

Annexes

Annex A: Terms and Definitions

- **Social Performance:** usually, social issues include traditional reporting subjects, like health and safety within workplaces, employees' satisfaction, and charitable activities undertaken by the company. They also include external issues, like manpower, human rights, manpower diversification, and relationships with suppliers.
- **Economic Performance:** the term covers the creation of employment opportunities, research and development investments, investment in training, among other aspects of human capital.
- **Investment in Local Community:** refers to directing funds and resources towards the activities which result in stimulating the creation of jobs, and generating income in local communities. Enterprises undertake such activities through donating to organizations concerned in developing the local community, and in partnership with non-profit agencies.
- **Corporate Effect:** refers to the negative or positive effect on the society, or the environment, which results completely or partially from the decisions taken by the enterprise and its activities.
- **Sustainable Development:** the development which fulfils current needs, without prejudice to the ability of future generations to meet their needs.
- **Ethical Conduct:** the conduct which conforms with proper, or good and accepted codes of conduct, within a specific context, which also conforms with international moral standards.
- **Enterprises:** Social organizations those are capable of rapidly developing in response to change of conditions. As such, they are often considered innovative in the area of organizing.
- **Social Responsibility Initiative:** this term refers to the programs or activities which are clearly directed to fulfil definite objectives related to social responsibility.

- **Corporate Social Responsibility:** Procedures by which enterprises integrate social conduct with their policies and business related operations. This includes environmental, economic, and social requirements.
- **International Codes of Conduct:** the term refers to the expectations concerning corporate social conduct. It is derived from International Law and its generally accepted principles, or from internal governmental agreements (like covenants and treaties) which are internationally or semi-internationally acknowledged.
- **Corporate Citizenship:** the strategies adopted by enterprises, which include the enterprise's values and mission, and govern its operation and affect its decisions which are related to its socially responsible activities.

Annex B

Voluntary Initiatives and Instruments on Social Responsibility

This annex provides a non-exclusive list of the voluntary initiatives and instruments which are concerned with social responsibility. The annex aims at introducing examples on the types of various available initiatives and instruments, and at attracting attention to other guides which may be available on the subjects and practices, or complementary aspects pertinent to this Guide. This annex presents an additional source of information for users to help them to make comparisons between the achievements of other sectors, and the achievements in other parts of the world.

The annex is divided into two tables; one of them is designated for initiatives and instruments which are applicable to all economic sectors, and the other is for the initiatives and instruments which apply to certain private and public sectors.

For each initiative or instrument, the institution/institutions which has/have launched the initiative or the instrument is/are defined, along with their subjects pertaining to the integration of social responsibility. Websites closely related to each initiative or instruments are also available, accompanied by a description for the purposes or potential initiative or instrument users, and details on membership pre-conditions respective to the utilization of the initiative or instrument.

Section 1: Intergovernmental Initiatives

United Nations Environment Program: Climate Neutral Network	An open initiative launched to address all organizations by providing a program based on data exchange, in order to help such organizations to reduce greenhouse gas emissions. www.climateneutral.unep.org
United Nations Environment Program: Life Cycle Initiative	An open initiative launched to address all certified experts from organizations working in the area of life cycle management. It seeks to develop the competency of life cycle approaches. http://lifecycleinitiative.unep.fr/
United Nations Industrial Development Organization: Implementation of REAP (Responsible Entrepreneurs Achievement Program)	An initiative launched to address Small and Medium Enterprises. It provides a structural framework in combination with an analytical software, which can be used to evaluate data. www.unido.org/reap
United Nations Global Compact	An initiative adopted by the United Nations Secretariat. It proclaims 10 principles in the areas of human rights, labor, environment and anti-corruption. The participants are expected to take a number of steps which are consistent with their undertakings, and to communicate on an annual basis, in order to gauge the success of their efforts. www.unglobalcompact.org
United Nations Global Compact, United Nations Industrial Development Organization, United Nations Institute for Training and Research The Partnership Assessment Tool	Self assessment tool made to enhance the development impact of partners, in public and private sectors. It is available free-of-charge. http://www.unglobalcompact.org/Issues/partnerships/pat.html

Section 2: Competent Multi-Stakeholder Initiatives

Accountability AA1000 Series	<ul style="list-style-type: none"> ▪ Membership-based institution, open to all enterprises and individuals, primarily works on promoting sustainability for accountability reports, with partnership from stakeholders. The AA1000 Series resulted in three principles based on the standards required to be adopted by enterprises: ▪ AA1000APS: Provides the general principle for accountability. ▪ AA1000AS: Provides sustainable assurance standard ▪ AA1000SES: Provides the framework for engaging stakeholders <p>www.accountability21.net</p>
Amnesty International Human Rights Principles for Companies	<p>An organization that addresses its human rights which are directed to companies, responsibilities of multi-national enterprises, to promote and protect human rights in such enterprises. This is based on a checklist to be used by enterprises, while such enterprises are free to adopt these principles.</p> <p>www.amnesty.org</p>
Business Social Compliance Initiative	<p>Membership-based initiative, where membership fees are paid annually, having most of its members from retail, industrial and importing enterprises. The Initiative offers standard management tools that aim at promoting the social performance in the supply chain.</p> <p>www.bsci-eu.org</p>
Business Ethics Center (Ethics Management System)	<p>A German organization that aims at promoting business ethics in Germany and Europe, in cooperation with other scientific and economic organizations. It is a free tool that is available to provide a governance-based framework on legal, economic, environmental, and social issues.</p> <p>www.dnwe.de/wertemanagement.php</p>
CSR360 Global Partners Network	<p>A network of 100 organizations coming from 80 countries around the world, aims at promoting social responsibility. The network was developed by BITC in the United Kingdom, and presents various programs and initiatives.</p> <p>www.csr360.org</p>
EFQM	<p>The use of this Framework is available to all organizations,</p>

CSR Framework and Excellence Model	<p>while the Initiative provides a Guide for corporate entities on management elements which are related to joint social responsibility.</p> <p>www.efqm.org</p>
Ethical Trade Initiative	<p>A membership-based foundation that is open to all companies, private organizations, and trade unions. Its purpose is to involve members to work with private organizations and trade unions to learn the best methods in applying the laws of supply chain labor practices. Organizations pay membership fees for adopting ETI law and consider other requirements.</p> <p>www.ethicaltrade.org</p>
The European Business Ethics Network	<p>A membership-based organization where membership fees are paid annually, specialized in promoting business ethics broadly defined, in academia, business, public sector and civil society.</p> <p>www.eben-net.org</p>
Fair Labor Association	<p>Membership-based association, open to all organizations which are engaged in computer supplies manufacturing.</p> <p>www.fairlabor.org</p>
Global Leadership Network implementation tool	<p>An initiative by the UN Global Compact - Accountability- and Boston College for Corporate Citizenship, that includes the following:</p> <p>A web-based planning and evaluative framework to help enterprises balance their social, environmental, and economic performance with their core business strategies.</p> <p>www.globalleadershipnetwork.org</p>
The Global Reporting Initiative Guidelines for Sustainable Reporting	<p>The Initiative provides guidelines and supporting tools on sustainable reporting, which are available for free on the Initiative's website. A nominal fee is paid only for receiving other relevant training tools. Its initiative and tools include the following:</p> <ul style="list-style-type: none"> ▪ Guidelines on Sustainable Reporting ▪ Sector Supplements ▪ Unified Technical Protocol <p>www.globalreporting.org</p>
FC and IBLF	<p>A guide that helps the enterprise in defining, assessing, and</p>

Guide to Human Rights Impact Assessment and Management	implementing responses towards the challenges of human rights in new or evolving projects. http://www.iblf.org/resources/general.jsp?id=123946
Social Accountability International SA8000 Standard	This is an auditable standard that is based on the conventions of the International Labor Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. It offers three successive stages that are related to the practice of any type of enterprises. www.sa-intl.org
Transparency International Various tools	A private organization that seeks to combat corruption. The organization provides various tools for enterprises and specific economic sectors and governmental entities. The following are samples of such tools: <ul style="list-style-type: none"> ▪ Integrity Pact ▪ Anti-Corruption Handbook ▪ Business Principles for Countering Bribery ▪ Corruption Fighter’s Tool Kit www.transparency.org
Caux Round Table-Principles for Business	A network of business leaders who promote ethics, dialogue and cooperation among managers, public relations and citizens, the business ethics principles provide special information on ethical performance. www.cauxroundtable.org
Consumers International Consumer Charter for Global Business	A global union of consumer groups. The charter clarifies the best business practices in areas that aim at consumer’s benefit and best interest, according to international laws. www.consumersinternational.org
Ethos Institute	A Brazilian institution that focuses on promoting social responsibility in the commercial sector. It provides free tools for joint social responsibility, including a group of indicators for joint social responsibility.
The International Chamber of Commerce Various initiatives and tools	An international institution that represents the interests of its members. The Chamber has provided a number of initiatives and tools that are related to various aspects of social responsibility, including the following: <ul style="list-style-type: none"> ▪ Consolidated ICC Code for Advertising and Marketing Practice

	<ul style="list-style-type: none"> ▪ The ICC Nine Steps to Responsible Business Conduct ▪ ICC Guidance on Supply Chain Responsibility ▪ ICC Guide to Responsible Sourcing ▪ ICC Business Charter for Sustainable Development <p>www.iccwbo.org</p>
International Road Transport Union IRU Charter for Sustainable Development	<p>An international representative entity for the road transport industry. The Charter is an initiative that aims at promoting responsibility in this sector.</p> <p>www.iru.org/index/en_iru_com_cas</p>
World Business Council for Sustainable Development: various initiatives and tools	<p>A membership-based organization that is initially directed to large enterprises. It aims at including representatives from all over the world. Membership fees are a requisite for joining.</p> <p>The Organization offers a number of publicly available initiatives and tools:</p> <ul style="list-style-type: none"> ▪ Global Water Tool ▪ Charter for Measuring Stakeholders Engagement ▪ Corporate Governance: subject management tool ▪ Sustainable Development: a learning tool <p>Other different documents, initiatives, and tools that tackle specific social and environmental issues.</p> <p>www.wbcsd.org</p>
World Business Council for Sustainable Development, the World Resources Institute Greenhouse Gas Protocol Initiative	<p>An accounting and reporting specification for enterprises that urges them to prepare reports on the six greenhouse gas emissions which are mentioned in the (Q2) Protocol of the UN Climate Change framework.</p> <p>www.ghgprotocol.org</p>

Section 3: Voluntary Initiatives

Sector: Buildings and Construction Sector

- **United Nations Environment Program**
- **Sustainable Buildings and Construction Initiative**

Participation is open to all enterprises engaged in buildings and construction industry, against an annual membership fee. The Initiative includes a common action program to promote the sustainability of buildings and construction, with life cycle approach.

www.unepsbci.org

Sector: Industry

- **Electronic Industry Citizenship Coalition**
- **Electronic Industry Code of Conduct**

A membership-based institution, where the payment of annual fees is required. All members are required to apply the code of conduct on the development conditions on electronics supply chain.

www.eicc.info/index.html

Sector: Excavation/Mining

- **The International Petroleum Industry Environmental Conservation Association (IPIECA)**
- **Various tools and initiatives**

- Membership-based association that is open to all enterprises specialized in gas and petroleum. It offers several tools publicly available, including the following:
 - Petroleum and Gas Industry related Human Rights Training Toolkit
 - Petroleum and Gas Industry related Guidance on Voluntary Sustainability Reporting
 - Petroleum Industry /related Guidance on Reporting Greenhouse Gas Emissions
 - Guide to Developing Biodiversity Action Plans for the Oil and Gas Sector
 - A Roadmap to Health Risk Assessment in the Oil and Gas Industry

www.ipieca.org

- **The Voluntary Principles on Security and Human Rights**

- Initiated by the United Kingdom and United States governments. It provides a guide for private enterprises and organizations on identifying human rights and security risk, as well as engaging and collaborating with state and private security forces. The payment of a fee for using these principles is required.

	www.voluntaryprinciples.com
Sector: Financial/Investment	
<ul style="list-style-type: none"> ▪ The Fair Principles 	<ul style="list-style-type: none"> ▪ Financial industry principles for determining, evaluating, and managing social and environmental risks in financing projects. www.equator-principles.com
<ul style="list-style-type: none"> ▪ Guidelines for Economic, Social, and Governance Issues ▪ Financial Analysis Reporting 	<ul style="list-style-type: none"> ▪ A guide on economic, social and governance reporting, and financial analysis standards, and the manner in which these issues are complemented with their analysis. www.dvfa.de
<ul style="list-style-type: none"> ▪ Principles for Responsible Investment 	<ul style="list-style-type: none"> ▪ The initiative provides a framework for investors to fulfil their obligations while properly considering economic, social and governance issues. Membership is required without obligations to pay membership fees. However, a voluntary fee of \$10000 is supposed to be paid. www.unpri.org
<ul style="list-style-type: none"> ▪ The United Nations Environment Program's Finance Initiative 	<ul style="list-style-type: none"> ▪ The Initiative is available to all entities working in the financial sector for an annual membership fee. UNEPFI works together with participating entities to develop and promote links between environment, sustainability and financial performance. www.unepfi.org
▪ Sector: General Services	
<ul style="list-style-type: none"> ▪ The United Nations Sustainable UN 	<ul style="list-style-type: none"> ▪ Open to all UN agencies and general organizations. No membership fees are required. The Initiative provides practical support for organizations to reduce their greenhouse gas emissions and develop their sustainability. www.unep.fr/scp/sun

References

- ActionAid (2003). "Unlimited companies: The developmental impacts of an investment agreement at the WTO". ActionAid, London, Social Security Investment Unit SSIUed Kingdom.
- Badaracco J L Jr (1991). *The Knowledge Link: How firms compete through strategic alliances*, Boston: Harvard Business School Press.
- Bartesman E and Beetsma R(2000). *Why Pay More? Corporate Tax Avoidance through Transfer Pricing in OECD Countries*, vol. no. 2543, CEPR Discussion Paper, London: CEPR, August.
- European Commission (2001). "Promoting a European Framework for Corporate Social Responsibility".
- Federation des Experts Comptables Europeens (2002). "Discussion Paper Providing Assurance on Sustainability Reports". FEE, Brussels.
- Fox T, Ward H and Howard B (2002). "Public sector roles in strengthening corporate social responsibility: A baseline study". World Bank Washington, D.C.
- Global Reporting Initiatives (GRI) (2006). "Sustainability Reporting Guidelines". GRI, Boston. Available at http://www.globalreporting.org/NR/rdonlyres/ED9E9B36-AB54-4DE1-BFF2-5F735235CA44/0/G3_GuidelinesENU.pdf
- Gray R (1999). "The Social Accounting Project and Accounting Organizations and Society". Centre for Social and Environmental Accounting Research (CSEAR), Dundee, United Kingdom.
- Gray R (2000). "Current developments and trends in social and environmental auditing, reporting and attestation: A personal perspective". Centre for Social and Environmental Accounting Research (CSEAR), Dundee, United Kingdom.

- Gray R, Dey C, Owen D, Evans R and Zadek S (1997). "Struggling with the praxis of social accounting: Stakeholders, accountability, audits and procedures". Centre for Social and Environmental Accounting Research (CSEAR), Dundee, United Kingdom.
- Hopkins M (1997). Defining indicators to assess socially responsible enterprises, *Futures*, 29:7, pp. 581-603.
- Wood, D.J. (1991). Social issues in management: Theory and research in corporate social performance, *Journal of Management*, Vol. 17, pp. 383-406
- International Institute for Sustainable Development (IISD) (2007), *Corporate Social Responsibility: An implementation Guide for Business*
- International Labour Office (2003). "Information note on corporate social responsibility and international labour standards". ILO, Geneva, Switzerland.
- KPMG, "International Survey of Corporate Sustainability Reporting", 2002
- OECD, *Principles of Corporate Governance*. Available at: www.oecd.org/dataoecd/32/18/31557724.pdf
- ON Austrian Standards Institute – V23 (2004), *Corporate Social Responsibility-Guidance for the Implementation of Corporate Social Responsibility*.
- Schmidheiny S R Chase and DeSimone L (1997). *Signals of Change: Business Progress towards Sustainable Development*, World Business Council for Sustainable Development (WBCSD), Geneva, 1997
- The International Business Leaders Forum and the Global Alliance for Improved Nutrition (GAIN) (2003), *The Partnering Tool book*.
- The World Bank Group (1999), *Living Our Values-Code of Professional Ethics*. Available at:

<http://siteresources.worldbank.org/INTETHICS/Resources/CodeinEnglish.pdf>

- The SIGMA Project: Sustainability in Practice (2001), the Sigma Guidelines. Available at: <http://www.projectsigma.com>
- UNCTAD (2004), Disclosure of the impact of corporations on society: Current trends and issues. UNCTAD/ITE/TEB/2003/7

WEBSITES:

- Account Ability: www.accountability21.net
- Boston College Center for Corporate Citizenship: www.bccccc.net
- Business for Social Responsibility: www.bsr.org
- Canadian Business for Social Responsibility: www.cbsr.ca
- Caux Round Table: www.cauxroundtable.org
- Egyptian Investment Portal: www.investment.gov.eg
- Ethical Investment: www.austethical.com.au/, www.eiris.org/, www.investing-ethically.co.uk/
- Global Reporting Initiative: www.globalreporting.org
- H.M King Abdullah II Official Website: www.kingabdullah.jo
- International Business Leaders Forum: www.iblf.org
- International Institute for Sustainable Development: www.iisd.org

- International Labour Organization: www.ilo.org
- International Organization for Standardization: www.iso.org/sr
- Organization for Co-operation and Economic Development: www.oecd.org
- Standard Chartered Bank:
www.standardchartered.com/sustainability
- The Corporate Engagement Project: www.cdainc.com
- The Tata Group of Companies: www.tata.com
- The World Bank Group: www.worldbank.org
- UN Global Compact: www.unglobalcompact.org
- United Nations Conference on Trade and Development: www.unctad.org

World Business Council for Sustainable Development: www.wbcsd.org