



# Social Responsibility Standard (Verego SRS) Version 2.3

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## Introduction

Business leaders, today more than ever, face tough challenges: How to grow revenue and increase profitability, how to increase market share, how to attract and retain talent, and how to differentiate in a world of increased competition. They also face a generational shift in consumer attitudes, and a growing expectation that businesses must play a larger role in addressing social and environmental issues.

Recent global events, including financial crises, have severely damaged consumer trust. Consumers now demand that businesses are more transparent than ever. This demand, combined with a heightened perspective on the role businesses must play in society, has resulted in both opportunity and confusion.

The opportunity, of course, is for organizations to proactively address this new set of expectations in a manner that satisfies consumers, while creating competitive advantage and growth for the business. But how do organizations accomplish this? "Truth in Social Responsibility." Therein lies the confusion. In the past, the concept of Corporate Social Responsibility (CSR) was equated to "corporate giving", i.e. a blend of corporate philanthropy and employee volunteerism. This concept is now outdated because it doesn't optimize the considerable resources of business in addressing targeted social and/or environmental needs, nor does it optimize business fundamentals. Currently, many organizations are realizing that addressing key social and/or environmental issues head-on, with an intentional strategic approach, is critical to their own long-term success. Therein lies the need for "Truth in Social Responsibility." The adoption and execution of Verego in this manner requires organizations to consider Social Responsibility as part of their core strategy. Whether they are small or large, it requires a framework, or roadmap to success.

While there are many Social Responsibility rating systems, rankings, and guidance documentation available to organizations to leverage in creating their own Social Responsibility strategic framework, criteria vary widely and are typically so generic they are not actionable. That is why the Verego Social Responsibility Standard (Verego SRS) was created.

The Verego SRS is a structured set of core social responsibility requirements, suitable for organizations of all sizes to adopt as a framework for establishing and managing their own Social Responsibility objectives and programs.

The Verego SRS was developed in response to the above scenario, as well as increasing pressures placed upon organizations by governments, clients, consumers, and the general public (including the media) to increase the awareness and accountability of their social and environmental impact. As these pressures continue to increase, organizations of all sizes must become proactive in making Social Responsibility part of their core strategy.

## Verego Social Responsibility Standard (Verego SRS)

The Verego SRS is an approachable, yet scalable model for organizations to use in the creation and execution of their social responsibility programs, and as the baseline from which to formally certify an organization to a consistent and recognized set of best-practices in Social Responsibility.

### The Verego SRS Certification Areas:



Focuses on the organization's commitment to social responsibility, its focus on customers, and its approach to communicate this commitment to key stakeholders, both internal and external. Leadership also includes compliance to government and legal requirements.



Focuses on the organization's conduct, and the processes it uses to procure goods and services.



Focuses on the organization's protection of human rights, and how it handles critical employment.



Focuses on the organization's engagement and investment in the local communities in which it operates.



Focuses on the organization's ability to effectively measure, report, and improve the organization's impact on the environment.

## **Verego Certification**

The Verego SRS Certification is available to organizations of all sizes, with requirements and audit processes scaled to meet the realistic social responsibility needs of organizations with fewer than 10 employees, to those of large corporations.

Organizations seeking Certification to the Verego SRS have a number of options:

- **Partial Certification:** The organization must meet all of the requirements of **Leadership 1.0**, as well as the requirements of at least one additional Verego SRS Certification Area (Ethics, People, Community, and/or Environment) with the commitments to undertake the Full Certification where applicable.
- **Full Certification:** The organization must meet all requirements of all five Verego SRS Certification Areas (Leadership, Ethics, People, Community, and Environment).

*The specific certification requirements for each of the five Verego SRS Certification Areas are detailed below. Please email us at [info@verego.com](mailto:info@verego.com) or refer to our website: [www.verego.com](http://www.verego.com) for more information, and to complete an on-line application.*

## Why Use the Verego Social Responsibility Standard?

The following are some of the fundamental reasons given by Verego clients for choosing to implement and seek certification to the Verego SRS:

- The topic of social responsibility has become a necessary priority for organizations of all sizes, whether that priority has been established through internal means or through external pressure from stakeholders.
- The Verego SRS offers a clear, approachable, and scalable model which is suitable for organizations of all sizes, and can be tailored to align with specific business goals.
- Used in combination with an established performance management system, the Verego SRS offers organizations a complimentary framework to comprise a broad performance excellence *system* which spans social and environmental issues, as well as economic performance (commonly referred to as the Triple Bottom Line or “TBL”).
- The Verego SRS offers the fundamental philosophy that Social Responsibility is not just a necessary cost of doing business, but an opportunity for organizations to establish a competitive advantage.
- The alignment of the Verego SRS with integrated consulting, assessment, and certification support offers organizations tailored Social Responsibility solutions which optimize shared value.
- The scalability of the Verego SRS approach offers most organizations the ease of online adoption and certification.

## Frequently Asked Questions (FAQs)

The following are some of the most frequently asked questions Verego receives from organizations interested in improving their competitive advantage through adoption and certification to the Verego SRS. Their questions were sent and answered at [info@verego.com](mailto:info@verego.com).

*Q: How does the Verego SRS relate to other “CSR standards”?*

*A:* The Verego SRS is intended to compliment other CSR standards and guidelines. While there are many CSR standards and guidelines available to organizations, the Verego SRS is unique in that a) its scope spans Leadership, Ethics, People, Community, and Environment, and b) is done so in a very clear and actionable manner.

*Q: Is the Verego SRS considered a performance management standard?*

*A:* No. The Verego SRS is intended to provide organizations with a clear framework for developing and executing its Social Responsibility objectives. However, the Verego SRS is also intended to be used in conjunction with a performance management framework or standard, and has been designed in a modular way to achieve this intention. Recommended performance management standards that can be used in conjunction with the Verego SRS can be found on our website: [www.VEREGO.com](http://www.VEREGO.com)

*Q: I have already adopted a leading, industry-recognized performance management standard. Should I still consider Verego SRS?*

*A:* Yes. The Verego SRS is not a performance standard, it is a CSR standard that is intended to be used in conjunction with an organization’s existing performance management or quality assurance standards and/or processes.

*Q: How much does it cost to become certified to Verego SRS?*

*A:* Given that Verego Certification is an online process, certification costs are kept to a minimum, and timeframe and cost will be assessed after completing the Organization Profile.

*Q: Does certification require an onsite audit?*

A: No. Verego certification requires completion of an online application, with any follow-up occurring by phone or email.

Q: *We are a progressive organization aspiring full certification to Verego SRS, but are taking incremental steps to get there. Do we have to wait until we are fully compliant with all Verego SRS requirements to become certified?*

A: No. Partial certification is available to one or more of the Verego SRS Certification Areas.

Q: *How long does certification take?*

A: Depending on whether you are pursuing full or partial certification, once your online application is submitted, you will likely hear back from Verego regarding your application status within 1 week. Receiving formal certification after that will depend on how many items of the Verego require follow-up, additional information, or action on the part of the organization to close compliance gaps.

Q: *Is support available during the certification process?*

A: Of course! Verego account representatives are available to assist you in the completion of the online certificate assessment, and answer any questions you may have regarding the certification process.

Q: *What if there are gaps identified during the certification review? Is there any consultative and/or training available for my organization?*

A: Yes. Verego can provide the support your organization requires to achieve certification, whether you have a simple question, require consulting, or desire additional Verego offerings.

Q: *How do I find out more about Verego and Verego Certification?*

A: Check out our website: [www.VEREGO.com](http://www.VEREGO.com)





# VEREGO SOCIAL RESPONSIBILITY STANDARD (VEREGO SRS)

## 1.0 Leadership

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Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which provide overall governance of their social responsibility objectives. This includes documenting the organization's commitment to social responsibility through its vision and/or mission statements, ensuring engagement by senior management in the review of its social responsibility objectives, and ensuring that organization structures (e.g. groups, boards, teams, departments, and/or committees) are in-place which enable the transparent execution of its social responsibility objectives. In addition, organizations must have structured approaches established which protects its customers and enables the organization to communicate social responsibility objectives to applicable stakeholders such as employees, customers, partners/suppliers, community members, and shareholders/owners. Finally, organizations must attest that they have obtained all necessary permits, are current and compliant with these permits, and are compliant with all legal requirements spanning all Areas of the Verego SRS, with no current or recent citations or outstanding fines for non-compliance.

The requirements of the Verego SRS Leadership Area are considered fundamental to any certification awarded to an organization; therefore, regardless of an organization seeking partial or full Verego SRS certification, all organizations must be compliant with 1.0 Leadership Area of the Verego SRS standard, as defined by the following Verego SRS Leadership requirements:

### 1.1 Commitment to Social Responsibility

- 1.1.1 Organizations must have either a:
  - 1.1.1.1 Specific vision and/or mission statement for the organization's Social Responsibility initiatives, or
  - 1.1.1.2 Commitment to social responsibility within the organization's vision and/or mission statement.
- 1.1.2 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which:
  - 1.1.2.1 Include commitment to social responsibility, and
  - 1.1.2.2 Are reviewed on a regular basis by senior management.

- 1.1.3 Organizations must have organizational structures (e.g. groups, boards, teams, departments and/or committees), which enable the execution of their social responsibility objectives.

## 1.2 Customer Focus

Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) that establish a commitment to satisfy the basic social responsibility requirements of their customers, including the following:

- 1.2.1 Protection of Customer Health and Safety, and
- 1.2.2 Customer Support.

## 1.3 Stakeholder Transparency

Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which:

- 1.3.1 Clearly communicate their social responsibility commitment to internal stakeholders (i.e. employees), and to external stakeholders (i.e. customers, partners/suppliers, community members, and shareholders/owners, as applicable).
- 1.3.2 Report performance and progress towards social responsibility objectives on regular intervals to both internal and external stakeholders.
- 1.3.3 Collect feedback on the organization's progress towards social responsibility objectives and corresponding performance from internal and external stakeholders.

## 1.4 Government and Legal Compliance

- 1.4.1 Organizations must attest that they have obtained all necessary permits, are current and compliant with these permits, are compliant with all legal requirements spanning the core Areas of this standard (Leadership, Ethics, People, Community, and Environment), with no current or recent citations or fines.

## 2.0 Ethics

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Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which transparently commit the organization to promoting ethical conduct across their operations, as well as their supply chain. In addition, organizations must have complimentary subcontracting and/or sourcing processes in-place which govern the ethical procurement of goods and services.

### 2.1 Anti-Corruption

- 2.1.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or program) established which address Anti-Corruption, including bribes.
- 2.1.2 Organizations must measure, record, and report the performance of their Anti-Corruption objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).

### 2.2 Conflicts of Interest

- 2.2.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which address Conflicts of Interest, including nepotism.
- 2.2.2 Organizations must measure, record, and report the performance of their Conflict of Interest objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).

### 2.3 Fair and Honest Marketing

- 2.3.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which address fair and honest marketing.

## 2.4 Protection and Privacy of Personal Information

- 2.4.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which address the Protection and Privacy of Personal Information of customers and employees.
- 2.4.2 Organizations must measure, record, and report the performance of their Protection and Privacy of Personal Information objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).

## 2.5 Promotion of Social Responsibility in the Supply Chain

- 2.5.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which address Promotion of Social Responsibility in the Supply Chain, including subcontracting.
- 2.5.2 Organizations must measure, record, and report the performance of their Promotion of Social Responsibility in the Supply Chain objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).
- 2.5.3 Organizations must ensure that preference is given to socially responsible suppliers.
- 2.5.4 Organizations must include social responsibility in supplier evaluation processes.
- 2.5.5 Organizations must track the performance of supplier's social responsibility within the organization's performance management system.

## 3.0 People

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Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to protect basic human rights and ensure fair employment..

### 3.1 Labor and Employment

Labor and Employment requirements are intended to apply within an organization's operations, with a scope, which includes its employees.

Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which cover the following topics:

- 3.1.1 Freedom of Association,
- 3.1.2 Right to Collective Bargaining,
- 3.1.3 Elimination of Forced Labor,
- 3.1.4 Elimination of Child Labor,
- 3.1.5 Elimination of Harassment and Discrimination,
- 3.1.6 Acceptable Working Hours,
- 3.1.7 Fair Wages, and
- 3.1.8 Humane Treatment of Workers.

## **3.2 Employee Health and Safety**

Organizations must have structured approaches which promote the well-being of their employees.

- 3.2.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which addresses the Health and Safety of employees.
- 3.2.2 Organizations must measure, record, and report the performance of their Employee Health and Safety objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).

## **3.3 Supply Chain Human Rights**

Organizations must establish, and transparently communicate both internally and across the supply chain, its commitment to respect Human Rights. This must include, at a minimum, the organization's commitment to the following Supply Chain Human Rights topics:

- 3.3.1 Elimination of Forced Labor,
- 3.3.2 Elimination of Child Labor,
- 3.3.3 Elimination of Harassment and Discrimination,
- 3.3.4 Acceptable Working Hours,
- 3.3.5 Fair Wages, and
- 3.3.6 Humane Treatment of Workers.

### **3.4 Human Rights Monitoring and Reporting**

Organizations must:

- 3.4.1 Conduct regular reviews of structured approaches (i.e. policies, procedures, processes, and/or programs), associated with Human Rights.
- 3.4.2 Take action based on the results of these reviews to improve Human Rights objectives, structured approaches, and corresponding performance.
- 3.4.3 Communicate findings and improvement actions associated with these reviews to all applicable stakeholders at least annually.

### **3.5 Human Rights Grievances**

- 3.5.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established for stakeholders to report any Human Rights Grievances.



## 4.0 Community

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Organizations must be actively engaged in their communities, building relationships with local organizations and stakeholders, and positively impacting the quality of life within their community. For the purpose of this Verego SRS Area, "Community" is defined as the local area in which the organization's primary business is conducted.

### 4.1 Community Engagement

4.1.1 Organizations must perform proactive outreach within their local community, clearly demonstrating that they build positive and impactful relationships with other local organizations and stakeholders.

### 4.2 Community Investment

4.2.1 Organizations must positively impact the quality of life within their local community by executing, or participating in, community development efforts in one or more of the following key topics: creating employment, local economic development, education, culture and arts, health services, and/or technology development and access. Other aspects of investment may also be considered compliant, depending on the business conducted by the organization, and the local community needs in which it operates.

## 5.0 Environment

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The purpose of this Verego SRS Area is to ensure organizations have adopted key environmental principles, such as taking a precautionary approach to environmental issues, promoting environmental responsibility, and developing and/or using environmentally friendly technologies. While not intended to be a comprehensive environmental and/or sustainability standard, the requirements of this Verego SRS Area cover four critical topics: Pollution, Resource Use, Climate, and Habitat.

### 5.1 Pollution

- 5.1.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to prevent pollution and waste, of all types including water, energy, the disposal of potentially harmful or hazardous waste such as electronic equipment, florescent tubes, appliances, batteries, etc., avoid the use and/or production of banned chemicals, and prevent accidents through proactive preparedness.
- 5.1.2 Organizations must measure, record, and report the performance of their Pollution-related objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).
- 5.1.3 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to implement and track continuous improvement of Pollution-related objectives and structured approaches.

### 5.2 Resource Use

- 5.2.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to manage and control their energy and water consumption, use of recycled materials, use of conflict minerals, use of recycle programs and disposal of regulated substances.
- 5.2.2 Organizations must measure, record, and report the performance of their Resource Use-related objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).
- 5.2.3 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to implement and track continuous improvement of Resource Use-related objectives and structured approaches.

### 5.3 Climate

- 5.3.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to reduce greenhouse gas emissions, and give preference to energy-efficient materials in the organization's procurement decisions.
- 5.3.2 Organizations must measure, record, and report the performance of their Climate-related objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).
- 5.3.3 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to implement and track continuous improvement of Climate-related objectives and structured approaches.

### 5.4 Habitat

- 5.4.1 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established which address conservation, as well as sustainability.
- 5.4.2 Organizations must measure, record, and report the performance of their Habitat-related objectives and structured approaches (i.e. policies, procedures, processes, and/or programs).
- 5.4.3 Organizations must have structured approaches (i.e. policies, procedures, processes, and/or programs) established to implement and track continuous improvement of Habitat-related objectives and structured approaches.

# Glossary

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**Application responses** - The answers submitted by the client organization

**Capabilities** - The committed policies, procedures, processes, best practices, and optimized approaches that are transparent and deployed across the organization

**Continuous Improvement** - Efforts to progress and/or expand immediately and over time in the CSR Areas related to the organization as applicable

**Commitment** - Informal promise to the organization's stakeholders by acting for your stakeholders, the community, and the planet

**Community** - Focuses on the organization's engagement and investment in the local communities in which the organization operates

**Corporate Social Responsibility (CSR)** - The ethical self-governance of an organization that ensures it acts as a steward of communities, people, and environment

**CSR Cloud Matrix** - an exploration of an organization's current CSR Commitments and CSR Capabilities.

**Documentation** - Formal written processes, programs, policies, procedures etc. that can be transparently followed and understood from any stakeholder involved in the organization

**Deployment** - Having the organization properly document processes, programs, policies, procedures that are transparently and respectfully enforced throughout internal and/or external management operations

**Ethics** - Focuses on the organization's conduct, and the processes it uses to procure goods and services

**Employee Survey** - An assessment of the staff's awareness and transparency of CSR commitments

**Environment** - Focuses on the organization's ability to effectively measure, report, and improve the organization's impact on the environment

**Impact Report** - Key findings, conclusions and recommendations according to the Verego's assessment process

**Leadership** - Focuses on the organization's commitment to social responsibility, customers, and how the organization transparently communicates to key internal

stakeholders (i.e., employees), and to external stakeholders (i.e., relevant community members, customers, partners/suppliers, and shareholders/owners, as applicable)

**Optimized CSR Approach** - Committed, documented, and transparent Policies, Procedures, Processes, Programs, which address Social Responsibility within an organization

**Organizational Structures** - Are for example groups, boards, teams, departments and/or committees, which enable the execution of their organizations social responsibility objectives, principals and/or structured approaches

**Objectives** - Quantitative targets, results, and/or goals defined by the organization to the specific CSR Area being addressed, which can be continuously improvement, implemented, and developed as applicable

**Policies** - Structured documentation of a set of key guidelines and business methods for all stakeholders to enforce and know for each situation, circumstance and objective of the organization

**People** - Focuses on the organization's protection of human rights, and how it handles critical employment policies and stakeholder issues

**Principles** - A fundamental truth or value that provides an organization the basis for systems of beliefs or behaviors that may not be documented as structured approaches

**Procedures** - Structured guidelines for activities or tasks that enact a particular business method

**Processes** - Structured activities or tasks that enact a particular business method

**Programs** - Documented company activity, groups, training and/or events involving stakeholders of the organization

**Roadmap** - A visual diagram explaining the process of strategic CSR optimization and receiving Verego SRS Certification

**Scorecard** - An overview of the level of organizational compliance, based on a 0% - 100% scale, to key areas of Social Responsibility

**Shared Value** - The creation of benefits that help out the business as well as create benefits for stakeholders, communities, and the environment

**Stakeholder Value** - The creation of benefits for employees, partners/suppliers, and communities

**Structured Approaches** - documented policies, procedures, processes, and/or programs that provide committed transparency to all internal and external stakeholders

**Transparency** - The sharing of information and CSR approaches to stakeholders

**Verego SRS Application** - Application questionnaire based on the Verego Social Responsibility Standard

**Verego SRS** - The Verego Social Responsibility Standard, the roadmap to a global Social Responsibility Movement