with laws and rules, according to a study conducted in 2008 by Axentis and the Open Compliance and Ethics Group. SR principles in general form a pillar or starting point for the SR policy of organisations and can also be seen as a form of self-regulation.

4.3 **General SR principles and principles of SR core subjects**

ISO 26000 emphasises morality and takes a view on the equity of standards, guidelines and behavioural rules, but also states that this depends on the specific context of an organisation. However, within ISO 26000 the following general SR principles are mentioned:

- Accountability
- Transparency
- Ethical behaviour
- Respect for stakeholder interests
- Respect for the rule of law
- Respect for international norms of behaviour
- Respect for human rights

ISO 26000 acknowledges that no exhaustive list of SR principles can be compiled. Therefore, these general principles serve as some sort of minimum conditions: any organisation should at least apply these seven SR principles. It is striking to note that a number of principles, which according to some would be classified as inherent to SR and sustainable development, are missing from the list. An example relates to the notion of ‘intergenerational’ since that is an integral part of most definitions of sustainable development.\(^8\) The

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\(^8\) ‘Sustainable development is about meeting the needs of society while living within the planet’s ecological limits and without jeopardising the ability of future generations to meet their needs. Sustainable development has three dimensions—economic, social and environmental—which are interdependent; for instance, the elimination of poverty requires the promotion of social justice and economic development, and the protection of the environment’ (ISO 2010: 9).
principle could then perhaps be formulated as ‘respect for the interests of future generations’ or ‘stewardship’.

Another example deals with the concept of impact or, better, sustainability impact. Any organisation has its own ecological and social footprint. This means that the overall picture of the so-called external effects that organisations cause, differ per organisation. The specific sustainability impact of an organisation should be guiding its SR efforts (see Chapter 7 for details on the selection of SR priorities). Furthermore, there are aspects of these footprints that are typical for organisations and that differ from the footprints of other entities, such as individuals. Consequently this principle could be formulated as ‘sustainability impact of the organisation’. A third example is the idea of continuous improvement. Even though striving for improvement of SR performance is referred to in several parts of the ISO 26000 guideline (it is, for example, a frequently recurring item within the related actions and expectations that are specified by ISO 26000 for nearly all SR issues), it is not formulated as a SR principle. A reason for this may be that continuous improvement as a principle is perceived as being too general and too unspecific in the light of formulating the social responsibilities of organisations. However, SR has no end—and ISO 26000 acknowledges this. The societal responsibilities of organisations change overtime, for example, because the zeitgeist is changing, but also because other concrete demands and interests play a role with an organisation’s stakeholders.

It is especially strange that the principles in the first two examples are not mentioned within ISO 26000, since the SR guideline points out the importance

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This footprint is partly the same, or is at least comparable, for all organisations. For example, many service companies have a physical office location and their employees transport themselves by car to their clients, which causes a certain amount of CO$_2$ emissions. Moreover, certain organisations have to deal with SR-related topics such as the percentage of women in management positions and ergonomic office design. This comparability increases when the organisations are more homogenous (size, activities, sector, geographic location).

‘Recognising social responsibility is a continuous process. [. . .] Ongoing activities should be reviewed as necessary so that the organisation can be confident that its social responsibility is still being addressed and can determine whether additional issues need to be taken into account’ (ISO 2010: 16).
of taking care of, and of not undermining, future generations’ interests and, in addition, since the document is saturated with the concept of impact.

The first two examples are also generally accepted as important principles within sustainable development and SR. The third example is a general starting point for, for example, ISO management system standards and many other management systems and models. Although these three principles are not fully covered by the seven principles of ISO 26000, organisations can still take these principles, just like other relevant principles, as additional foundations for their SR policy. This is fully in line with ISO 26000.

4.3.1 Principles for SR core subjects

In addition to the general SR principles there is a second category of principles to be found in ISO 26000. These are principles that underlie the different SR core subjects which are central to the SR guideline.\(^\text{11}\) These are often specific, fundamental principles that specify some kind of minimal performance level or starting point for an organisation for the respective SR core subjects. According to ISO 26000, under the core subject ‘The environment’, an organisation has to respect and promote several environmental principles, among which are the precautionary approach and the polluter pays principle.

The second and fourth principles of the aforementioned environmental principles are based on the Rio Declaration on Environment and Development,\(^\text{13}\) an authoritative international sustainability declaration of the UN, from 1992.\(^\text{14}\) Other principles related to CSR core subjects are, for

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\(\text{Did you know...}\)

The US Geological Survey has calculated that 97% of water on Earth is salt water and only 3% is fresh water. Slightly over two-thirds of this fresh water is frozen in glaciers and polar ice caps.\(^\text{12}\)

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11. A few of these principles will be discussed in more detail in Chapter 6, which deals with SR core subjects and SR issues.


14. Principle 2: ‘States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental and developmental policies, and the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction.’ Principle 4: ‘In order to achieve sustainable development, environmental protection shall constitute an integral part of the development process and cannot be considered in isolation from it.’
example, the inalienability, universality and indivisibility of human rights, the principles underlying the Guidelines for Consumer Protection of the UN\textsuperscript{15} (such as user safety, redress and respect for the right to privacy) and the Millennium Development Goals\textsuperscript{16} (such as reduction of child mortality and the fight against HIV/AIDS, malaria and other diseases—also see Annex 5).

4.4 Description of the general SR principles

In this section the general SR principles as specified in ISO 26000 are described. A short explanation on the principles is provided, after which the expectations for organisations according to the respective principles are described.

4.4.1 Accountability

The principle of accountability involves both the taking of responsibility by organisations for their effects on society and the environment, and being accountable for these effects. Hence, the principle of accountability touches the core of CSR: responsibility and accountability are two sides of the same coin (see Chapter 2). This is clear from the list of principles in which the concept of accountability is defined.\textsuperscript{17} The explanation and clarification that ISO 26000 gives for the principle itself, also addresses this dual meaning.\textsuperscript{18} The responsibility and accountability of an organisation relate to both those that experience the direct effects of its decisions and activities and on society as a whole because of the effects of the organisation on the communities in which it operates. The degree to which an organisation is responsible and accountable can vary, according to the guideline, but the greater an organisation’s influence, the greater it should take care in guaranteeing the quality of its decisions and supervision.

17 ‘[. . .] State of being answerable for decisions and activities to the organisation’s governing bodies, legal authorities and, more broadly, its other stakeholders’ (ISO 2010: 2).
18 The guideline defines the principle as follows (ISO 2010: 10): ‘[A]n organisation should be accountable for its impacts on society, the economy and the environment.’ And adds to this (ISO 2010: 11): ‘Accountability also encompasses accepting responsibility where wrongdoing has occurred, taking the appropriate measures to remedy the wrongdoing and taking action to prevent it from being repeated.’
Accountability is also about accepting responsibility for wrongdoing, taking measures to remedy this and undertaking actions in order to prevent this from occurring again. According to this principle, an organisation should take responsibility, and be accountable, for the effects and consequences (both on the environment and on society) of its decisions and activities. For a complete overview of expectations that ISO 26000 specifies towards organisations on the principle of accountability, see page 10 of the ISO 26000 standard.

4.4.2 Transparency

According to this principle an organisation should be transparent about decisions and activities that affect society and the environment. Being transparent means that an organisation has to openly communicate on its policies, decisions and activities (e.g. in sustainability reports and through its website). It doesn’t, however, have to publish policies, decisions and activities that could be construed as being competitively sensitive information—this would be unreasonable to expect, of course. It does, however, include, among other things, the known and probable effects of such decisions and activities on society and the environment. Moreover, the information should be quickly and easily available and directly accessible to those that have encountered or could be affected by the activities of the organisation. It is also stressed that the information should be understandable to stakeholders, timely, factual, and be presented in a clear and objective manner (ISO 2010: 11).

According to this principle, an organisation should, among other things, be transparent about the purpose, type and location(s) of its activities, the impacts of its activities and decisions on its stakeholders and society as a whole, its performance on relevant SR issues, and the way in which stakeholders have been identified and engaged. For the full list of expectations that ISO 26000 specifies towards organisations on the principle of transparency, see pages 10 and 11 of the ISO 26000 standard.

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4.4.3 Ethical behaviour

The principle of ethical behaviour encompasses the honesty, equity and integrity of an organisation’s actions. An organisation is supposed to behave ethically at all times whenever it concerns people, animals and society as a whole. Furthermore, the organisation is expected to commit itself to addressing the interests of its stakeholders (ISO 2010: 11-12).

According to this principle, an organisation should actively promote ethical behaviour by, among other things, the adoption and application of ethical standards that fit the organisation, the consequent observance of the implementation of these standards by all relevant stakeholders, and the creation of structures and mechanisms to monitor, enforce and report on ethical behaviour. For the full list of expectations that ISO 26000 specifies towards organisations on the principle of ethical behaviour, see pages 11 and 12 of the ISO 26000 standard.

4.4.4 Respect for stakeholder interests

This principle deals with respecting, considering and responding to the interests of stakeholders. This is clearly in line with the strong stakeholder orientation of ISO 26000. The topics of stakeholder identification and stakeholder engagement comprise a separate chapter in the guideline (see Chapter 5).

According to this principle, an organisation should, among other things, identify the organisation’s stakeholders, recognise and take into account their interests, and respond to concerns that are expressed by stakeholders. For the full list of expectations that ISO 26000 specifies towards organisations on the principle of respect for stakeholder interests, see page 12 of the ISO 26000 standard.

Did you know…

A poll conducted by UK’s alternative consumer organisation Ethical Consumer in 2009 showed that politicians and environmental activists consider patio heaters and short-haul flights as being the least ethical products and services from the last 20 years.20

4.4.5 Respect for the rule of law

This principle states that it is mandatory for an organisation to respect the rule of law. ISO 26000 states that compliance with laws and rules is essential in order to do business in a socially responsible way.21

According to this principle, an organisation should, among other things, make sure that it operates according to what is required by law and be informed about all of its legal obligations. For the full list of expectations that ISO 26000 specifies towards organisations on the principle of respect for the rule of law, see pages 12 and 13 of the ISO 26000 standard.

Did you know…
In Maine, after January 14, people will be fined for having Christmas decorations still up.22

4.4.6 Respect for international norms of behaviour

In conjunction with complying with the rule of law, an organisation should respect international norms of behaviour. According to this principle, an organisation should, among other things, refrain from activities or relationships that are not in line with international norms of behaviour and operate consistently with these norms in situations or countries in which the law does not provide for minimum safeguards, both environmentally and socially. For the full list of expectations that ISO 26000 specifies towards organisations on the principle of respect for international norms of behaviour, see page 13 of the ISO 26000 standard.

Did you know…
A study conducted by Robert Half Finance & Accounting in 2006 showed that Dutch employees believed themselves to be more productive if they had their own office. It also concluded that employees abroad tend to work harder when they have access to a company fitness programme and had a good computer at their disposal.23

4.4.7 Respect for human rights

This principle states that an organisation should respect human rights, and should acknowledge and recognise both the importance and the universality of human rights. According to this principle, an organisation should, among other

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21 ‘In the context of social responsibility, respect for the rule of law means that an organisation complies with all applicable laws and regulations. This implies that it should take steps to be aware of applicable laws and regulations, to inform those within the organisation of their obligation to observe and to implement measures’ (ISO 2010: 12).
things, respect and foster the contents of the International Bill of Human Rights and not take advantage of situations in which human rights are (at risk of being) compromised. For the full list of expectations that ISO 26000 specifies towards organisations on the principle of respect for human rights, see pages 13 and 14 of the ISO 26000 standard.

4.5 Final words

The different SR principles that are defined by ISO 26000 and that have been explained in this chapter are not all of the same nature. One principle deals with the way in which SR has to be implemented, while the other focuses on the behaviour of employees during the execution of their tasks. In addition, it can be concluded that, apart from the principles formulated by ISO 26000, other, no less relevant principles, can apply to the SR policy of an organisation as well: respect for future generations; founding SR priorities based on the idea of sustainability impact; and striving for continuous improvement. This idea plus the starting point of ISO 26000 that every organisation should engage in SR in its own, unique way, depending on its organisational characteristics and external environment, offers organisations opportunity and legitimacy to formulate their own SR principles.

Did you know…
According to a report by the WWF, China’s biocapacity—the area actually available to produce renewable resources and absorb CO$_2$ emissions—is among the world’s lowest. Although in 2007, the per capita footprint of the average Chinese person was 18% lower than the global level, it was two times greater than its available biocapacity.
6

SR core subjects and issues

6.1 Introduction

In this chapter the focus is on the SR core subjects and the specified SR issues in ISO 26000. While the SR principles, discussed in Chapter 4 and issues regarding stakeholders in Chapter 5 form the starting points for the SR policy of organisations, the SR core subjects and issues provide the content, or heart, of the SR guideline. This does not mean, however, that the core subjects and issues give a complete and exhaustive overview of all SR impact areas. Rather, they form an initial overview of impact areas that are, to some extent, relevant to all organisations.

This chapter begins with an introduction to the SR core subjects and issues, along with a few observations about the (im)possibilities of their applicability for organisations. Attention is given to several clarifications that the guideline provides to users. Next, we look at how the core subjects and issues are organised within ISO 26000. The guideline gives a (often concise) description of each SR core subject and SR issue, and defines the principles, starting points, guidelines and international conventions they are founded on. This chapter gives a few examples of these, but focuses mainly on the guideline's actions and expectations for each SR issue. The essence of what is expected is described for every SR core subject and SR issue. Finally, as an introduction to
Chapter 7, a few remarks are made concerning the specific application of the SR core subjects and issues.

6.2 **SR core subjects and issues**

ISO 26000 distinguishes between SR core subjects and SR issues. These SR impact areas (this is the general term that is used in this book for core subjects and issues together plus any other SR core subjects that are not mentioned in ISO 26000 explicitly) offer an effective way for organisations to orient themselves on SR and determine their social responsibilities. They form the content—the heart—of SR, according to ISO 26000. The guideline lists seven SR core subjects:

1. Organisational governance
2. Human rights
3. Labour practices
4. The environment
5. Fair operating practices
6. Consumer issues
7. Community involvement and development

Within ISO 26000 these specific core subjects were chosen because they form a modern reflection of ‘good practice’ in the area of SR. ‘Good practice’, however, is subject to change: a good example today may not be good tomorrow. The development and evolution of SR continues to proceed apace. This is a dynamic subject and the guideline reflects this.¹ Having said that, the core subjects cover the most probable economic, environmental and social effects (the 3Ps: people, planet, profit) for which an organisation should take responsibility.

Still, even the inexperienced reader will notice that these are very general and broad topics. The SR core subjects can have a multitude of connections with all types of organisations in all imaginable sectors. On the other hand, some of these subjects will not be recognised as being of importance to all

¹ ‘Views of good practice too will undoubtedly change in the future, and additional issues may come to be seen as important elements of social responsibility’ (ISO 2010: 5).
types of organisations. A retailer specialising in French cuisine, for example, will probably wonder to what extent ‘Organisational governance’ and ‘Human rights’ are applicable to their company, stores and employees. Such a retailer might want to add a subject, such as animal welfare, to the list. But ISO 26000 claims that any of these seven core subjects have at least some relevance to every type of organisation. Arguments can be made in favour of this statement, given the general formulations that are used, but the claim could be criticised in the sense that unless organisations feel engaged with the nuts and bolts of the guideline, there may be a temptation for some to turn off, or even ignore it. According to the IISD (Perera 2008), the statement that all core subjects are relevant for all organisations doesn't hold (see Interlude II). This is especially true for organisations with 30 employees or fewer, who state that they cannot identify with all of the SR core subjects.

ISO 26000 emphasises that to be able to recognise the organisational relevance of SR core subjects and SR issues, it can be helpful to take a look at interactions with other organisations and stakeholders. Once an organisation takes account of the impact of its activities and decisions on groups such as its customers, suppliers, partners, competitors and local communities, the picture may well become clearer.

As it is, ISO 26000 challenges the user of the guideline to determine the significance of the SR core subjects for their own organisation and to complement these where necessary. These additional subjects might surface during a stakeholder consultation or peer review. Every organisation should determine which SR impact areas are relevant to it, and which are important enough to become part of the organisation's SR profile. The way ISO 26000 is applied differs per organisation: smaller companies, for example, will apply it more informally than multinational enterprises. It is important for organisations to realise that SR is a dynamic and evolving subject that might change shape and content in time as societal concerns develop.

2 Chapter 7 will discuss selecting SR priorities and will go into further detail on this.
3 ‘Recognising social responsibility is a continuous process. The potential impacts of decisions and activities should be determined and taken into account during the planning stage of new activities. Ongoing activities should be reviewed as necessary so that the organisation can be confident that its social responsibility is still being addressed and can determine whether additional issues need to be taken into account’ (ISO 2010: 16).
6.2.1 SR issues

Apart from the SR core subject ‘Organisational governance’, SR issues are distinguished within the other six core subjects, varying from four issues within ‘The environment’ to eight within ‘Human rights’. ISO 26000 contains a total of 36 SR issues. The issues can be used as initial guidance for making the core subjects organisation-specific. Although ISO 26000 contends that all core subjects have at least some relevance to all organisations, this does not apply for all the SR issues. The SR issues can also be interpreted in many ways, depending on the individual organisation. Nevertheless, the lack of SR issues within the core subject ‘Organisational governance’ does appear odd, since relevant SR issues could have been distinguished, such as agreements about remuneration and fees for executives, reward structures and severance pay (including the way in which these are determined). ‘Organisational governance’ is considered a special core subject within ISO 26000 because it is different in nature to the other core subjects.4 ‘Organisational governance’, therefore, is considered within ISO 26000 as a condition under which organisations integrate social responsibility throughout the organisation.

When looking at the issues several observations can be made. First, the SR core subjects and issues overlap and complement each other in a number of ways. ISO 26000 asks organisations that want to apply the guideline to deal with the core subjects and issues as a whole rather than looking at them in isolation. Positive actions that are undertaken in a certain impact area should not be executed at the expense of negative performance in another impact area. Organisations should also avoid taking action that results in negative effects on stakeholders or the value chain of the organisation. This is an odd stance that is not generally seen as part of the mainstream view of (C)SR. A broadly accepted notion within SR is that pursuing the interests of one stakeholder could damage the interests of another. This causes tension or dilemmas in decision-making. ISO 26000 challenges organisations to assess every action or decision for its possible harmful effects on other impact areas, stakeholder interests and consequences for society. Even when an action or decision has a small negative effect or consequence, according to ISO 26000, it should not be taken; or at least its negative effects should be neutralised. In practice, of course, this will not always prove an easy goal to accomplish and may indeed be impossible. Organisations cannot be expected to oversee and measure the

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4 ‘[T]he nature of organisational governance is somewhat different from the other core subjects. Effective organisational governance enables an organisation to take action on the other core subjects and issues and to implement the principles […]’ (ISO 2010: 20).
impact on all their stakeholders of every action or decision. An organisation that applies the guideline should, in our opinion not take this challenge too literally. Second, it should be reiterated that the SR core subjects and issues do not represent an exhaustive list. In addition, the order of the core subjects and their respective issues do not suggest an order of importance (for example, concerning the efforts required by an organisation). Every organisation can therefore determine its own order of importance and allocate priorities accordingly. Third, and in anticipation of the next section, a glance at the complete overview of core subjects and issues shows that ISO 26000 repeats some aspects of SR in different SR impact areas. Examples include health and safety, and economic aspects, such as the life-cycle of products and the value chain of an organisation (backwards and forwards, including both customers and suppliers).

6.2.2 Structure of core subjects and actions and expectations per issue

The presentation and explanation of SR core subjects within ISO 26000 follows a fixed structure which is described below. First, ISO 26000 defines the core subject and then describes how it might relate to an organisation in different contexts and how important it might be to different entities. Examples are given of real-life instances for most core subjects. Next, the core subject is placed in the context of SR and a connection is made with sustainable development. This is done by describing the (potential) sustainability impact of a core subject or the relationship of the subject with broader developments in society. Subsequently, principles and considerations are mentioned that apply to the core subject. Here, it is important to avoid confusion with the general principles of SR that are specified by ISO 26000 (see Chapter 4). Instead, specific, fundamental principles that form the foundation of a core subject are discussed and some kind of minimal level of achievement or point of departure for an organisation is outlined. One example is the 1944 ILO Declaration of Philadelphia which says that labour is neither a tradeable good nor a commodity. Another example is the polluter pays principle.

In spelling out the core subjects, ISO 26000 intends to provide organisations with background information, inspiration and guidance in formulating their social responsibilities. For example, the core subject ‘Community involvement and development’ suggests activities aimed at local economic development, programmes to improve education and skills, and activities aimed at conserving culture heritage. Moreover, the type of investment an organisation makes
in a local community will depend on the type of community it is, and on the unique expertise, resources and capacity that the organisation has to offer.

After the principles and considerations, the different SR issues that can be found under the SR core subjects, are described. For each SR issue a description is given and the specific relationship of the issue to social responsibility is defined.

Finally, ISO 26000 specifies for each SR issue the actions and/or the expectations concerning the behaviour, methods and performance of the organisation with regard to the respective SR issues. This happens (mainly) through the use of bullet points under the ‘Related actions and expectations’. These actions and expectations are based on, or derived from, international conventions (e.g. UN Convention on Elimination of All Forms of Discrimination Against Women), recommendations (e.g. ILO Minimum Age Recommendation), declarations (e.g. ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy), guidelines (e.g. OECD Guidelines on the Protection of Privacy and Transborder Flows of Personal Data), agreements (e.g. UN Framework Convention on Climate Change) and existing ISO standards (e.g. ISO 9001 and ISO 27001). Throughout the guideline a frame containing a clarification of the specific issue is used: for example, about the Millennium Goals of the UN (part of the ‘Community involvement and development’ core subject; see also Annex 4) or about the ISO standards 10001, 10002 and 10003 on customer satisfaction (part of the ‘Consumer issues’ core subject). The actions and expectations are, in general, in the form of advice or suggestions, which is in line with the voluntary nature of the guideline.5

In the following sections the SR core subjects and issues are described and illustrated with a real-life example. To improve readability, the actions that an organisation should undertake according to ISO 26000 and the expectations the guideline sets out for organisations are summarised per SR issue. A detailed overview of the different SR issues can be found in the guideline itself.

5 ‘This International Standard contains no requirements and therefore the word “shall”, which indicates a requirement in ISO language, is not used. Recommendations use the word “should”. In some countries, certain recommendations of ISO 26000 are incorporated into law, and are therefore legally required. The word “may” is used to indicate that something is permitted. The word “can” is used to indicate that something is possible, for example, that an organisation or individual is able to do something’ (ISO 2010: ix).
6.3 **Organisational governance**

The guideline describes ‘Organisational governance’ as the system that organisations have in place to make, implement and monitor their decisions and activities based on their mission, vision and strategy. Obviously, the managers and directors who lead the organisation have a big influence on the way the governance system is set up and how it works. In practice, there will be a difference between large and small organisations and how these decision-making processes work. In the former they will be more formal, while in the latter they can be very informal. In relation to SR the governance system makes it possible to implement and monitor SR and the SR principles alongside the other strategic priorities of the organisation. So, ‘Organisational governance’ in ISO 26000 is both a means to an end and an end in itself.

Unlike the other core subjects, no SR issues are distinguished within this core subject. However, several actions and expectations are specified—or, more accurately, the guideline specifies what the decision-making processes and structures should enable an organisation to do. In essence, ISO 26000 advises organisations on how to enable its employees to act in line with the general SR principles identified by the guideline. The most important condition that must be met is that SR should be integrated into the way the organisation makes it decisions, both formally and informally (ISO 2010: 21).

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**Example...**

**Unibail-Rodamco**

To guarantee organisational governance Unibail-Rodamco adopted a multiple governance structure, including a supervisory board and a management board. The former consists of two committees—the governance, nomination and remuneration committee and the audit committee—which monitor and audit the enterprise. Through internal control and risk management, examinations and sometimes independent research these committees supervise the activities of the management board in order to avoid or identify any misuse or conflict of interest associated with the activities and relations of the management board.6

6.4 Human rights

Human rights are the basic rights that every person has or should have. They include civil and political rights, freedom of expression, social and cultural rights, and the right to health and education. Within the SR core subject ‘Human rights’ the following eight issues are distinguished:

1. Due diligence
2. Human rights risk situations
3. Avoidance of complicity
4. Resolving grievances
5. Discrimination and vulnerable groups
6. Civil and political rights
7. Economic, social and cultural rights
8. Fundamental principles and rights at work

6.4.1 Due diligence

Due diligence concerns the idea that an organisation should do its utmost to minimise any form of risk resulting from the activities it undertakes. This can evidently be relevant in many organisational activities, but as part of the SR core subject ‘Human rights’ it relates to minimising the risks of human rights violations across the supply chain of the organisation, both upstream and downstream.

Example...

Adidas

In order to improve its reputation and operational efficiency Adidas has established standards regarding the workplace of suppliers. In order to do business with Adidas suppliers must adhere to these standards which avoid malpractice in the areas of human rights and environmental impact. Internal inspections by Adidas of suppliers’ premises to monitor adherence to the Workplace Standards are frequently verified by independent audits.7

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6.4.2 Human rights risk situations

An organisation should be extra careful of, and caring for, human rights when it finds itself in a situation in which there is potential for human rights violations. Examples are: conflict situations; working in areas of extreme political instability; dealing with corrupt regimes; or managing complex international supply chains. Of course, in these situations, due diligence also plays an important role.

**Example...**

**Employers Consultative Association of Malawi**

The Employers Consultative Association of Malawi is a Malawian cooperative which, together with the ILO, coordinates the project Employers Fight Against Child Labour in Commercial Agriculture. The project's main goal is to care for the interests of employers on all socio-economic subjects, such as HIV/Aids, gender issues and child labour.\(^8\)

6.4.3 Avoidance of complicity

Complicity is about conscious and unconscious assistance in committing illegal acts by others that lead to negative effects on people, planet or society. Three levels of complicity are distinguished: direct, beneficial and silent complicity. Direct complicity concerns the conscious and wilful violation of human rights. Beneficial complicity is directed at human rights violations committed by someone else or another organisation, but from which the organisation benefits directly. Finally, silent complicity addresses not speaking up when systematic or continuous human rights violations are known to the organisation, but outside its direct sphere of influence. ISO 26000 does not only refer to complicity in the legal sense, but also cites involvement in activities that have a substantial negative effect on human rights of which the organisation was aware or should have been aware. One manifestation here would be in not confronting systematic or long-standing violations of human rights.

6.4.4 Resolving grievances

Whenever an organisation violates any of the human rights as identified in the International Bill of Human Rights, it should have an accessible and fair method in place to be called to account. In addition, the organisation should have a mechanism in place to resolve grievances and, when applicable, compensate the person or people involved (ISO 2010: 27).

Example...

The Ogoni people

The Ogoni people in Nigeria have been subject to many human rights violations over the years. Their community is located in the Niger Delta, an area where Shell, and also Mobil, Chevron and Texaco, are responsible for oil spills and pollution. The Ogoni people have held many protests over the years, some of which were violently suppressed by the Nigerian police force, resulting in thousands of deaths and displacements. As Nigeria derives more than 80% of its revenues from the oil companies, it is in the government’s interest to protect the oil companies’ pipelines. However, when human rights violations result from these actions, it is the social responsibility of the oil companies to address these human rights violations and seek to prevent them.9

Holy Rosary School

The Holy Rosary School is a private co-educational school in Victoria, Australia. To ensure just and equal relationships based on dignity between all the people related to the school, a grievance resolution policy and procedure has been drafted. The aim of this grievance resolution is:

- To provide a harmonious, positive and productive school environment.
- To resolve grievances fairly, efficiently and in accordance with requirements and in a timely and effective manner.
- To have a sound and fair basis of information dissemination, conciliation, investigation and decision-making, which involve the principles of due process and natural justice.10

9 ‘Worldwide Shell Boycott. Shell Oil; Nigeria executes Niger Delta environmental protestor/writer Ken Saro-Wiwa and 8 others’; findarticles.com/p/articles/mi_m1295/is_n1_v60/ai_17963624, accessed 23 March 2011.

6.4.5 Discrimination and vulnerable groups

Discrimination concerns making a distinction, exclusion or having a preference that leads to the unequal treatment of a person or group, or it concerns a situation where there is no universal access to equal opportunities. Discrimination is one of the most serious violations of human rights. It is the responsibility of every organisation to act in such a way that it does not discriminate against any of its stakeholders, directly or indirectly, now or in the future.

An organisation should take particular care not to discriminate against key vulnerable groups, such as women (equal treatment in the economic, social and political sense is the starting point), people with a disability (for example, by offering integration, participation or adapted facilities), children (respecting their right to life, survival and development), local communities, migrants and migrant workers, and others (for example, people without a caste). ISO 26000 also states that an organisation should make an effort to improve situations that are the consequences of discrimination in the past.

Did you know…
Research from the University of Groningen shows that the percentage of women in the higher echelons of government mainly increases because men leave for positions with more status and not because of a successful recruitment or promotion policy.\(^\text{11}\)

Example…
Dutch Ministry of Public Health, Wellbeing and Sport
The Dutch Ministry of Public Health, Wellbeing and Sport has developed a policy to have people with a disability participate in the labour process and society in the same way as people without a disability. The Ministry encourages all government departments to make specific arrangements to make the policy successful.

6.4.6 Civil and political rights
This SR issue is specifically about having rights and liberties including the right to safety, the right to a life with dignity, the right to have possessions and freedom of religion. Organisations should respect these rights.

Example...
Tesco
Under strict Sharia law, Muslims are not allowed to carry alcohol. In order to respect the freedom of religion and to avoid any problems, Tesco has introduced into its induction process for shelf stockers and other store personnel the forewarning that handling of alcohol is part of the job. If employees object to handling alcohol on religious grounds, Tesco has an open-door policy for staff to discuss such issues.¹²

6.4.7 Economic, social and cultural rights
Every organisation should acknowledge that every person is a member of society and therefore has a right to education, health, a standard of living that is beneficial to their health and the well-being of themselves and their family. This includes food, clothing, housing, medical care and social securities. An organisation should respect these economic, social and cultural rights, in the context of the local situation, and assess the impact of its activities, products and services on these rights.¹³ This issue also relates to content in the core subject ‘Community involvement and development’ (see §6.9).

¹³ ISO 26000 gives, among others, the following example to illustrate the kind of activity or initiative an organisation should not take (ISO 2010: 30): ‘[I]t should neither directly, nor indirectly limit nor deny access to an essential product or resource, such as water.’
6.4.8 Fundamental principles and rights at work

Despite the firm legal grounds of many of these rights in the developed world, organisations should still take care to pay attention to freedom of (labour) association and collective negotiation (for example, offering suitable facilities and access to information and resources to people that hold a representative position to resolve differences), forced labour/slavery, equal opportunities and non-discrimination (for example, the prevention of sexual harassment) and child labour. The guideline states that an organisation should undertake a periodic overview of the effects of policies aimed at increasing equal opportunities and non-discriminatory practices, and take action to stimulate the protection and improvement of the situation of vulnerable groups (ISO 2010: 31-32).

Example...

Heineken

Heineken has produced an ‘economic impact assessment model’ dealing with the daily business operations of one of its factories in Sierra Leone. The model identifies ways of decreasing the negative impacts of the company’s activities. Its main objective, however, is to increase positive impacts by, especially, helping local communities improve their economic and social situations.14

Example...

Google

Google is covering a cost that gay and lesbian employees have to pay when their partners receive domestic partner health benefits. Due to US tax laws, domestic partners that are not married pay around a $1,000 more annually for healthcare services. This extra cost can be avoided by heterosexual couples if they choose to get married (the federal government of the United States does not recognise the marriages of same-sex couples). Google is not the first company to cover these expenses; Cisco, Kimpton Hotels and the Gates Foundation have already implemented similar policies.15

6.5 **Labour practices**

The SR core subject ‘Labour practices’ applies to all the policies and activities related to work that are done within, by or on behalf of an organisation. It is therefore not only relevant for employees but also to work undertaken by the organisation on the premises of others or work that is done in the name of the organisation by subcontractors or third parties.

Within the SR core subject ‘Labour practices’ the following five issues are distinguished:

1. Employment and employment relationships
2. Conditions of work and social protection
3. Social dialogue
4. Health and safety at work
5. Human development and training in the workplace

### 6.5.1 Employment and employment relationships

The focus here is on the importance of employment for human development. The provision of employment is one of the main contributions to a decent standard of living. In this respect an organisation, as employer, has the responsibility to contribute to a certain amount of stability with regard to the quality of life of its employees by offering job security and at least a minimum income. From this point of view, both employers as well as employees have certain rights and obligations towards one another and, in some regards, also towards society as a whole. This SR issue has, in contrast to the SR core subject in general, no relation to subcontractors and the services of third parties.

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**Example...**

**Business Link**

The British advisory and support service for companies, Business Link, offers a manual for companies with the title ‘How to Dismiss Employees Correctly’. This is an online tool that can be used to go through the correct dismissal procedure. In addition, the instrument contains a summary of the progress of an employer in the dismissal procedure, advice and reference to complementing information.
6.5.2 Conditions of work and social protection

ISO 26000 identifies different basic norms regarding working conditions and social protection. There are many aspects contributing to decent working conditions, such as a work–life balance, paid leave, a certain minimum wage, compensation for overtime and the minimum standards as set out by the ILO. The issue of working conditions and the degree of social protection available are particularly (though not exclusively) important in situations and countries where the law is silent. Therefore, this part of the SR guideline applies especially to organisations (including those that have production activities or part of their supply chain) in developing countries.

Example...

**Marks & Spencer**

In 2007 Marks & Spencer launched Plan A, which contains 100 commitments to climate change, waste, natural resources, fair partnering, and health and wellbeing. Part of the aim of Plan A is to ensure good working conditions in the supply chain. To achieve this, Marks & Spencer has, as well as setting criteria for its suppliers and buying Fairtrade-certified cotton, set up 10 ‘Ethical Model Factories’ to demonstrate that good working conditions improve the productivity of the workforce.16

6.5.3 Social dialogue

The concept of social dialogue, as ISO 26000 describes it, is derived from the definition that the ILO uses as, ‘all types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy.’17 Where the SR issue ‘Fundamental principles and rights in the workplace’ concerns expectations associated with freedom of association and collective negotiation, social dialogue is about the way content is determined at an individual, industry, national or international level. In Europe, this process concerns mainly the development of collective labour

agreements, as well as how governments, employers and employees deal with topics that are part of these agreements.

**Example...**

**ConocoPhillips**

At ConocoPhillips a continuous dialogue with employees takes place. The goal is to gain insight into the opinions of employees and their view of the company. This is done in different ways: for example, through surveys to collect the opinions of employees, internet forums, assessments of the company by employees and direct meetings with employees. Because of the great diversity of employees the research is conducted in 16 languages.

6.5.4 **Health and safety at work**

The SR issue ‘Health and safety at work’ concerns not only the physical, but also the psychological and social aspects of work. It is the responsibility of the employer to make sure that working conditions do not cause discomfort or harm. It should be noted that in some cases where working conditions are poor, it is not only the employee’s health at stake, but also the environment with potential impacts on local communities or even society as a whole. A good example in this respect is working with toxic or highly explosive materials. For the relationship between health and safety at work and the environment see also the SR core subject ‘The environment’.

**Example...**

**Burando Maritime Services**

Burando Maritime Services offers a wide range of services to vessels visiting the Port of Rotterdam, including, among other things, fuel oil. The company has drawn up safety conditions for transporting and working with fuel oil. These prescriptions describe the associated dangers, what should be done to limit risk and how employees should handle accidents.

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6.5.5 Human development and training in the workplace

The SR issue ‘Employment and employment relationships’ makes a case for secure employment contributing to quality of life. But it is not only through the provision of job security and a decent wage that employers can contribute to their workers’ quality of life. Through training and human development employees can increase their capacities and competencies which, in turn, broaden their horizons and increase their chances of a promotion or a better job. Furthermore, ISO 26000 states that human development can also improve workers’ access to political, economic and social opportunities, ability to contribute to society as a whole and feelings of self-worth (ISO 2010: 40).

Example...

Sainsbury’s

In one of their stores in Camden, north London, a Sainsbury’s bakery team has developed a flexible system consisting of a number of different baking shifts throughout the day. All team members have agreed to rotate their hours each week to make sure that no employees worked a shift that did not match their personal life.  

6.6 The environment

Every society has an ecological footprint as does every organisation. Problems occur when this footprint is larger than the environment can bear. Current crises, such as on energy, food, water, climate and biodiversity, are all believed to be (at least, in part) caused by humans. Organisations play a role in terms of their contribution to these problems. However, they also have a role to play in solving them by reducing their ecological footprint. This requires an extensive and systematic approach that includes cooperation with other organisations.

Did you know...

The production of one kilo of steak requires on average 16,000 litres of water.


Within the SR core subject ‘The environment’ four SR issues are distinguished:

1. Prevention of pollution
2. Sustainable resource use
3. Climate change mitigation and adaptation
4. Protection of the environment and restoration of natural habitats

It should be noted that the term ‘environment’ within this SR core subject relates to wildlife as well as to habitats and ecosystems.

6.6.1 Prevention of pollution

In essence, pollution comes down to the introduction of contaminants into the environment. These contaminants can take many forms, including the dumping of toxic materials, the release of polluted emissions to air, contaminated discharges to water and noise from an organisation’s activities. Organisations should aim to avoid these and other types of pollution.

Example…
The city of Nieuwegein

The city of Nieuwegein in the Netherlands makes agreements with partners and takes environmentally friendly actions to reduce its ecological footprint. Together, these agreements and actions, in the areas of energy, lighting, warmth, cleaning, sanitation, pesticide use and chemical waste, are managed by an ISO 14001 environmental management system.²¹

6.6.2 Sustainable resource use

Current consumption and production patterns are not sustainable. Society takes more from the environment than the carrying capacity of the planet can withstand. Therefore people and organisations should use resources more sustainably, which means that natural resources should be consumed at a pace slower than or equal to the ability of the Earth can renew this resource. ISO 26000 identifies three areas for improvement: energy efficiency; conservation of and access to water; and efficiency in the use of materials.

Climate change mitigation and adaptation

Climate change is one the largest environmental problems of our time. Consequences of climate change are likely to include higher temperatures, melting ice and therefore higher sea levels, but also more frequent extreme weather events and increased ecosystem disruption. The related actions and expectations for organisations specified by ISO 26000 are divided between ‘Climate change mitigation’ and ‘Climate change adaptation’. The first category concerns reducing the effects of organisations on the climate, while the second relates to the ability of organisations to adapt to the consequences of climate change. The intention here is to enable an organisation to limit its vulnerability to the results of climate change.

Example…

Kimberly-Clark
To conserve forests Kimberly-Clark has improved its procurement standards together with Greenpeace. By the end of 2011 Kimberly-Clark strives to procure at least 40% of its North American tissue fibre from FSC-certified or recycled sources.\textsuperscript{22}

Example…

Water authority Vallei & Eem
Water authority Vallei & Eem in the Netherlands is preparing itself for a likely warmer and more unpredictable climate with more rain within shorter periods and longer periods of drought. This requires necessary adaptations in the regional water management strategy. This strategy deals mainly with protection against floods, water shortages, drought and maintaining water quality and ecology.

6.6.4 Protection of the environment and restoration of natural habitats

Within this SR issue the focus is mainly on the influence of human activities on ecosystems. The increasing demand for natural resources caused by societal overconsumption has a big impact on ecosystems—species disappear, natural habitats diminish and, as a consequence, biodiversity decreases.

The four most important areas within this issue are: valuing, protecting and restoring ecosystems; valuing and protecting biodiversity; using land and natural resources sustainably; and advancing environmentally sound urban and rural development (ISO 2010: 46-47).

6.7 Fair operating practices

This SR core subject concerns the way organisations act towards, and interact with, their stakeholders. These stakeholders can be individuals as well as other organisations such as suppliers, governments or business partners. The interaction of the organisation with these stakeholders should be based on the principles of ethical behaviour. Within the core subject ‘Fair operating practices’ the following five SR issues are distinguished:

1. Anti-corruption
2. Responsible political involvement
3. Fair competition
4. Promoting social responsibility in the value chain
5. Respect for property rights

6.7.1 Anti-corruption

Under no circumstances should any organisation engage in activities that are related to corruption, directly or indirectly. Apart from the immoral nature of corruption, ISO 26000 identifies several risks for organisations engaging in such practices that might undermine their reputation or result in legal consequences such as criminal prosecution. Furthermore, corruption is highly likely to result in social disparities, such as unfair competition or an unequal distribution of wealth. Corruption can take many forms such as bribery of public officials, bribery in the private sector, fraud and money laundering.

Example...

Transparency International

The corruption index of Transparency International measures the perceived levels of corruption in the public sector of all countries around the world. The results for 2010 show that Denmark, New Zealand and Singapore are perceived as least corrupt, while Somalia is perceived as the most corrupt country.24

6.7.2 Responsible political involvement

Organisations should avoid undue involvement in public political processes and not seek to exert excessive influence over them. While ISO 26000 does not suggest that there should be no involvement (where this is appropriate) it is clearly stated that the extent should be limited and organisations should refrain from undermining the political process or becoming involved in bribery, manipulation or intimidation. Furthermore, it is suggested that organisations should at least be transparent about their activities or policies regarding lobbying, but also political contributions and involvement. It looks like the organisational stakeholders in the process of developing the guideline did not dare to say too much about lobbying. Nevertheless, the SR issue is about setting the boundaries of, or at least being transparent about, the political involvement of organisations.

6.7.3 Fair competition

ISO 26000 states that fair and open competition creates a wide range of societal benefits. These range from providing a stimulus to innovate to a level playing field for economic growth; and from producing cheaper products and services to higher quality. Some examples of anti-competitive behaviour that should be avoided are price fixing, forming cartels and underselling in order to drive competitors out of the market.

Example...

Procter & Gamble

Procter & Gamble makes clear on its website in which ways the organisation is involved in politics. The lobbying and political activities of the company are explained and there is a commission that is responsible for this. In addition, the amount of money related to these activities is specified.

Example...

Toshiba

The Toshiba Group Policy states that Toshiba will not engage in unfair competition. To ensure that their employees promote fair competition Toshiba has implemented competition law compliance programmes for local employees. Furthermore, specific rules for marketing and sales have been developed and implemented, such as the avoidance of the allocation of markets and agreements on pricing. These rules are not only related to written, but also oral agreements.

6.7.4 Promoting social responsibility in the value chain

Within a free-market relationship one organisation can exert influence on other organisations: for example, through procurement and tendering. By using its influence in the supply chain a powerful organisation can promote (or demand) the adoption of SR principles and methods by its suppliers and by their suppliers. The upshot could be the adoption of more sustainable practices throughout the supply chain of the organisation, or, at the very least, the minimisation of negative practices or impacts.

6.7.5 Respect for property rights

When organisations and individuals know that their property rights are respected, they are more likely to invest in innovation, property development and, therefore, social and economic security. Property rights involve both physical and intellectual property, such as copyright, patents and moral rights (ISO 2010: 51). Every organisation should respect these rights.

Example...

The city of Amsterdam

The city of Amsterdam includes sustainability as a criteria at every level of its procurement strategy. The city’s ‘Guideline on Sustainable Purchasing’ assists its procurement officers to take sustainability issues into account when selecting tenders. For every step of the procurement process, possible considerations and questions are asked, including: ‘What things can you demand from a supplier and how should you formulate those demands?’ and ‘How can you challenge the market to come up with innovative solutions?’

6.8 Consumer issues

The focus here is on the individual. People, as well as organisations, can contribute to sustainable development in the way they lead their lives and undertake their daily activities. So, organisations that produce or supply

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consumer products and services should inform buyers about the sustainability attributes of their offerings throughout the life-cycle: from usage to disposal. Within the SR core subject ‘Consumer issues’ the following seven SR issues are discussed:

1. Fair marketing, information and contractual practices
2. Protecting consumers’ health and safety
3. Sustainable consumption
4. Consumer service, support and dispute resolution
5. Consumer data protection and privacy
6. Access to essential services
7. Education and awareness

6.8.1 **Fair marketing, factual and unbiased information and fair contractual practices**

This SR issue includes, among other things, allowing consumers to accurately compare the characteristics of products and services and so make informed decisions in the purchasing process. Key elements of responsible marketing practice should be to provide consumers with information on the sustainability impact of a product. This should include declarations on its journey through the supply chain and on the full life-cycle of the product.

The organisation that sells products to the end consumer does not always possess all of the relevant information that consumers need to make an educated decision. Therefore, it is also the responsibility of the supplier to provide its customers with full and detailed information on the sustainability impacts of its product. Finally this SR issue also zooms in on a balanced power distribution in the (negotiation) relationships in the whole chain. In this respect, the guideline advises that the parties with high negotiation power do not include unfair terms in their contracts, such as the provision to make unilateral

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changes in the contract, or entering into contracts with unreasonably long contract periods.

**Example...**

**Borrowing money costs money**

Since 1 April 2009 the AFM, the Dutch Authority Financial Markets, on behalf of the Dutch government, requires financial companies to add a warning to their advertising about credit, highlighting the possible consequences of taking such credit. The goal of this warning is to increase the awareness of consumers about the consequences of borrowing money. The warning phrase is: ‘Pay attention! Borrowing money costs money.’

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**6.8.2 Protection of consumers’ health and safety**

Regarding this SR issue, ISO 26000 states that organisations should pay special attention to groups that are more vulnerable, such as children, who are usually not able to identify the potential dangers from using certain products. Therefore, products and services have to be safe to such a degree that, during normal usage, or in situations in which possible abuse can be foreseen, they do not damage consumers’ health. Consequently, it is important that an organisation goes beyond laws and regulations regarding safety requirements. Of course, even when all preventative measures have been taken, it is still possible that an unforeseen fault or danger comes to light through consumer usage. In that case, organisations should have a mechanism in place to recall the product.

**Example...**

**ECOstyle**

ECOstyle is a Dutch company that produces and sells environmentally friendly plant protection, fertilisers and pesticides throughout Europe. Since no chemicals or damaging substances are used, the gardens in which children and domestic pets play becomes a safer environment with lower health risks.

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28  www.ecostyle.nl
6.8.3 Sustainable consumption

At the famous UN Conference on Environment and Development in Rio de Janeiro in 1992 sustainable consumption and production was recognised as an important concept to link environment and development challenges. Two years later, at the Oslo Symposium, the following definition of sustainable consumption was agreed upon: ‘the use of services and related products which respond to basic needs [. . .] so as not to jeopardise the needs of future generations’. Current Western patterns of consumption are largely not sustainable.

Purchasing a product or service impacts on sustainable development. Organisations have a responsibility to make consumers aware of the arguments for sustainable consumption in order to allow them to make informed decisions about their purchases and choose a more sustainable lifestyle.

Example...

Starbucks

From March 2010 all Starbucks stores throughout Europe have been selling 100% Fairtrade-certified coffee. This coffee is purchased from producers that produce coffee in a responsible and sustainable way. Starbucks goes further, however: it also educates its customers about the meaning of Fairtrade coffee via in-store posters and flyers.

6.8.4 Consumer service, support and dispute resolution

This issue concerns after-sales service and the way the organisation provides for the needs of consumers after a sale of a product or service has taken place. So, topics such as the sales warranty, technical support available during usage,

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conditions for returning products and procedures for dealing fairly with complaints and resolving disputes are included here.

**Example...**

**Technocash**

Technocash is a company that focuses on money transfers for both companies and individuals. The company has a policy for dealing with complaints and resolving disputes. This policy is about the process of settling complaints and solving disputes, and clear communication about these processes towards clients is a central part of the policy.³²

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### 6.8.5 Consumer data protection and privacy

We live in a world where information can be gathered and disseminated rapidly and globally. However, modern technologies also mean that consumers run a greater risk of having their privacy compromised. It is the responsibility of an organisation to ensure that this privacy is respected, which in turn can boost consumer trust in an organisation as well as its reputation and credibility.

**Example...**

**UNICEF**

Several UNICEF websites are aimed at raising awareness about the living conditions of children in developing countries and encourage schoolchildren from developed countries to participate in programmes to improve these living conditions. Some of these websites contain interactive elements, such as discussion forums. To prevent abuse, UNICEF asks for detailed information from site users, and children are encouraged to inform their parents about their use of these websites.

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### 6.8.6 Access to essential services

Organisations that supply essential services, such as gas, electricity, water and sewerage, have a special responsibility, according to ISO 26000. Only in exceptional circumstances may these services be withdrawn, and utilities
providers need to adopt clear policies on, for example, late payment of bills by customers.

Example…
Guidelines on shutting down electricity and gas of small households
According to a 2006 guideline of the Dutch Ministry of Economic Affairs a company that transports or supplies electricity or gas to small households is not allowed to shut off supply to a household in the period between 1 October to 1 April of any year, unless the household requests the company to do so, commits fraud or misuse, there is a safety issue, or there is no known bill holder at the household with a connection to the service network. Late payment by a household, is not, therefore, a reason to withhold these essential services.

6.8.7 Education and awareness
Not all consumers are aware of their rights and responsibilities, nor are they aware of all of the impacts of the products and services they buy. It is, in part, the responsibility of organisations to raise this awareness and provide information in order for consumers to make more informed purchasing decisions and to exercise their rights and responsibilities.

Example…
AH puur&eerlijk
AH (Albert Heijn), the largest Dutch chain of supermarkets, has developed a new sustainability brand of its own: AH puur&eerlijk (pure&fair). As a recognisable brand AH offers a range of responsible products produced, grown or procured with extra care for people, animals, nature or the environment. The products of AH puur&eerlijk always have either an independent eco-label such as the EKO label for biological products or a third-party label of an independent NGO.

6.9 Community involvement and development
The relationship between organisations and their (local) environment or communities is an integral part of their social responsibilities. The goal for organisations in community engagement is to contribute to the social, economic
and political development of the communities they operate in, either in developed, developing or underdeveloped countries. For the most part the contributions made in developing and underdeveloped countries might have a more significant impact; however, the organisation should always look at its local community and try to find the relationship with its own activities and employees’ wishes. This contribution should stem from the fact that organisations recognises that it, as well as the communities in which it operates, is part of society as a whole and that it therefore shares certain interests. Philanthropy alone, according to ISO 26000, cannot be seen as a substitute for other forms of community engagement that are described under this SR issue. Still, philanthropy is seen by the guideline as one form of social or community investment. Within the SR core subject ‘Community involvement and development’ the following seven SR issues are distinguished:

1. Community involvement
2. Education and culture
3. Employment creation and skills development
4. Technology development and access
5. Wealth and income creation
6. Health
7. Social investment

6.9.1 Community involvement

In essence, community involvement concerns an organisation’s contribution to society beyond the impacts of its day-to-day business. This contribution can take many forms, such as donations in kind, partnerships with local groups, shared opportunities for positive exposure and enabling employees to help in solving or preventing a local social problem. Through community involvement an organisation builds bonds, and also gets a better understanding of the issues relevant to the communities it operates in. This improved cooperation with the community may lead to a process of joint development or co-evolution, but also creates opportunities for members of the community to participate in the decision-making processes of the organisation.
For communities to thrive while preserving their own identity and culture, it is important that they enjoy proper education which in turn strengthens social cohesion. Obviously, this issue is linked to underdeveloped and developing countries, and rightly so, since the state does not always provide the best education. However, reducing the illiteracy rate in developed countries, for instance as part of an employee development programme, is also an aspect that is covered by this issue.

Example...
Albron
The so-called MaStafette is an initiative of Fortis Foundation to offer high-school students the possibility of undertaking a social internship. Students make a pro bono contribution to society: for example, in care for the elderly, education or for other good causes. Albron, a Dutch caterer, participates in this project, coaching the students, and students perform their internships with the company working with groups and parts of society they would not otherwise interact with in order to enhance their learning experience.

Example...
MeesterMatch
MeesterMatch, a personnel recruitment and selection company, participates in the One Laptop Per Child programme. Participating in this initiative means that the organisation donates one laptop to a child in a developing country for every successful match made between an employer and a candidate by their company. Through this programme, MeesterMatch hopes to contribute to reducing the knowledge gap in developing countries.

34 ‘Onderwijs OLPC en MeesterMatch helpen kinderen in ontwikkelingslanden’; www.nieuwsbank.nl/inp/2009/03/06/A004.htm, accessed 27 April 2011
6.9.3 Employment creation and skills development

Both creating employment and developing skills contributes to the economic and social development of communities and society. By providing these social goods, organisations contribute to reducing poverty and help people to ensure that they have the skills or qualifications for a decent and productive job.

Example...

Pilbara

The Australian logistics company Pilbara operates in remote areas. There are relatively few chances of getting educated or employed for the local citizens. Half of Pilbara’s employees come from the local community. This is a conscious choice by Pilbara. Working is a socialisation process for employees and their families. The company offers its employees a social structure and the opportunity of participating more actively in the community because of their increased standard of living. Additionally, the knowledge and experience they acquire makes it easier for local community members to find employment after a Pilbara project has ended.35

6.9.4 Technology development and access

Clearly, there are many economic and social benefits associated with having access to modern technologies. Organisations can contribute to bridging the so-called ‘digital divide’ by supplying communities with access to information and technology.

Example...

Close the Gap

Close the Gap is an international non-profit organisation with a mission to close the digital divide. The organisation does this by making high quality and cost-efficient ICT equipment available to educational projects in developing countries. The organisation cooperates with companies such as Ricoh, Cisco and KLM.36

35 www.pilbaralogistics.com.au
36 www.close-the-gap.org
6.9.5 **Wealth and income creation**

According to ISO 26000, entrepreneurship is promulgated as a force for good that can benefit the structural development of a community and reduce poverty. There are many possibilities for organisations to make a contribution to a climate where entrepreneurship is stimulated: for example, by steering procurement towards local suppliers and recruiting managers from the local population. Furthermore, this SR issue concerns the fairer distribution of wealth—something that organisations can also contribute to.

6.9.6 **Health**

Good health is a prerequisite for the economic and social development of a community. Organisations can contribute by promoting awareness about health issues and by providing health services to employees and their family members where appropriate.

**Example…**

**Nike**

The headquarters of Nike in the Netherlands has been designed with the health of employees in mind. Workers have a football and basketball court at their disposal, as well as an indoor sports facility and a gym, an athletics track and two tennis courts. All of this is offered for free. Yoga classes are offered for just a few euros. The goal is to encourage healthy employees who can contribute productively to the company while enjoying a better quality of life in general.

6.9.7 **Social investment**

Organisations can contribute to human development and create socially stable societies through projects in the areas of education, culture and healthcare. Such social investments should take place with the participation of local communities as they are in the best position to make sure that attention and efforts focus on the right issues and priorities.
A quick look at the ‘requirements’ of ISO 26000 could potentially discourage an organisation to use the guideline as the basis for its policy on social responsibility. Possible criticism is obvious. The SR core subjects and issues that are detailed within ISO 26000, and the manner in which they have been formulated, can be perceived as being overly ambitious. The content of ISO 26000 focuses rather generally on solving urgent global problems, such as poverty, climate change, human rights violations, to contribute towards a sustainable world and asks organisations for wide-ranging commitments to this end. In addition, the guideline seems to have been drawn up with large internationally operating companies in mind. Many of the SR issues could be seen as irrelevant for SMEs that do not have production activities abroad or import from developing countries. The relevance for local governments in developed countries is also hard to fathom. It is no surprise that research by the IISD (Perera 2008) has shown that the majority of respondents thought that ISO 26000 was not suitable for SMEs, nor for other organisations apart from multinationals.

Still, the aim here was for a guideline on social responsibility that contributes towards sustainable development. SR issues, such as stopping child labour, avoiding the depletion of natural resources, stamping out inhumane working conditions, protecting vulnerable groups and ensuring the health and safety of employees and consumers, are some of the most important areas for sustainable development.

Many of these issues have currency outside the world of the multinational. Care for employees, equal treatment of men and women, limiting carbon

Example...

Netcare

Netcare Group is a South African organisation comprising many hospitals and other healthcare institutions. Netcare has developed a Corporate Social Investment Policy with which it makes a contribution to socio-economic development in South Africa. Most activities and investments that stem from this policy are related to healthcare, such as pre-hospital emergency medical services.37

6.10 Final words
emissions, applying sustainability criteria in procurement processes, operating with integrity, community involvement, fair dealings with consumers—these are areas that are as relevant to SMEs, governmental organisations and NGOs as to corporations.

ISO 26000 emphasises that the SR core subjects it specifies are, to a certain extent and in some way, relevant for every organisation. In this way, the SR core subjects offer a kind of foundation for sustainability—a minimum performance level that should be achieved at least for organisations that want to base their SR policy on ISO 26000. This is different for the SR issues, however: these may well be irrelevant to some organisations.

The way the SR core subjects and issues apply to organisations depends on what type of organisation they are, the kind of activities they undertake, the products and/or services they offer, their stakeholders and the characteristics of the environment and communities within which they operate. The scope and the sphere of influence of one organisation may be completely different from that of another in the same sector, let alone a different kind of organisation. Additionally, the SR core subjects and the SR issues that are described in ISO 26000 do not in any way provide a complete or exhaustive overview of SR subject areas—there are many more SR themes that one can think of.

To make sure that the application of ISO 26000 covers as many types of organisations as possible, the guideline offers organisations room for manoeuvre in engaging with SR in their own way. An organisation should map its relevant and important SR topics and select its own SR priorities. One of the starting points for this is the concept of sustainability impact. Selecting SR priorities is the subject of the next chapter.

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38 It is emphasised here that it is not the intention of ISO 26000 that organisations only fulfil these ‘minimum requirements’. That would give ISO 26000 a compliance character: it is the goal of ISO 26000 to encourage organisations to fulfil their social responsibilities in a way that goes beyond the specifications in the guideline and to continually improve their SR performance.