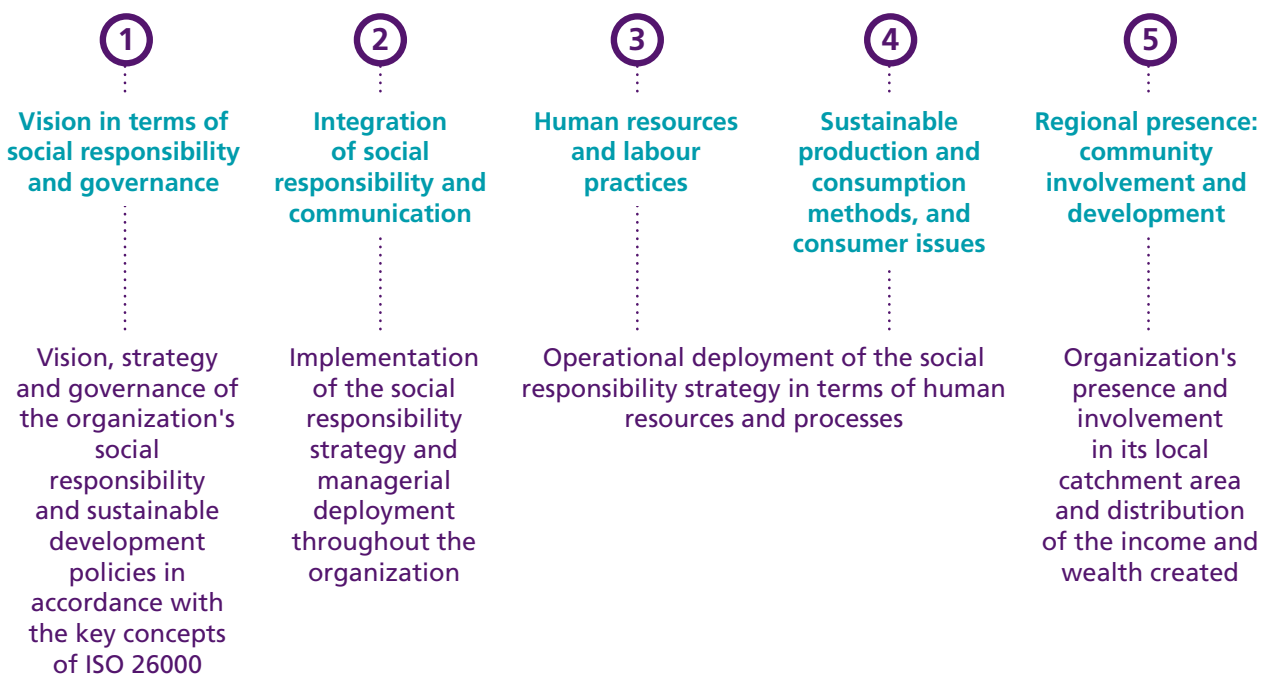
EIGHT CHAPTERS FOR ASSESSING THE INTEGRATION OF SOCIAL RESPONSIBILITY

The eight chapters in the CSR Commitment assessment model

The decision was deliberately taken to avoid basing the CSR Commitment model on the same structure as the ISO 26000 standard (i.e. seven CSR principles divided into seven core subjects, each of which containing a single criterion and/or specific issues). The seven principles and their associated core subjects cut across the entire CSR approach and represent the organization's fundamental values.

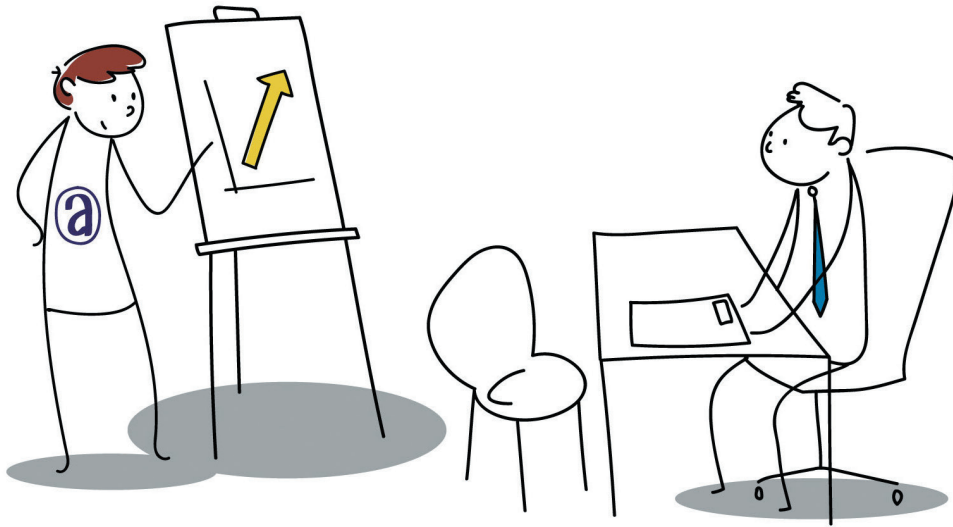
In an effort to reflect the real operational issues facing any organization, the CSR Commitment model has been arranged into five chapters of practices, and three chapters of results. In all, there are no less than 54 criteria encompassing all the social responsibility principles, core subjects and guidelines for integrating social responsibility throughout an organization in accordance with ISO 26000.

5 chapters of strategic, managerial and operational practices

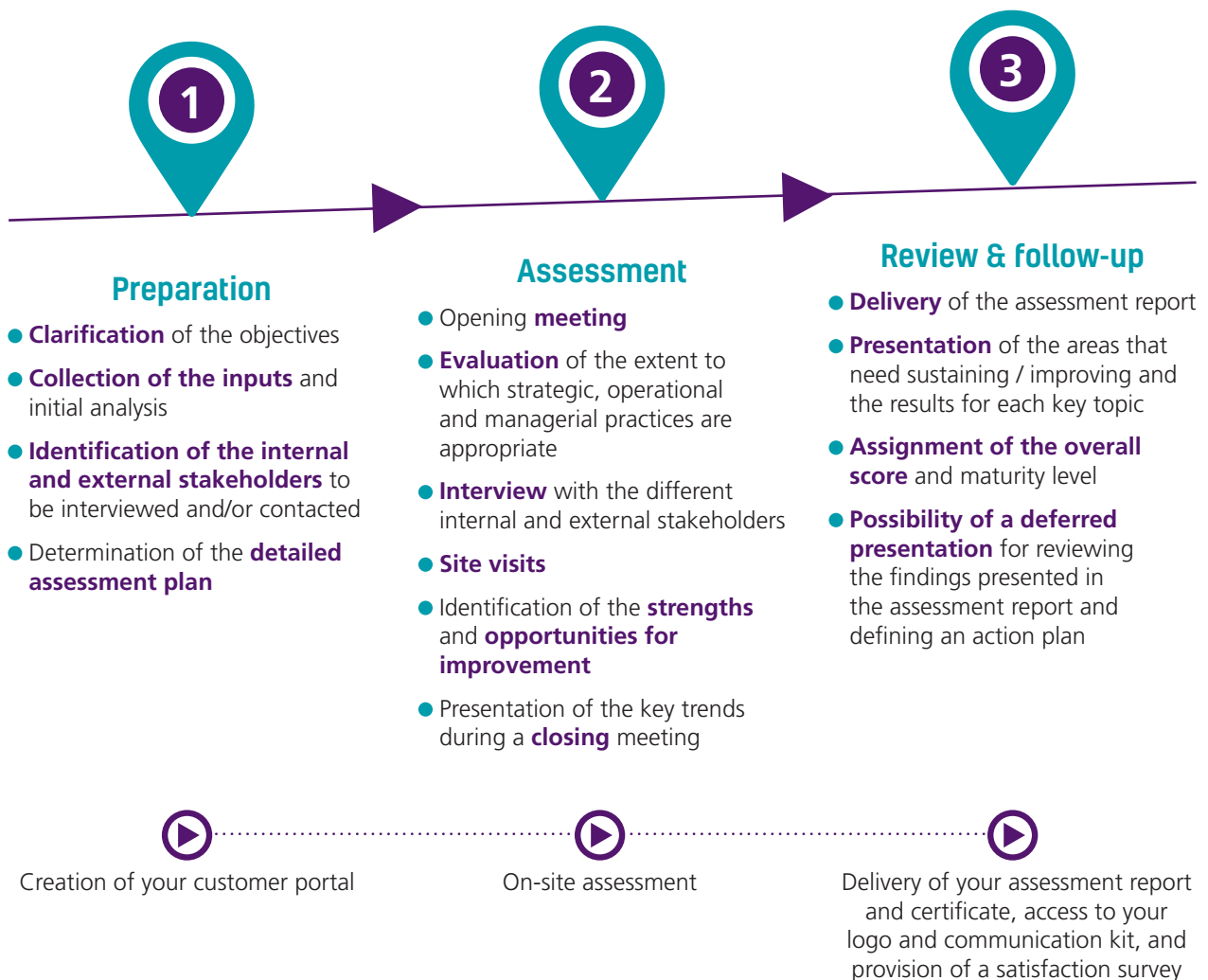


3 chapters of results





A THREE-STEP ASSESSMENT





Preparation

Preparation plays a major part in creating the added value of the CSR Commitment assessment, since this phase identifies and clarifies the purposes of the assessment process with the organization's executive officers.

Examples of the organization's assessment objectives:

- Carry out an in-depth audit of the extent to which CSR has been integrated into the company
- Obtain an external insight and appraisal into the organization's CSR performance with the aim of identifying new opportunities for improvement in keeping with its own strategy
- Create greater awareness of the necessary changes among the organization's employees
- Implement an internal or external system for benchmarking practices and results
- Demonstrate the organization's CSR commitment to customers, prospects and other stakeholders
- Improve and structure internal and/or external communication for stakeholders

If on-site preparation is required (one day is the ideal time for effective preparation), arrangements can be made for a remote preparation process to suit the organization's availability / time constraints.

Preparation involves working together with the organization's senior executives to define the most appropriate methods for evaluating its practices and management tools and thereby create an assessment plan incorporating the different internal and external stakeholders to be interviewed during the assessment.

During this particular phase, the assessor will collect a certain amount of information to identify the organization's main characteristics and key challenges.

Examples of documents collected:

- The strategy and policy of the organization undertaking the assessment
- General information on the organization (affiliation with a group, organization chart, documents presenting and describing its business activities, and so on)
- Compilation of the company's KPIs (apart from exceptional circumstances, results must cover a sufficient period for revealing trends)
- The different management-related documents (process map where applicable, documents concerning internal and external communication, etc.)

The stakeholders to be interviewed during the assessment are identified in direct liaison with the organization's senior executives. Identification is a two-step process:

- Identification of internal stakeholders: all executive officers (CFO, CHRO, etc.), employees and their representatives (personnel representatives, OH&S Committee members, etc.) and shareholders. These stakeholders are met in person during the evaluation as agreed in the assessment plan.

- Identification of external stakeholders: our recommendation is to contact no fewer than five external stakeholders who are relevant to the organization's activities and location (customers, suppliers, French regional office for industry, research and the environment, occupational medical officer, ADEME, residents' associations, employment inclusion associations, training networks, firefighting services, local authorities, etc.). Stakeholders are either contacted by telephone or interviewed during the on-site assessment (such as part of a working lunch).

Lastly, the preparation stage is also the ideal opportunity to discuss the terms for presenting the results with the executive officers by identifying the audience to which the assessment findings can be issued. The organization may also opt for a later, more detailed presentation (containing all the scores for each practice and performance area) in front of a select audience (management committee, all personnel, external stakeholders, and so on) according to the aims pursued by the senior executives.



Assessment

The assessor carries out a factual examination of the areas that need sustaining and improving before attributing a score for each practice criterion in the assessment model.

The assessor will be required to interview the different stakeholders when looking for factual examples to support the planning, implementation, deployment, measurement and improvement of the practices covered by the CSR Commitment model.

When determining the score for the different results criteria in the CSR Commitment model, the assessor also examines the extent to which indicators are relevant to the organization's challenges, the extent to which objectives have been achieved, the underlying trends and a comparison with external data.

Since the assessment is carried out over a period of several days, the assessor may organize ad hoc sessions to clear up any uncertainties and simplify the closing meeting during which the results will be presented.



Review and follow-up

Assessors also spend a certain amount of time away from the site to prepare the assessment report, consolidate the overall score and organize the closing meeting.

During the closing meeting, they present the organization's strengths and opportunities for improvement according to the five chapters of practices and the three chapters of results. Assessors also give the overall score and the corresponding level of maturity.

For each of the criteria, they present the hallmarks of the organization's strategy and its level of maturity in terms of social responsibility. They also provide a list of recommendations for the practices that need sustaining and/or improving.

Assessors take account of the organization's discussions and feedback during the closing meeting in their final assessment report. Once completed, they send the report to AFNOR Certification's customer account manager, who subsequently sends the report to the organization undertaking the assessment.

Eighteen months after the initial assessment, assessors return to the site for a follow-up evaluation. The follow-up is shorter than the initial assessment and is aimed at ensuring that the organization is continuing to actively pursue its CSR strategy. Assessors focus on the key facts that emerged from the initial assessment and help the organization review its current initiatives and think about other actions in response to their latest recommendations. A follow-up report is issued to supplement the initial assessment report. The follow-up assessment does not lead to a new score (option 1), unless requested by the organization (option 2). In this case, the duration of the follow-up assessment will be the same as the initial assessment, since all the CSR Commitment criteria need to be re-examined so that the organization can achieve a higher maturity level, provided that practices have improved.

A CLOSER LOOK AT THE CSR COMMITMENT ASSESSMENT REPORT

The assessment report is a real strategic asset for managing the organization's CSR policy by offering an overview of its CSR maturity level and a closer insight into its performance for each of the chapters in the CSR Commitment model. In addition, a cross-reference table allows the organization to determine its level of contribution towards several other standards, including GRI Standards, the 17 SDGs and their 169 targets, the Ten Principles of the Global Compact, the requirements for non-financial performance reporting (Article L.225-102-1 III of the French Commercial Code), and obviously ISO 26000:



A UNIQUE GRADING AND SCORING SYSTEM

To verify that the organization has embarked on a consistent and sustainable social responsibility strategy, assessors use a scoring system influenced by the continual improvement philosophy inherent in the PDCA concept (Plan, Do, Check and Act).

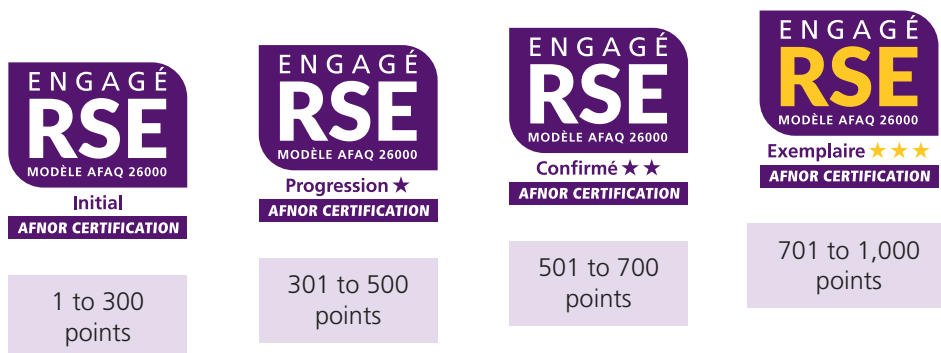
Assessors ensure that criteria are analyzed as part of a planned approach before they are subsequently deployed, evaluated and finally reviewed for improvement purposes. A score is calculated for each criterion according to the company's managerial and operational practices at each of the stages in the PDCA cycle.

The link of cause and effect between practices and results is **always scrutinized**.

Once every criterion has been scored, the average is calculated for each chapter. The total of all the scores results in a value out of 1,000 points, which reflects the CSR Commitment maturity level. Although the score may be disseminated within the organization to incentivize the teams to improve their performance and engage with the process, the score may not be disclosed to external third parties.

Once the assessment has been endorsed by AFNOR Certification, the certified organization can then inform its stakeholders of its maturity level.

It will be awarded one of the four logos below, depending on its CSR maturity level:



For the different levels (with the exception of the “Initial” level), the certified organization can use the corresponding CSR Commitment logo for 36 months both inside and outside the company, provided that it carries out a follow-up assessment 18 months after the initial assessment. In other words, the CSR Commitment Label is valid for three years (36 months) as from the initial assessment. With the “Initial” level, the logo may only be used for internal communication purposes.

CSR COMMITMENT LABEL: A STRATEGIC CHOICE

PARALLELS BETWEEN THE CSR COMMITMENT ASSESSMENT MODEL AND THE MAIN INTERNATIONAL STANDARDS ON SUSTAINABLE DEVELOPMENT

In 2018, efforts focused on correlating the different criteria of the original model with the main international standards on sustainable development with the aim of giving greater consideration to the needs of organizations undertaking the assessment and offering them a service to dovetail with the assessment into the maturity of their CSR strategy:

Thanks to all these links, **organizations can use the results of their CSR Commitment assessment to identify and/or align with the other standards and binding regulatory obligations (hard law) or which are expected by their stakeholders (soft law).**



GRI Standards

Many organizations currently refer to the GRI Standards (Global Reporting Initiative) when producing their reports (CSR, sustainable development and sustainable performance) on the economic, social and environmental aspects of their business activities. With this observation in mind, **AFNOR Certification has revised its assessment report in such a way that it can guide and assist businesses when producing reports in keeping with the guidelines of the GRI Standards.** By way of an example, for each of the CSR Commitment assessment criteria, a parallel is made with the performance indicators in the GRI Standards to help organizations highlight their practices and results.



SDGs (Sustainable Development Goals)

The 17 SDGs and their 169 targets, or sub-goals, form the backbone of the [2030 Agenda](#) adopted by the United Nations on 25 September 2015. The SDGs build on the commitments made by the international community to promote sustainable development (Agenda 21, millennium development goals to eradicate extreme poverty, COP 21, etc.). In response to the emergencies facing our planet, the 2030 Agenda defines a number of SDGs covering all development issues in every country, such as the climate, biodiversity, energy, water, poverty, gender equality, economic prosperity, peace, agriculture and education.

Since every organization is concerned by the SDGs, it must be capable of demonstrating its maturity level and contribution towards the goals. Therefore, AFNOR Certification has formally established **links between the criteria of the CSR Commitment Label and the SDGs. The CSR Commitment assessment reflects the organization's contribution towards the achievement of the SDGs and their targets.**

Ten Principles of the Global Compact

The United Nations launched the Global Compact initiative in 2000 with the aim of encouraging organizations around the world to embrace a socially responsible attitude by agreeing to integrate 10 principles into their strategy. In 2018, AFNOR Certification and Global Compact France brokered a partnership to lead a series of joint actions to promote social responsibility within organizations. By formally mapping the criteria of the CSR Commitment model to the Ten Principles of the Global Compact, **the CSR Commitment assessment aids companies when producing their CoP (Communication on Progress)**, which is an annual report that must be published to provide information to stakeholders as part of the Global Compact. Conversely, organizations signing the Ten Principles of the Global Compact can easily promote their actions as part of a CSR Commitment Label assessment.



New regulations governing non-financial reporting

In France, non-financial reporting regulations changed in 2017 when the European Directive of 22 October 2014 on the disclosure of non-financial information was incorporated into French law. Legally speaking, the Directive amends the articles in the Commercial Code that were initially established by Article 225 of the Grenelle II environmental law and its implementing decree of 2012. In practical terms, the Grenelle II provision is replaced by an article that requires companies to present a "non-financial performance statement" for all financial years from 1 September 2017. Organizations subject to the regulation are no longer required to produce a specific list of CSR information that is the same for every company, but a more "personalized" statement presenting its business model, the key risks for the main non-financial topics, the policies and measures implemented to address such risks, and their results and key performance indicators. By formally establishing links between the sub-criteria of the CSR Commitment model and the requirements of the new non-financial reporting provisions, **the CSR Commitment assessment aids companies when completing their non-financial performance statement.**

A SYSTEM FOR STRATEGICALLY ANALYZING AND ADOPTING CSR ISSUES

The assessment allows companies to submit their organizational structure and practices to the scrutiny of an external assessor specializing in social responsibility. The questions that naturally stem from the assessment model and the assessor's comments help reveal new avenues of investigation and prompt organizations to consider their activities from a different angle, irrespective of their level of commitment. The assessment draws the organization's attention to what it does and also how it does it.

In many cases, an assessment also represents the ideal opportunity to train and clue employees into sustainable development issues.

A SYSTEM FOR EMPOWERING EMPLOYEES

Organizations undertaking the assessment consider the CSR Commitment model to be a tremendously powerful tool for engaging and mobilizing the workforce. Recognition from a recognized external third party confirms that the organization has taken the right strategic action. Such endorsement also gives due credit to the efforts made by the workforce and engages all employees with a meaningful project that embodies the company's values. An assessment is an opportunity to identify, list, highlight and share the best (and not so best) practices of each internal stakeholder (entities, departments, employees, etc.). Internal and external benchmarking often becomes one of the company's leading concerns when embarking on an assessment.

A MANAGEMENT TOOL FOR BUILDING, STRUCTURING AND DRIVING THE STRATEGY

The CSR Commitment model is compatible with the organization's legacy management systems and brings greater structure to its CSR strategy, regardless of its maturity level. For companies taking their first steps down the CSR road, the model serves as a blueprint for crafting their strategy and building an action plan to achieve their objectives. In particular, it improves how they define their challenges and how they identify, consider and analyze interested parties' expectations. For companies that have already ventured some distance down that same CSR road, the model endorses their strategy while uncovering new opportunities for improvement.

The report that is issued at the end of the assessment is a real asset for senior management, since it reveals potential actions that are both relevant and consistent with the company's strategic business objectives. It serves as a gateway to implementing a continual improvement process and brings the organization one step closer to reaching exemplary status in its CSR endeavours.

A SYSTEM FOR GIVING THE STRATEGY GREATER EXPOSURE AND CREDIBILITY

Assessed organizations confirm that recognition from a third-party expert brings even greater credibility to their strategy. The innovative aspect of the assessment service allows companies to stand out from the competition by sending out a strong signal of their commitment to social responsibility. Finally, the assessor's interviews with interested parties and the assessment report simplify and strengthen the relationship of trust with the organization's different stakeholders.

The label enhances the company's social responsibility credentials and promotes its efforts among all its stakeholders. The CSR Commitment Label gives the organization a clear edge over the competition when bidding on public or private contracts, with a growing number of contracting authorities now requiring evidence of a tangible and well-established commitment to social responsibility.

A NETWORK OF CSR EXPERTS FOR PERFORMING ASSESSMENTS

The strength of the CSR Commitment model lies in the skills and expert knowledge demonstrated by all the CSR Commitment assessors, who draw strength from their passion for sustainable development and strive every day to spread the principles of social responsibility among all the organizations assessed by AFNOR Certification.

Since the CSR Commitment model is voluntary-based, assessors possess the necessary skills and expertise to evaluate the relevance of the organization's practices, their level of deployment and the extent to which results have been achieved. The qualities required are the same as those for AFNOR Certification's auditors, namely the ability to listen, empathy, rigour, impartiality and deductive skills. The model also calls for diplomacy and teaching skills.

AFNOR Certification calls on auditors with sound and proven expertise and experience in sustainable development. Experts with appropriate and complementary profiles, but who are not ISO auditors, are also included in the pool of CSR Commitment assessors. Most are CSR and sustainable development consultants or CHROs, CSOs, CPOs, etc.

The assessment team features complementary profiles

Lead assessors encourage open discussions and ensure that the team examines all the criteria in the model. They incorporate PDCA principles when analyzing the organization's practices and results. Assessors play an "all-encompassing" role, i.e. they make sure that all the criteria are examined. They identify the points that need sustaining and the points that need improving, and their objective approach complements the lead assessor's line of enquiry and expertise.

The assessment plan draws on the synergistic skills of both profiles (for organizations with over 50 employees) and reduces the time that they need to spend examining the criteria.

AFNOR Competencies offers a qualification-based training course for CSR Commitment assessors. The course provides an expert insight into the CSR Commitment model and helps assessors become proficient in using the required analytical and assessment tools. Training aims to harmonize assessment practices among CSR Commitment assessors, which simplifies the benchmarking process coveted by evaluated organizations.

THE CSR COMMITMENT ASSESSMENT MODEL: WHAT DO THE CRITERIA CONTAIN AND HOW ARE THEY ASSESSED?



Assessment of practices

For each of the **five chapters of practices** in the assessment model, a generic presentation will be given of the different issues covered. For each of the **assessment criteria**, this guide provides a list of examples of the issues that need to be addressed by the organization. This list is by no means exhaustive, and the examples are given for information only. They are aimed at guiding organizations as they think about their CSR strategy by helping them ask the right questions and ensure that they clearly understand each of the criteria in the CSR Commitment model.

CHAPTER 1

VISION IN TERMS OF SOCIAL RESPONSIBILITY AND GOVERNANCE

This is the key chapter in the CSR Commitment assessment model. Assessors evaluate the vision, strategy and governance of the organization's social responsibility and sustainable development policies in accordance with the key concepts of ISO 26000. The idea is to **determine the consistency and relevance of the practices that the organization proposes and deploys** (based on the strategic approach) **and the results observed** (in terms of indicators).

Criterion 1.1 - Thoughts about the activity and business model

This first criterion raises questions about the intrinsic sustainability of the organization's activities and its ability to define a relevant CSR strategy tailored to its challenges and its capacity to act accordingly. In addition to ISO 26000, organizations can also draw inspiration from such international standards as the SDGs and Global Reporting Initiative Standards (GRI Standards). The organization is expected to have a "mid-term risk and opportunity analysis" vision that takes account of its **sphere of influence**. Activity refers to the organization's business functions, products, services and projects.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Have you thought about the reason for your organization's existence? About its contribution to sustainable development? About the social, environmental and societal value of your activities?
- Have you formally defined a vision for how your organization contributes to sustainable development?
- Have you thought about the sustainability of your activities in terms of risks and opportunities?
- What were the consequences after thinking about these different aspects? Have the results been incorporated into the organization's strategy?

Criterion 1.2 - Identification and dialogue with stakeholders

A mature organization will know how to identify and dialogue with its stakeholders for the purpose of determining their interests and expectations in relation to its contribution to sustainable development. The organization will also be capable of distinguishing the stakeholders within its sphere of influence and the methods of exercising influence.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you identify your stakeholders and their expectations? Do you identify which stakeholders are within your sphere of influence? How did you do it?

SPHERE OF INFLUENCE... SAY WHAT?

The sphere of influence means the range/extent of political, contractual, economic or other relationships through which an organization has the ability to affect the decisions or activities of individuals or organizations. Therefore, an organization's sphere of influence represents the extended scope of its responsibility. In addition to being responsible for its own decisions and activities, the organization may influence the behaviour of other organizations with which it has a formal and/or informal relationship. The sphere of influence concept helps organizations understand the scope of their opportunities for strengthening their ability to influence or encourage other organizations with respect to specific SR issues.

- What type of influence (political, economic, relational, etc.) can you exercise and on what types of stakeholders?
- To what extent does your organization establish dialogue with its stakeholders for the purpose of identifying their expectations and interests over time, and the win-win strategies that can be developed?

IMPACT VS. STAKE... SAY WHAT?

ISO 26000 defines the impact of an organization as a "positive or negative change to society, economy or the environment, wholly or partially resulting from an organization's past and present decisions and activities". The notion of impacts covers risks and opportunities.

Stakes tend to be related to the organization's stakeholders. ISO 26000 explains that "a stakeholder has one or more interests that can be affected by the decisions and activities of an organization. This interest gives the party a "stake" in the organization that creates a relationship with the organization."

Criterion 1.3 - Analysis and prioritization of the challenges / impacts by and on the organization in relation to the core subjects

This criterion raises questions about the organization's ability to identify and prioritize its social responsibility impacts and challenges (environmental, social and economic impacts) in relation to the seven core subjects. A list of priorities can be created for different types of challenges.

Assessors will ask the organization about the robustness of its social responsibility strategy, based on a clear understanding of the urgency and importance of the different SR subjects that it needs to address.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Do the challenges, risks and opportunities that you have identified cover the seven core subjects of ISO 26000?
- In relation to each core subject, are you able to specify the social responsibility practices that your organization has deployed and/or could or should implement?
- Do the challenges that have been identified as priorities (significant) cover, in a relevant and balanced manner, the main environmental, social and economic aspects relating to the seven core subjects?

Criterion 1.4 - Governance and decision-making

The organization's decision-making processes should incorporate the principles of transparency, ethical behaviour, respect for stakeholder interests and respect for the rule of law. They should also take account of the organization's responsibility to exercise due diligence with respect to its social responsibility actions.

This sub-criterion questions the organization's ability to take decisions in complete transparency while considering the views of all its stakeholders.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Which stakeholders are concerned by your decision-making processes? Are there systems in place for consulting and liaising with stakeholders?
- Do the governance and decision-making systems consider stakeholder interests?
- How do you ensure that your organization's social responsibility issues are always incorporated into its decision-making processes?

Criterion 1.5 - Fair operating practices

When demonstrating social responsibility, organizations must behave in an ethical way in their dealings with their stakeholders (best business practices).

Fair operating practices include fair competition, promoting social responsibility, due diligence, avoidance of complicity and anti-corruption.

This criterion takes a critical look at the organization's ability to identify corruption-related risks and adopt a proactive approach accordingly. Fair operating practices should not be restricted to just preventing corruption, but also respecting human rights, countering fraud and tackling unfair competition.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Have you identified the risks associated with your activities in terms of ethical conduct and fair practices (conspiracy, corruption, abusive non-competition clauses, failure to adhere to public procurement rules, misinformation about prices and/or products, misuse of a dominant position towards suppliers and partners, etc.)?
- Do you have any prevention / monitoring practices and/or tools to ensure that your organization behaves fairly when performing its activities?
- Are you proactive when it comes to detecting risks and establishing appropriate practices within your organization and within your sphere of influence?

Criterion 1.6 - Leadership, senior management involvement and positive lobbying

Responsible senior executives drive and share their vision of what SR means with all employees, all stakeholders and their sphere of influence through the organization's characteristics. They demonstrate leadership in accordance with the seven principles of ISO 26000.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- In light of the previous questions, how do senior executives define and share their vision? What are the inputs? Do senior executives specify how the organization contributes to the global sustainable development issues?
- How do senior executives communicate their vision to the entire organization? How do they put their vision into practice?
- How do senior executives communicate their vision to the organization's sphere of influence? To what extent do they demonstrate leadership with respect to social responsibility principles?

CHAPTER 2

INTEGRATION OF SOCIAL RESPONSIBILITY AND COMMUNICATION

This chapter aims to analyze the way in which the social responsibility strategy (and the associated policy(ies)) is/are deployed within the organization and integrated into the management processes. In other words, the idea is to analyze whether the policy is supported by processes that can be used to effectively deploy that policy within the organization, especially to achieve the related objectives.

At this stage, assessors will determine whether the integration of sustainable development principles concerns all the organization's activities and processes with the focus on continual improvement. Assessors will also evaluate whether risks and opportunities are reflected in the organization's processes.

Although the ISO 26000 standard will serve as the reference for the analysis, assessors will adapt to the organization's level of maturity. The opening meeting can be used to specify that the assessment criteria are based on ISO 26000 principles, while providing a list and explanation of the principles. Assessors aim to describe social responsibility in a way that can easily be understood by the organization, irrespective of its maturity level.

Criterion 2.1 - Importance of the SR policy and the associated objectives in the organization's global strategy

The organization defines its SR policy to reflect its identified issues and the related risks and opportunities. The policy is translated into objectives, targets and action plans (arrangements and measures will be established and implemented to assess the effectiveness of the policy).

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How does your organization's strategy include your specific social responsibility issues?
- Is the strategy reflected in your organization's activities and especially your policies?
- Do your organization's strategy and policies integrate the objectives associated with your social responsibility issues?

Criterion 2.2 - Identification of the roles, responsibilities and authorities in terms of social responsibility

A clear organizational structure has been defined and internal stakeholders are able to deploy the SR strategy and policy. **This criterion concerns the definition, knowledge and adoption of the roles and responsibilities of each stakeholder within the organization.**

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Have the roles, missions or responsibilities of each internal stakeholder been clearly defined?
- Does the organizational structure make provisions for deploying the social responsibility strategy?
- Does the organization really empower employees to effectively deploy the strategy?

Criterion 2.3 - Management of social responsibility

The organization continually improves the way in which it integrates social responsibility into its practices, procedures, systems and activities. **This criterion concerns the organization's management of the system and its ability to incorporate all the elements of social responsibility and continually improve its performance.**

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you ensure that social responsibility issues are integrated into all your practices, procedures, systems and activities? With this aim in mind, how do you identify the different interfaces with your stakeholders?
- Does the organization continually improve the way in which it integrates social responsibility, i.e. does it improve its practices and broaden the scope?
- For the purposes of continual improvement, do you assess the extent to which you incorporate social responsibility into your activities (via tracking, indicators, information system, etc.)?

Criterion 2.4 - Intelligence on the latest technologies, the competition and best practices

The organization keeps track of changes in the market (technology intelligence, competitive intelligence and monitoring of customers' corporate communication) and stays abreast of the latest SR best practices. **This criterion concerns the technology and competitive intelligence process.**

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Do you collect intelligence on the latest technologies, the competition and social responsibility best practices?
- How proactive is your organization when it comes to monitoring changes in the market and practices (ability to anticipate changes)?
- How do you share and take into account the data from your intelligence activities?

Criterion 2.5 - Intelligence and compliance with regulatory and other requirements

This criterion concerns the organization's regulatory intelligence process and its ability to determine its level of compliance with SR issues.

“Other requirements” means expectations and needs resulting from the requests made by stakeholders to which the organization has subscribed. Sector-specific standards and requests from local authorities, insurance companies, financial institutions, and so on, may also constitute “other requirements”.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- What type of regulatory intelligence activities does your organization carry out? Who provides the information? What tools do you use (Internet, alerts, RSS feeds, newsletters, subscriptions, etc.)? What are your sources and how do you check their reliability?
- Who is responsible for regulatory intelligence? Are you able to anticipate changes in regulations (e.g. REACH, carbon emissions, etc.)?
- How do you share and take into account the data from your intelligence activities?

Criterion 2.6 – Management of systems, information and data

Information and data relating to products, activities and/or the system are managed, analyzed and used. Information and data are environmental, economic, social, societal and financial.

CSR Commitment assessors are not financial auditors, meaning that economic and financial data are mainly analyzed against SR principles (redistribution of the income created, investment and management of workplace savings schemes, investment in SRI funds and energy transition funds, etc.).

This criterion concerns the management and analysis of all SR-related data. It includes the means and methods for managing data and documents (document management, archiving, data protection, etc.).

Note: everything relating to information systems management (system security to ensure protection and non-disclosure of IT, customer and personal data, delegation system, internal control, etc.) is covered in Chapter 4.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- When are data analyzed, managed and checked? By whom?
- How is information arranged? Updated?
- Are rules in place for managing data and information?
- Are there rules for archiving, disseminating, accessing and protecting data?
- Do you have a method for backing up data?
- How does the organization identify and address critical points and risks relating to the economic, social and environmental aspects of social responsibility?

Criterion 2.7 – Internal communication

Internal communication (upward, downward and enterprise-wide) is key to sharing information. **Internal communication must be seen as a real asset for organizations when leading their SR strategy.**

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you define the content of your internal communication and the target audiences?
- Does internal communication offer an appropriate way for including your social responsibility challenges and practices?
- What are the terms and methods for internal communication? Do they allow information to be shared up, down and across the organization?

Criterion 2.8 – External communication

External communication is an appropriate and effective way of fulfilling relevant stakeholders' needs for information. The organization uses external communication as a tool for informing and raising awareness among its stakeholders. The principle of transparency is also applied to the information disclosed by the organization.

This criterion focuses on the voluntary and proactive aspects of the organization's external communication, as well as its processes for addressing and fulfilling requests from stakeholders.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you define the content of your external communication and the target audiences?
- Does external communication offer an appropriate way for including your social responsibility challenges and practices?
- What are the terms and methods for external communication? Do the terms and methods (media, platforms, etc.) allow the organization to share relevant information and interact with its stakeholders?

CHAPTER 3

HUMAN RESOURCES AND LABOUR PRACTICES

The top priority for social responsibility cannot be anything other than people. Organizations must realize that this is a two-way street, since the ability to deploy responsible practices is dependent on everyone being involved and engaged with the process.

Managing human resources more efficiently to drive the organization's strategy and implementing actions to empower the workforce are essential to the success of an effective social responsibility policy.

Management practices for human resources clearly involve the skills management, employability, involvement, recognition and well-being of the workforce and the priority stakeholders at the very least (and the main stakeholders in case of practice excellence), without forgetting labour relations. These elements should come to light during the assessment from an SR point of view. Health (both physical and mental) and safety aspects are also high on the priority list.

Criterion 3.1 – Incorporation of the SR policy in HR processes

This criterion aims to assess how the SR strategy has been incorporated into all HR processes, as well as the methods and means for managing human resources.

This criterion also concerns the political and strategic aspects of human resources. Their practical implementation should be demonstrated in sub-criteria 3.2 to 3.8.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Are your organization's HR forecasts and plans consistent with your social responsibility strategy?
- How does social responsibility tie into your human resources processes? Are those ties discussed with employees and other relevant stakeholders?
- How do you analyze the need for new skills? How are they taken into account when defining your HR plans?

Criterion 3.2 - Training and skills

Employee training and skills development are provided according to the general principles of social responsibility and the organization's SR impacts.

This criterion concerns employees' skills management in general, their knowledge of SR issues and the training process.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you train employees and raise their awareness of sustainable development and the general principles of social responsibility? What about specific SR issues?
- Does the organization develop employees' skills on its own specific CSR issues?

Criterion 3.3 - Employee involvement in the SR strategy

Employees are involved, empowered and recognized in the achievement of the organization's SR objectives.

This criterion concerns employees' awareness of social responsibility issues and their involvement in the organization's global strategy.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you ensure that employees are aware of their impacts on the organization's control over its SR issues?
- Do you make sure that employees are engaged and involved in achieving your objectives? Are long-term mechanisms in place for ensuring their involvement?
- Are employees empowered and recognized in the achievement of the organization's SR objectives?

VULNERABLE GROUPS... SAY WHAT?

ISO 26000 (Section 6.3.7.1) defines a vulnerable group as a "group of individuals who share one or several characteristics that are the basis of discrimination or adverse social, economic, cultural, political or health circumstances, and that cause them to lack the means to achieve their rights or otherwise enjoy equal opportunities."

Criterion 3.4 - Equality, diversity and inclusion of vulnerable groups

Human resources are managed while taking account of cultural and social diversities, tackling all forms of discrimination and respecting fairness and human rights at all levels.

EXAMPLES OF THE POINTS TO BE ADDRESSED:

- Which discrimination factors do you believe are the highest priorities and how did you identify them?
- Has your organization identified other risks of human rights abuses (abuse of civil and political rights, social and cultural rights, and so on; refer to Sections 6.3.8 and 6.3.9 in ISO 26000)?
- What measures has your organization taken to ensure respect for human rights and international norms of behaviour? In which sphere of influence?

Criterion 3.5 – Career management, remuneration and distribution of income

Human resources management allows for career advancement and promotes mobility in line with employees' expectations. The added value created is redistributed fairly between the workforce, shareholders and investments / provisions.

This criterion concerns career advancement, employee recognition and distribution of wealth.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- What is your remuneration policy? What scales are used? How are bonuses awarded? What are the criteria for profit-sharing (do they contain SR criteria)? Are the processes for assessing equal remuneration formally documented and publicized?
- How is income distributed? Is it shared in a fair manner? What are the criteria for sharing and weighting? How does the organization ensure transparency in its rules for distributing income, career advancement, internal mobility, etc.?
- How are career plans managed within the organization?

Criterion 3.6 – Social dialogue

Labour relations are based on dialogue with employee representative bodies and developed through consultation between employers and workers. **This criterion concerns the quality of social dialogue within the organization.**

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How is social dialogue enabled within your organization (consultation, exchange of information, dialogue, etc.)?
- Which topics does social dialogue address?
- To what extent does your organization and its senior executives encourage social dialogue?

Criterion 3.7 – Occupational health and safety (OH&S)

The organization manages occupational health & safety aspects, including risk prevention, for all employees and all people involved in its activities.

Note: for criteria 3.7 (OH&S) and 3.8 (QWL), external contributors (subcontractors, service providers, temps, etc.) are taken into consideration where the organization receives such subcontractors, service providers and temps **at its sites**. Otherwise, OH&S and QWL for suppliers are analyzed in Criterion 4.2 "Sustainable procurement".

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Is a single risk assessment document dynamically used to manage risks?
- What are the inputs (audit) for your OH&S policy? Which methods were used when defining your policy (contribution from stakeholders, etc.)?
- Which fields does the policy cover (personal safety, and physical and mental health: stress, psychosocial disorders, etc.)?

Criterion 3.8 – Quality of working life (QWL)

The organization provides suitable working conditions conducive to the health and well-being of all its employees and all people involved in its activities. The organization respects its employees' work-life balance and manages employees in such a way as to recognize their efforts and promote their personal development.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How does your QWL approach affect the HR strategy or your organization's strategy?
- For which topics has your organization implemented policies, practices or schemes aimed at improving working conditions for your employees? Are these topics consistent with the challenges facing your business activities?
- Which policies, practices and schemes has your organization implemented to strike the right balance between working life and private life?

CHAPTER

4

SUSTAINABLE PRODUCTION AND CONSUMPTION METHODS, AND CONSUMER ISSUES

This is a major component of sustainable development. As described in SDG 12, an organization can send out a strong signal of its commitment to societal responsibility through its contribution to sustainable production and consumption methods which:

- Promote the effective use of materials, water and energy, and the implementation of sustainable production processes and infrastructures (environmental aspect)
- Strengthen its economic competitiveness (economic aspect)
- Ensure the sustainable management of its supply chain (social and societal aspect)

An organization's product or service may be more or less “useful” to society and the environment, meaning that it improves or reduces the organization's chances of achieving the SDGs.

Chapter 4 of the CSR Commitment Label challenges organizations about their consumption model, production model and generally their entire business model in an effort to understand how they are planning to address the needs and expectations of their stakeholders in the most useful and participative way possible.

Criterion 4.1 – Innovation and design focusing on sustainable production

The organization takes account of the impacts of its products, services and processes throughout their lifecycle in its production, design and innovation processes and activities for the purpose of minimizing its negative consequences and maximizing its contribution to social responsibility.

For example, the organization integrates circular economy issues into its production and consumption methods (sustainable procurement, eco-design, functional service economy, industrial and regional ecology, and so on). Organizations can use several tools to implement responsible innovation processes, such as quantitative, qualitative, social and environmental lifecycle analyses.

With this criterion, it is important to remember to assess the extent to which the organization has taken account of climate change adaptation.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Does your organization always pursue a responsible design and innovation policy for its products, services, processes and infrastructures?
- To what extent does this policy incorporate the issues and core subjects of ISO 26000 and stakeholders' needs and expectations?
- Does your organization actively think about the “social / societal / environmental” legitimacy or utility of innovation?
- Do your responsible innovation and design methods use benchmarking systems and do they use the best technologies available for designing products, services, processes and infrastructures?

Criterion 4.2 – Sustainable procurement

The organization manages its choice of suppliers, products, services, processes and infrastructures with input from production and R&D, while promoting SR throughout the value chain.

This criterion concerns three fundamental aspects of implementing a sustainable procurement policy:

- **What am I buying:** the organization needs to factor SR criteria into its processes for selecting and buying products and raw materials.
- **Who am I buying from:** the organization needs to factor SR criteria into its processes for selecting suppliers and partners.
- **How am I buying:** the organization needs to analyze its procurement practices and ensure that it acts benevolently towards its suppliers throughout the procurement process.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you incorporate sustainable development principles into your procurement criteria?
- How do you go about analyzing the risks (economic, social and environmental) in the products that you purchase? What about supplier-related risks?
- What social and environmental criteria do you take into account when choosing products? Do these criteria include compliance with applicable standards and directives and, where applicable, local and/or regional aspects?

Criterion 4.3 – Prevention of pollution (water, air and soil)

The organization identifies and controls all the environmental impacts of its activities in terms of producing effluent (solid, liquid and gas) and generating water, air and soil pollution.

The organization should consider the following sources of pollution:

- Emissions to air
- Discharges to water
- Discharges to soil
- Waste management
- Use and disposal of toxic and hazardous chemicals
- Other identifiable forms of pollution (odour, noise, visual impressions, light pollution, vibration, electromagnetic emissions, radiation, infectious agents, emissions from diffused or dispersed sources and biological hazards)

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- What measures do you take to promote the use of environmentally-friendly components / inputs in the product and/or service lifecycle?
- How do you measure your pollution?
- How do you anticipate and deal with emergency environmental situations?

Criterion 4.4 – Sustainable resource use and contribution to the reduction of greenhouse gas emissions

This criterion challenges the organization in terms of two specific flows:

- Inbound and outbound flows necessary for the organization's activities (use of energy, water and materials, and the associated waste)
- Production flows and their storage

The organization identifies and reduces all the resources (energy, water and materials) used during its activities and production processes. The organization endeavours to replace non-renewable resources with renewable sources wherever possible. The organization controls the quantity and quality of its production flows.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Do you monitor your use of resources in terms of both quantity and quality (water, energy and materials)?
- Do you analyze your resources in terms of risks and dependence?
- Have you identified your most energy-intensive activities? If so, what measures have you taken to reduce resource use? Does your organization monitor those measures over time? Are they accompanied by ambitious objectives?

Criterion 4.5 – Protection of the environment and biodiversity

The organization identifies and assesses its interdependence on ecosystem services. It prioritizes its challenges (impacts on ecosystems and significant dependence on ecosystem services) and takes action to reduce or eliminate its impacts and rehabilitate the ecosystem services that it affects and on which it depends.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Are you aware of any interdependencies between your activities and biodiversity? What tools and/or methods do you use to identify and measure your interdependence?
- What measures do you take to reduce your impacts on biodiversity and make a positive contribution to the sustainability of the local ecosystems?
- How are your internal and external stakeholders alerted to the topic of biodiversity and involved in your policies for improving your environmental performance?

Criterion 4.6 – Consumer relations and socially responsible marketing

The organization establishes a responsible relationship with its priority stakeholders, customers and consumers, especially through best practices relating to displays, labelling, communication and marketing. This includes measures to protect consumers' personal data.

This criterion also concerns the organization's ability to take account of consumers' needs and expectations relating to product and service quality. This includes such aspects as after-sales, support and resolution of disputes and complaints.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you identify your responsibility in your relationship with users, customers and consumers? What are the challenges and scope of your responsibility?
- Have you identified best practices in term of the relationships with your users, customers and consumers (displays, labelling, marketing, information, customer focus and data protection)?
- What arrangements have you made to ensure that your organization listens to the needs of your customers or end users? Are your organization's practices based on dialogue with stakeholders, regulatory intelligence and/or external benchmarking?

Criterion 4.7 – Liability towards consumers and other stakeholders with regard to the organization's products and services

The organization protects the health and ensures the safety of the consumers and main stakeholders using and/or involved in the end-of-life handling of its products and/or services.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you identify your liability towards consumers and other stakeholders with respect to the nature and characteristics of your products and services (e.g. health and safety aspects when using your products)? What are the challenges and scope of your responsibility (including respect for access to essential services, human rights and the environment)?

- How do you ensure that consumers or end users have all the information that they need to “use” your product and/or service in a proper and responsible manner?
- How do you identify best practices in terms of your liability for the nature and characteristics of your products and services?

CHAPTER 5

REGIONAL PRESENCE: COMMUNITY INVOLVEMENT AND DEVELOPMENT

An organization's performance depends on the resources available in its local area. Special consideration should be given to sustainable development principles when the company starts building its regional presence. In addition, organizations looking to create beneficial synergies in their local community also develop their economic performance by improving their ability to innovate. In doing so, organizations leverage the community's value (trust capital, expertise, alliances and resources), a large proportion of which is provided by local government, public authorities and institutions, and which contributes to the collective heritage. In return, organizations strengthen their local community by contributing to its development. The more an organization is involved in the local community and benefiting the community with real, tangible initiatives, the more it is focused on creating a situation where the organization and community are dependent on each other, which increases its ability to innovate and break into new markets.

The characteristics of the various communities means that organizations face a different set of challenges, constraints and opportunities when looking to contribute to the sustainable development of their local community. Once an organization has fostered strong ties with its local community, it can help resolve the problems facing that community and play a significant role in its development. Lastly, an organization that is well-established in its local area will be in a stronger position to innovate and secure its environment, insofar as it will have created a sustainable economy.

Regional presence may also be one of the ways for forging two-way dialogue within its sphere of influence. In other words, the organization influences its stakeholders, but is also influenced and potentially changes its behaviour and practices to act in a more responsible manner.

Criterion 5.1 - Link between the SR strategy and the community development strategy

The organization defines its SR strategy to reflect the characteristics, risks and opportunities associated with its local community(ies) and in which it operates and/or is present at different levels.

The organization and its local community are interdependent. Joint actions and initiatives must be implemented for both parties to address sustainable development issues.

This criterion raises questions about the organization's ability to define its local area(s), as well as identify, integrate and analyze their opportunities and risks with the aim of building and deploying its SR strategy.

With this criterion and those that follow, the organization must define its territory while taking account of its structure and sphere of influence: not all organizations will have the same “impact” territory. Organizations must integrate the entire community covered by its activities.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- Do you know how to define your local territory? What are its strengths and weaknesses? How do you assess your organization's contribution (economic, social and environmental) to its local community(ies)?
- What role does your organization play in the community (identification of any interdependencies) and how do you redistribute the wealth created among the community?
- How do you involve your employees in community life?

Criterion 5.2 - Contribution to the environmental development of the community(ies)

The organization helps to protect the environment and its local communities.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you identify and assess the environmental impacts of your activities, products or services on your local areas (emissions, effluent, waste, water and energy use, noise and odour, visual pollution, biodiversity, etc.)?
- What is the minimum level that you define in the absence of local environmental regulations?
- How do you identify and consider environmental constraints in your local areas?

Criterion 5.3 - Contribution to the social development of the community(ies)

The organization contributes to the social development of its local communities (including social investment, education, healthcare and culture).

This criterion challenges the organization's ability to contribute to the social development of the communities in which it operates and/or has an influence from a social and societal perspective.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you take part in promoting education (including access to education for children) and learning?
- How do you ensure respect for human rights in your communities?
- How do you ensure respect for local cultures and how do you promote cultural activities (compatible with human rights)?

Criterion 5.4 - Contribution to the economic development of the community(ies)

The organization contributes to the economic development of its communities: creation and distribution of wealth, development of technologies and services, creation of direct and indirect employment, and so on.

This criterion challenges the organization's ability to develop the communities in which it operates and/or has an influence from an economic perspective.

EXAMPLES OF QUESTIONS ASKED BY THE ASSESSOR:

- How do you contribute to creating new organizations and consequently jobs? How do you contribute to diversifying the community's economic activity?
- How do you contribute to providing innovative technologies to help advance the community's economic and social development?
- How do you distribute the profits from your economic activity (tax optimization, reinvestment in local projects, etc.)?

ASSESSMENT OF RESULTS

This section aims to present the chapters of results and their criteria. The three chapters of results correspond to the three pillars of sustainable development:

- Chapter 6: environmental results
- Chapter 7: social results
- Chapter 8: economic results

This section presents and illustrates each of the criteria with examples of indicators. The list of indicators is non-exhaustive and must especially be adapted to the issues facing the organization.

The purpose of the assessment model is not to simply say whether “results are good”: **the idea is to evaluate the organization's ability to use relevant indicators for each criterion and thereby manage its performance and control its impacts according to its own challenges.** Therefore, choosing the right indicators is the first key to the assessment process. Performance, trends and benchmarking come later in the assessment.

CHAPTER 6

ENVIRONMENTAL INDICATORS

Note: when taking a closer look at the indicators for the circular economy, organizations are advised to read “The Circular Economy Indicators for Organizations” published by EpE and INEC in October 2018.

Criterion 6.1 - Raw materials

RELEVANT INDICATORS:

- Segmentation by type and use of materials (in terms of weight or volume)
- Percentage of recycled materials used
- Percentage of used raw materials that have been evaluated and/or certified in terms of environmental and/or social impacts
- Percentage of unused raw materials following changes to the production processes

Criterion 6.2 – Use of water

RELEVANT INDICATORS:

- Number of employees alerted to the issue of water consumption
- Efficiency rate of investments in water consumption (achievement of provisional objectives)
- Level of employee satisfaction with existing and planned initiatives according to survey findings
- Monitoring of discharges and the volume of effluent (ratio with water consumption to justify any discrepancies)

Criterion 6.3 – Biodiversity

Note: you are advised to read “Measuring and Managing Biodiversity” published by Epe in December 2013.

RELEVANT INDICATORS:

- Number of initiatives aimed at protecting biodiversity (protected or restored habitats)
- Number of threatened species on the IUCN Red List (or national equivalent) and whose habitats are located in areas affected by the organization's activities, by risk of extinction level
- Impact on biodiversity throughout the lifecycle (destruction of forests and habitats)
- Number of plant and animal species present and protected, threatened (or otherwise) at the site(s) where the organization's activities, products and services are designed, produced or used

Criterion 6.4 – Energy and greenhouse gases

RELEVANT INDICATORS:

These indicators may concern energy, transport and greenhouse gas emissions.

- Number of employees alerted to the issue of energy consumption
- Energy consumption and reductions achieved
- Monitoring of energy consumption and trends in consumption by energy type and by quantity of finished products (number, volume or quantity)
- Flow and concentration of the different pollutants discharged (air)
- Indicators for monitoring indirect emissions
- Number of employees alerted to the issue of air pollution
- Number of suppliers audited on the topic of air pollution
- Number of activities concerned by greenhouse gas emissions
- Amount of CO₂ discharged per ton (or other unit) by the organization and trends
- Number of initiatives aimed at saving energy by reducing the amount of transport used by the organization and its employees

Criterion 6.5 – Effluent and waste

RELEVANT INDICATORS:

- Flow and concentration of the different pollutants discharged (water, soil, etc.)
- Effectiveness and availability of the treatment facilities
- Liquid waste and reductions obtained
- Actions aimed at reducing and replacing hazardous chemicals
- Volume of waste per destination (ordinary industrial waste – recycling)
- Volume of waste per activity (wine producing, breeding, packaging, marketing, etc.)

Criterion 6.6 – Satisfaction of internal and external stakeholders: environmental expectations

RELEVANT INDICATORS:

- Number of complaints received from stakeholders with respect to existing or planned infrastructures (impact on the landscape)
- Number of complaints concerning noise and odours from existing or planned infrastructures and resolved with stakeholders
- Number of producers that have received complaints about noise and odours (surface area involved / total surface area)
- Number of satisfaction surveys returned by stakeholders (impacts on the landscape, noise and odours)

CHAPTER 7

SOCIAL INDICATORS

According to ISO 30414 (Human resource management — Guidelines for human capital reporting for internal and external stakeholders), human capital includes the cumulative knowledge, skills and abilities of an organization's people and the impact on an organization's long-term performance, as well as competitive advantage through optimizing organizational outcomes. The measurement of human capital facilitates the ability of an organization to manage one of its most critical resources: people. Research shows that organizations that do not manage their human capital may damage the ability and opportunity for the business to create long-term and sustainable value achieved through their people.

Criterion 7.1 – Employment

RELEVANT INDICATORS:

- Report analyzing the economic and social benefits
- Indicators (tax paid, capital invested, percentage of purchases made with local suppliers, indirect jobs created, etc.)

- Number of employees from priority populations (jobseekers, long-term unemployed, young people without qualifications, disabled, etc.)
- Number of initiatives or days spent promoting the local job market
- Number of jobs consolidated or created
- Number of organizations created

Criterion 7.2 – Health and safety

RELEVANT INDICATORS:

- Single risk assessment document
- Mandatory registers and, if applicable, labour inspectorate reports
- Posters in the workshops
- Tracking of statistics on workplace accidents and occupational diseases
- Health & safety training programme for employees

Criterion 7.3 – Training and education

RELEVANT INDICATORS:

- Examples of individual training reviews and job performance reviews
- Training plan (if applicable)
- Organization's educational role in terms of involvement in local politics and encouraging employees to take part in local community life
- Training review
- Internal promotion dashboards

Criterion 7.4 – Diversity, fairness and equal opportunities

RELEVANT INDICATORS:

- Annual report
- Percentage of the different categories in the total workforce (age pyramid, proportion of men and women, percentage of disabled employees, etc.)
- Detailed tracking of new hires, promotions and training actions for comparison purposes (men vs. women, other categories, etc.)

Criterion 7.5 – Human rights and civil society

RELEVANT INDICATORS:

- Agreement on applying a 35-hour working week, or other agreements
- Other formal documents on how work is organized (times, leave, etc.)
- Staff register for organizations with over 50 employees
- Monthly record of personnel movements

Criterion 7.6 - Satisfaction of internal and external stakeholders: Social expectations

RELEVANT INDICATORS:

- Labour survey: number of respondents
- Trade union agreements
- Table for monitoring union mandates
- Schedule and reports for trade union meetings
- Number of meetings with employee representatives
- Number of works council meetings
- Agreement on applying a 35-hour working week, or other agreements
- Employee satisfaction surveys

CHAPTER

8

ECONOMIC INDICATORS

The last chapter in this guide to the CSR Commitment Label does not aim to analyze the organization's financial performance, but instead evaluate how it manages the economic aspects of its SR strategy.

This evaluation should be approached from the following angles:

- Small enterprises and microbusinesses: ensure that there is a clear approach to managing economic aspects. In case of very small companies, their long-term prospects depend on their ability to monitor and maintain certain basic indicators, such as revenue, income segmentation, cash flow, solvency and regularity of payments. As such, the CEO's ability to maintain a clear and faithful insight into the company's economic freedom is essential (this is covered in Criterion 8.1, which should be addressed from a highly contextualized perspective according to the size of the organization).
- For all organizations: the six criteria in Chapter 8 are highly focused on the link between economic factors and social responsibility performance. For instance, only Criterion 8.1 is based on pure economic performance.

The challenge is to assess the extent to which the organization is capable, wherever possible, of establishing a link between its economic performance and its global performance, and capable of enhancing its economic management performance through its social responsibility strategy.

Criterion 8.1 - Economic performance and market presence

RELEVANT INDICATORS:

Three specific financial objectives may guide the strategy:

- Revenue growth and diversification
- Cost control: improved productivity

- The strategy of using assets (including intangible assets) and investments
Use of the following documents:
 - Annual financial report
 - Employment & working conditions survey
 - Business / financial dashboard
 - Market analysis report
 - Strategic analysis report

Criterion 8.2 – Distribution of income

RELEVANT INDICATORS:

- Transparency of all payments made to the state: all taxes (corporate tax, property tax, etc.) and different penalties paid to local, national or international bodies. In case of international organizations with multiple sites, indicate the taxes paid for each country.
- The definition that it has already used to segment its activity. Sponsorship: donations and funds invested in the community in general, where beneficiaries are external to the organization. This includes contributions to charities, NGOs and research centres (without any affiliation to the organization's R&D department), funds paid to support the development of infrastructures (such as leisure facilities) and to participate in directly financing social welfare initiatives (particularly artistic and educational projects). The amount specified must include the expenditure actually incurred during the reporting period.
- Establish a link between funding and the priority fields or sectors for ODMs or the organization's impacts in terms of SR (concept of compensatory measures). Ensure that funds are used correctly by analyzing the balance sheets of the beneficiaries (associations, etc.).

Criterion 8.3 – Payroll policy

RELEVANT INDICATORS:

- Categorize the payroll by grade, type of contract, and so on
- Trends in payroll policies: wages, working time, works council benefits, concierge services (tracking of beneficiaries, salary transparency, etc.)

Criterion 8.4 – CSR investments

RELEVANT INDICATORS:

- Ratio of responsible investments to total investments
- Proportion of investments aimed at reducing the environmental and social impacts of the organization's production assets
- Proportion of R&D allocated to eco-socially designed products
- Significant public grants and subsidies received

Criterion 8.5 - Quality and consumer satisfaction

RELEVANT INDICATORS:

- Satisfaction surveys and number of customer complaints
- Transparent communication of feedback from customer surveys (indicators)
- Customer experience measurements

Criterion 8.6 - Fulfilment of external stakeholders' sustainable development expectations

RELEVANT INDICATORS:

- Number of complaints received from stakeholders
- Number of official reports received from local authorities
- Number of formal reminders
- Number of press articles

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NOTES

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FOR MORE INFORMATION

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