



goodcorporation™

The GoodCorporation Standard (Revised June 2007)

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 verifier checks

that a 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 verifier 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 Full GoodCorporation Membership. Membership is renewed by annual re-assessment.

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 second revision to the Standard, released in June 2007.

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 employees 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.

The organisation provides clean, healthy and safe working conditions.

EMP8: There are procedures to ensure the provision of a healthy and safe working environment and the continuous improvement of health and safety performance.

EMP9: 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.

EMP10: There is a process to ensure that employees know how and when their pay and benefits are determined.

EMP11: 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.

EMP12: 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.

EMP13: All employees have appropriate learning and development opportunities to support their work.

EMP14: Employees have regular performance reviews that consider skills development and career prospects.

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

EMP15: 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.

EMP16: There is a policy not to employ forced, bonded or otherwise exploited labour.

EMP17: 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: Personal and confidential information received from customers is protected and used only in ways explicitly agreed.
- CUS3: Intellectual property, such as copyrights, trademarks, patents or software, belonging to customers is only used with their explicit permission.
- CUS4: The organisation ensures that none of its advertising, public statements and customer information is misleading or causes public offence.
- CUS5: There is a process for acknowledging and resolving customer complaints and comments within a defined timescale.
- CUS6: Customer feedback is taken into account in developing and reviewing customer policies and practices.
- CUS7: 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.

- CUS8: The specification of products and services is clear, including, where appropriate, quality, total cost, delivery charges and timescales for delivery.
- CUS9: The organisation's after-sales obligations are clearly stated and met.
- CUS10: 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.

- CUS11: Products and services have clear health and safety information regarding their content, use, maintenance, storage and disposal.

The organisation does not engage in bribery or corruption.

- CUS12: 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.

- SUP2: Terms of business with suppliers and contractors are clear and respected.
- SUP3: Where business terms are changed, the impact on suppliers and contractors is considered before implementation.
- SUP4: Personal and confidential information received from suppliers and contractors is protected and used only in ways explicitly agreed.
- SUP5: Intellectual property, such as copyrights, trademarks, patents or software, belonging to suppliers or contractors is used only with their explicit permission.
- SUP6: There is a process for acknowledging and responding to supplier and contractor complaints and comments against a defined timescale.
- SUP7: Supplier and contractor feedback is taken into account in managing supplier relationships.

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

- SUP8: 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.

- SUP9: 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.

- SUP10: 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.
- SUP11: As appropriate, the organisation manages the employment, environmental and ethical risks in its supply chain.
- SUP12: The organisation ensures that contractors working on its behalf have responsible health and safety practices.

4. Community

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

- COM1: The organisation's plans and activities take into account the impact on communities.

COM2: There is a process in place to deal with enquiries and complaints from members of the local or national community within a defined timescale.

COM3: There is a programme of support for community projects and activities that is appropriate to the organisation and the needs of the community.

COM4: There is a process to ensure that any lobbying activities are conducted in a responsible manner.

COM5: There is a process to ensure that there are no forms of bribery or corruption in relation to public officials and public bodies.

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

COM6: The organisation engages in meaningful dialogue with the community where there are concerns about its products, services or operations.

COM7: There is a process to ensure that risks to public safety resulting from the organisation's products and operations are minimised.

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: An audit or inspection of finances is carried out if shareholders require it.

SHA4: 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.

SHA5: 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.

SHA6: 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.

SHA7: There is a process to review corporate governance to assess compliance with relevant local codes.

SHA8: The principles and practices of corporate governance are clearly communicated to shareholders and variances from relevant codes are explained.

SHA9: There is a process to deal with queries and complaints from shareholders regarding corporate governance within a defined timescale.

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 employees are informed of their responsibilities in adhering to this Standard.

MAN3: Confidential reporting channels are in place where appropriate.