

Indicator Protocols Set: Society

Disclosure on Management Approach Provide a concise disclosure on the following items. Respond with reference to: • Community; • Corruption; • Public Policy; • Anti-Competitive Behavior.	
Policy	State any brief, organization-wide policy (or policies) that define the organization's overall commitment on the areas listed above or state where this can be found in the public domain (e.g. web link).
Responsibility	Identify the most senior position with operational responsibility for Society areas or explain how operational responsibility is divided at the senior level for Society areas.
Management	Identify key elements of management approach, including certifications for Society related systems obtained from outside parties. Indicate percentage of operations covered by certifications.
Goals & Performance	List organization-wide goals set regarding performance against the Society topics listed above. ¹
	Report performance against goals. Use company-specific indicators as needed in addition to the GRI performance indicators.
Awards	Identify relevant awards related to performance on Society issues that the organization has received from external parties.
Fines	Indicate the total amount and number of Society related civil and criminal fines and other penalties (including imprisonment) assessed against the organization or its directors and officers when in their organizational capacity. Explain what response has been taken to resolve any issue for which significant fines were paid or for which organization's directors or officers were imprisoned.

¹ A 'goal' refers to an organization-wide result which the organization intends to achieve and against which progress can be measured.

Context	Disclose other relevant information required for user to understand organizational performance, including: • Key successes and shortcomings; • Major organizational risks and opportunities related Society issues; and • Major changes in the reporting period to systems or structures to improve performance.
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Performance indicators

Aspect	Core Indicators	Additional Indicators
Community	SO1. Programs and practices for assessing and managing the impacts of operations on communities, including entering, operating and exiting.	
Corruption	SO2. Extent of training and risk analysis to prevent corruption.	
	SO3. Actions taken in response to instances of corruption.	
Public Policy	SO4. Participation in public policy development and lobbying.	SO5. Total value of contributions to political parties or related institutions broken down by country.
Anti-Competitive Behavior		SO6. Instances of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.

Relevance

The categories of labor, human rights, and product responsibility address social impacts associated with specific stakeholder groups (such as employees or customers). However, the social impacts of organizations are also linked to interactions with market structures and social institutions that establish the social environment within stakeholder groups interact. These interactions, as well as the organization's approach to dealing with social groups such as communities, represent an important component of sustainability performance. The society performance indicators therefore focus on the impacts of organizations upon the communities in which they operate and how the organization's interactions with other social institutions are managed and mediated. In particular, information is sought on bribery and corruption, involvement in public policy-making, and monopoly practices.

Definitions

Corruption

Corruption is 'the abuse of entrusted power for private gain'² and can be instigated by individuals in the public or private sector. It is interpreted here to include such corrupt practices as bribery, fraud, extortion, collusion, conflict of interest, and money laundering. In this context, it includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something which is dishonest, illegal, or a breach of trust, in the conduct of the enterprise's business.³ This may include gifts other than money, such as free goods and holidays, or special personal services provided for the purpose of, or liable to result in an improper advantage or which may result in moral pressure to receive such an advantage.

General References

- OECD Guidelines for Multinational Enterprises, Revision 2000.
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997.
- OECD Principles of Corporate Governance, 2004.
- Inter-American Convention Against Corruption.
- UN Convention against Corruption.

² Transparency International

³ These definitions are based on 'Business Principles for Countering Bribery' which have been developed through a project managed by Transparency International.

SO1. *Programs and practices for assessing and managing the impacts of operations on communities, including entering, operating and exiting.*

1. Relevance

Many significant sustainability impacts of operations occur in the context of a specific geographic area. Indicators in the GRI Framework, such as environmental emissions or economic data, will offer an aggregate view of positive and negative impacts, but may not be possible to breakdown to the level of individual communities or geographic areas. As such, it is important to have a measure that reflects the approach used by an organization to manage its impacts systematically across the range of communities in which it operates.

Stakeholders are interested in the robustness of the approach applied by an organization. For a report preparer, reliable systems for managing impacts on community can enhance brand and reputation of the organization as a potential partner, which strengthens the ability to maintain existing operations as well as initiate new operations.

2. Compilation

- 2.1 State whether there are programs in place for assessing impacts of operations on local communities:
 - Prior to entering the community;
 - While operating in the community; and
 - While making decisions to exit the community.
- 2.2 State whether programs or policies define:
 - How data is collected for such programs, including by whom; and
 - How the community members (individual or group) from whom to gather information are selected.
- 2.3 State the percentage of operations to which the programs are applied.
- 2.4 State whether the organization's programs for managing community impacts have been effective in mitigating negative and maximizing positive aspects of these impacts, including the scale of people affected.
- 2.5 Provide examples of how feedback and analysis of data on community impacts has informed the further development of community engagement on the part of the reporting organization.

3. Definitions

Impact of operations

In this context of SO1, this primarily refers to *social* impacts and excludes impacts covered by other indicators, such as EN10 (water sources/habitats affected by water use), EN13 (protection and restoration of habitats), LA8 (HIV/AIDS programs).

4. *Documentation*

Potential information sources include the organizational policies and procedures, results of data collection from community programs, and results of analysis of external stakeholder forums, joint community committees, stakeholder reports, and other inputs.

Both internal and external sources and references should be used.

5. *References*

None

SO2. *Extent of training and risk analysis to prevent corruption.*

1. Relevance

Efforts to manage reputational risks arising from corrupt practices by employees or business partners require a system with supporting procedures. This measure identifies two specific actions for ensuring the effective deployment of the reporting organization's policies and procedures by its own employees and its intermediaries or business partners. Training and risk analysis are important for building internal awareness and capacity necessary to prevent instances of corruption.

2. Compilation

- 2.1 State the percentage and number of business units where an analysis of organizational risks related to corruption have been conducted during the reporting period. This refers to either a formal risk assessment focused on corruption or the inclusion of corruption as a risk factor in overall risk assessments.
- 2.2 State the percentage of managers and employees who have received training related to the prevention of corruption during the reporting period.

3. Definitions

None

4. Documentation

Potential information sources include the training records and monitoring reports.

5. References

- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997.
- OECD Guidelines for Multinational Enterprises, Revision 2000.
- Inter-American Convention Against Corruption.
- UN Convention against Corruption.
- Business Principles for Countering Bribery, 2003.

SO3. *Actions taken in response to instances of corruption.*

1. Relevance

Instances of corruption can create significant risks to an organization's reputation and has become the focus of international instruments. Corruption is broadly linked to contributing to poverty, damage to the environment, abuse of human rights, misallocation of investments, and undermining the rule of law. Organizations are increasingly expected by the marketplace, international norms, and stakeholders to demonstrate their adherence to good business practices. This indicator demonstrates specific actions taken to limit exposure to sources of corruption and reduce the risk of new instances of corruption. For stakeholders, there is an interest in both the occurrence of incidents, but also how the organization chooses to respond.

2. Compilation

- 2.1 State number of instances in which employees were dismissed or sanctioned for corruption.
- 2.2 State number of instances of contracts with business partners not renewed due to violations related to corruption.
- 2.3 Report any concluded/decided legal cases regarding corrupt practices brought against the reporting organization or its employees during the reporting period and the outcomes of such cases.

3. Definitions

None

4. Documentation

Potential information sources include the legal department records of cases brought against the reporting organization, its employees, business partners or contractors, minutes of the proceedings of internal disciplinary hearings, and contracts with business partners.

5. References

- UN Convention against Corruption.
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997.
- Inter-American Convention Against Corruption.
- OECD Guidelines for Multinational Enterprises, Revision 2000.

- Anti-Corruption Instruments and the OECD Guidelines for Multinational Enterprises, 2003.
- Business Principles for Countering Bribery, 2003.

SO4. *Participation in public policy development and lobbying.*

1. *Relevance*

This indicator provides information which allows organizations to compare public policy positions with formal sustainability policies and objectives. This information provides insight into the extent to which sustainability positions are consistently embedded across the organization and the degree of alignment between units. It allows a comparison of organizational priorities (particularly when comparing within the same sector) and the specific positions help clarify the strategic relevance of sustainability issues for the organization.

2. *Compilation*

- 2.1 List the significant issues that are the focus of the reporting organization's participation in public policy development and lobbying. This refers to participation organized at the level of the organization rather than at individual operations.
- 2.2 Participation refers to efforts where the organization has taken a formal position or activities where participation has been formally recognized. While this could include activities through trade associations, roundtables, task forces, and other forms of lobbying with public policymakers, the disclosure relates to the position of the organization and not that of the bodies in which it is involved.
- 2.3 Describe the core positions held on the listed issues and identify any significant differences between lobbying positions and stated policies, sustainability goals, or other public positions.

3. *Definitions*

Public policy development

Organized or coordinated activities to affect government policy formulation.

Lobbying

For the purposes of this indicator, this term applies to efforts to persuade or influence persons holding political office, or candidates for such office, to sponsor policies and/or to influence the development of legislation or political decisions.

4. *Documentation*

Potential information sources include the public policy statements of the reporting organization; internal minutes of government relations committees or departments; statements of positions adopted by the reporting organization in relevant trade associations; records of interactions with public policy-makers.

5. *References*

- OECD Guidelines for Multinational Enterprises, Revision 2000.
- OECD Principles of Corporate Governance, 2004.

SO5. *Total value of contributions to political parties or related institutions broken down by country.*

1. Relevance

The purpose of this indicator is to reflect the scale of the reporters' engagement in political funding and to ensure transparency in political dealings and relationships of the reporting organization. Many countries have legislation that sets limits on official expenditure by parties and political candidates for campaigning purposes.

2. Compilation

- 2.1 Identify the total value of financial and in-kind contributions committed by the reporting organization during the reporting period. The value of in-kind contributions should be estimated.
- 2.2 State the total monetary value broken down by country to cover those where:
 - The organization has major operations and/or sales;
 - The organization holds a significant share of the market in comparison to other organizations; or
 - The sums contributed are significant compared to the total amount contributed globally.
- 2.3 Contributions should be calculated in accordance with national accounting rules where such exist specifically for this topic.

3. Definitions

Contributions

Contributions relevant for this indicator can include donations, sponsorships, purchase of tickets for fund-raising events, advertising, use of facilities, design and printing, donation of equipment, retainers or jobs for elected politicians or candidates for office, etc.

Related institutions

Any bodies established with the primary purpose of arranging official or unofficial funding support for political parties, their elected representatives or persons seeking political office. This definition also includes think-tanks, policy organs, and other support organizations that are linked to the creation of support for political parties, their representatives or candidates for office.

4. Documentation

Potential information sources include the accounting records of external payments and public disclosure statements.

5. *References*

- OECD Guidelines for Multinational Enterprises, Revision 2000.

SO6. *Instances of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.*

1. Relevance

Mergers and acquisitions can affect consumer choice, pricing and other factors that are essential to efficient markets. Legislation has been introduced in many countries that seek to control or prevent monopolies, with the underlying assumption that competition between enterprises also promotes economic efficiency and sustainable growth. Legal action indicates a situation where the market actions or status of the organization have reached a sufficient scale to merit concerns by a third party. Legal decisions relating to these areas can carry the risk of significant disruption of market activities for the organization and/or punitive measures.

2. Compilation

- 2.1 This indicator pertains to legal actions initiated under national or international laws designed primarily for the purpose of regulating anti-competitive behavior, anti-trust, or monopoly practices.
- 2.2 Identify legal cases pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the reporting organization has been identified as a participant.
- 2.3 Describe the main outcomes of such cases, including any decisions or judgments.

3. Definitions

Anti-competitive behavior

Actions of the reporting organization and/or and employees which may result in collusion with potential competitors to fix prices, coordinate bids, create market or output restrictions, impose geographic quotas or allocate customers, suppliers, geographic areas and product lines with the purpose of limiting the effects of market competition.

Anti-trust and monopoly practices

Actions of the reporting organization which may result in collusion to erect barriers to entry to the sector, unfair business practices, abuse of market position, cartels, anti-competitive mergers, price-fixing, and other collusive actions which prevent competition.

4. Documentation

Potential information sources include the legal department records and public records.

5. *References*

- OECD Guidelines for Multinational Enterprises Revision 2000.