SGE 21

Ethical and Socially Responsible Management System

Forética

SGE 21

21

Ethical and Socially Responsible Management System

Forética

SGE 21. Ethical and Socially Responsible Management System

Author: **Forética**

June 2017

Forética has used environmentally friendly practices to elaborate this document.

The document is printed using ecological paper certified by PEFC and with chlorine free ink. At Forética, we integrate and reflect our social and environmental commitment.

RESPONSIBLE LEADERSHIP

Edited by Forética
c/ Almagro, 12 – 3ª planta – 28010 (Madrid)
www.foretica.org

About Forética:
Forética is the leading business network on sustainability and corporate social responsibility in Spain and Latin America. The mission of the body, which has over 200 members, is to encourage the integration of social, environmental and good governance aspects in corporate and organisational strategy and management. Forética is Spain's only representative on the World Business Council for Sustainable Development (WBCSD) and, therefore, constitutes the Spanish Business Council for Sustainable Development. It is also on the Board of Directors of CSR Europe and in Spain, it is the expert voice on the CSR State Council. Forética owns the SGE 21 standard, the first social responsibility management system that allows, on a voluntary basis, to achieve a CSR certification.

Contents

1. Introduction

Ethical and Socially Responsible Management System is an organizations´ response to the challenges posed by transparency, integrity and sustainability (integrating the triple factors: economic, environmental and social). Additionally, corporate social responsibility (CSR) is one of the main attributes of competitiveness for organizations in the 21st century. Two decades after the first edition in the year 2000, SGE 21 has consolidated itself as one of the leading international tools for the management of extra-financial aspects within organizations. During this period, the management of sustainability and social responsibility has only increased in importance. The development and increased understanding generated around environmental, Social and good governance issues (ESG), has made CSR a quality key performance indicator in the management of organizations and a facilitator of corporate success.

Forética, as the owner and custodian of the SGE 21, undertakes the important task of researching and filtering content to adapt the standard and maintain it as one of the most demanding and consensus-driven in the international context. In this last version, elements dealing with the latest developments in relation to good governance, integrity and prevention of corruption within organizations have been included. Additionally, it has been subject to a rigorous comparative analysis, integrating the mandatory requisites in different sustainability indices, the demands of supply chain management, the aspects dealing with human rights, the protection of biodiversity and measures to fight climate change.

This new version facilitates two things. On the one hand, it allows for the implementation of a shared ethical and socially responsible culture, and on the other, it includes a greater emphasis on the follow-up of ESG related risks. Finally, it allows for the adaptation of an organization´s operations towards an improvement of social and environmental impacts within their products and services.

As a flexible system, it adapts to any type of organization whether it be large companies or small and medium enterprises (SMEs), state owned, private or from the non-profit sector. The possibility of obtaining an external certification will be an additional element of credibility towards key stakeholders of the organization.

Forética, owner of the Company Standard SGE 21, has its origins in 1999, when a group of business and opinion leaders and opinion leaders questioned how they could highlight the value to society of a company culture based on responsibility towards all those that are part of it. With this idea, they created a multidisciplinary forum, Forética, where all members (representatives of companies, academics and NGOs) could cooperate to promote responsible management.

This document supports the first Ethical and Socially Responsible Management System in Europe, which allows, through voluntary commitments, an organization to reach certification. Since its first publication in the year 2000, four revision processes have taken place (2002, 2005, 2008 and 2017), all with the objective of aligning the standard to international trends in this area.

2. Objective

The SGE 21, proposed by Forética, develops the requisites that allow for the establishment, implementation and evaluation of an organization´s Ethical and Socially Management System.

Implementing this system is a guarantee for the management team of an organization on their capacity to generate responsible leadership.

Additionally, it requires a commitment that demonstrates at least three essential elements. In the first place, the integration of CSR in the strategy and internal company processes. In second place, an impulse on dialogue and knowledge of the expectations of stakeholders. Finally, the promotion of transparency and communication.

The evaluation of compliance with the standard implies that the organization acquires a voluntary commitment with sustainability in the triple realm of economics, social and environmental. Additionally, it means applying ethical values, demonstrating and maintaining them. The evaluation can be done in two ways:

1) Certification of the management system: The certification process is undertaken exclusively by certification entities approved by Forética in certification cycles lasting 3 years (an initial audit in the first year, and follow-up audits the coming two years). The organization that passes the audits receives a certification, which accredits in the name of the certification entity and Forética that the organization has passed the audit.

2) Evaluation of the conformity: Evaluation by Forética in terms of the level of application of the requisites established by the standard through the review of documents and the collection of evidence in the public information available from the organization. Through this process, an organization can obtain evidence as to the validation of the management methodology that the standard provides.

3. Scope

The standard allows for the establishment of an Ethical and Socially Responsible Management System in organizations. It can be applied both, to an organization as a whole or limit its scope to a given business unit, region, office, as long as the compliance with the established requisites in the six areas of the standard can be proven. It is not possible to exclude any of the areas or elements.

The Ethical and Socially Responsible Management System must be contemplated as part of the company´s own management system making it, thus, compatible with other management systems related to quality, environment, work-related risk prevention, normative compliance or innovation, among others.

SGE 21
Ethical and Socially Responsible Management System

e
Forética

4. Reference Documents

In the process of reviewing and updating the text of the SGE 21 standard, an exhaustive comparative analysis related to the documents and reference global frameworks on CSR and sustainability has been undertaken. The consulted documents include:

- *Sustainable Development Objectives.* United Nations. (2015). Link.

- *A Renewed EU Strategy for Corporate Social Responsibility 2011-2014.* European Comission. 2011. Link.

- *OECD Guidelines for Multinational Companies.* Organization for Economic Cooperation and Development (OECD). 2011. Link.

- *United Nations Global Compact.* United Nations. 1999. Link.

- *Tripartite Declaration of Principles Concerning Multinational Companies and Social Policy.* International Labor Organization (ILO). 2006. Link.

- *Ruggie Report. UN Protect, Respect and Remedy Framework for Business and Human Rights".* United Nations. 2011. Link.

- *BSCI Code of Conduct .* Business Social Compliance Initiative (BSCI). 2014. Link.

- *G4. Guide to the elaboration of sustainability reports. Principles and basic content.* Global Reporting Initiative. 2013. Link.

- *Integrated Reporting Framework.* IInternational Integrated Reporting Council (IIRC). 2014. Link.

- *Sustainability Accounting Standards.* Sustainability Accounting Standards Board (SASB). 2013. Link.

- *Requisites for the inclusion in the FTSE4GOOD Index.* Financial Times Stock Exchange (FTSE). 2016. Link.

- *Measuring Intangibles. Methxodology for evaluation sustainability for Dow Jones Sustainability Index.* RobecoSAM's Corporate Sustainability. 2015. Link.

- *ISO 9001:2015 Quality Management System.* International Organization for Standardization (ISO). 2015. Link.

- *ISO 14001:2015 Environmental Management System. Requisites.* International Organization for Standardization (ISO). 2015. Link.

- *ISO 19011:2011 Guidelines for auditing management systems.* International Organization for Standardization (ISO). 2011. Link.

- *ISO 26000:2010 Guidance on social responsibility.* International Organization for Standardization (ISO). 2010. Link.

- *SA8000:2014.* Social Accountability International (SAI). 2014. Link.

- *OHSAS 18001:2007 Occupation Health and Safety at Work Management System.* British Standards Institution (BSI). 2007. Link.

5. Description

The standard is structured in six chapters. The first five chapters explain the background and the general aspects of the document while the sixth chapter is the one that develops the requisites of the standard and as such, the one that both the implementation as well as the audit should be based on.

This chapter is divided in nine management areas that establish different requisites that are considered adequate to demonstrate the evidences required for the implementation.

Technical standards are in a constant review process based on the issue they address and the accumulated experience of its use. Even more so, as this is the first standard developed for ethics and CSR management, this standard is subject to constant review and improvement.

It´s structure in nine management areas will facilitate the inclusion of new ethical values that are more representative with the reality, in accordance with the social thinking and circumstances of its time.

SGE 21
Ethical and Socially Responsible Management System

Forética

6. Management Areas

SGE 21 | **Forética**
Ethical and Socially Responsible Management System

6.1. ORGANIZATIONAL GOVERNANCE

6.1.1. SOCIAL RESPONSIBILITY POLICY

The organization will define and maintain a Social responsibility Policy. This policy should:

a) Include the commitment to integrated social, environmental, ethical and good governance aspects in the operations and strategy. The objective of this commitment should be to maximize the positive impact on stakeholders.
b) Be approved by the organization at the highest level of the organization.
c) Be communicated to all individuals that work for the organization or in its name.
d) Be publicly available.

6.1.2. CODE OF CONDUCT

The organization will elaborate a Code of Conduct, which should:

a) Be specific and coherent with its values while developing and detailing the Social Responsibility Policy.
b) Be approved at the highest level of the organization.
c) Define the channels and adequate ways to resolve questions, complains and suggestions about aspects related to the Ethical and Socially Responsible Management of the organization. These channels should guarantee the absence of possible retaliations regarding its use as well as in the following up of registered incidences.
d) Establish sanctions applicable in case of lack of compliance.
e) Be known and understood by all the individuals that work for the organization or in its name.

The organization must define the mechanisms that facilitate the review, update and compliance with this code.

SGE 21
Ethical and Socially Responsible Management System
Forética

6.1.3. SOCIAL RESPONSIBILITY COMMITTEE

The organization must establish a Social Responsibility Committee, as an advisory entity, which:

a) Is appointed by the top management and is integrated by people representative of the different areas and functions within the organization. The Committee might also include independent experts.

b) Ensure the resources (human, material and financial) to guarantee that the Ethical and Socially Responsible Management System is established, implemented and maintain in an efficient manner aligned to the strategy and objectives of the organizations.

c) Defines the model of relation and engagement with stakeholders.

d) Ensures and guarantees that the CSR plan and the corresponding actions respond to the material aspects and contribute to mitigating environmental, social and good governance (ESG) risks identified within the organization. In addition, this group must supervise the execution and the degree of compliance with objectives and goals.

e) Advises management on the market or operational opportunities related to ESG aspects.

f) Assumes responsibility on the review and interpretation of the Social Responsibility Policy and Code of Conduct.

g) Is informed on the consequences on the management system regarding any changes in the structure of the organization.

h) Meets at least once per semester.

i) Establishes mechanisms to communicate with the highest representation of the company as well as with the different committees that may have competence and responsibility in any aspects related to ESG (if applicable).

6.1.4. COORDINATOR OF SOCIAL RESPONSIBILITY/ETHICAL MANAGEMENT

The organization will name a coordinator of the Ethical and Socially Responsible Management System. to ensure the following aspects:

a) That the organization has the competences and skills needed in relation to the management of ESG aspects.

b) That it is aware of the ESG implications and impacts of the organizations´ activity.

c) That it works towards ensuring a proper implementation, compliance, follow-up and evaluation of its Ethical and Socially Responsible Management System while coordinating the Social Responsibility Committee.

6.1.5. RISK MANAGEMENT

The organization must conduct an identification, analysis and categorization of the main ESG risks that affect it which shall be reviewed annually. Additionally, it must design and develop a mitigation plan for these risks as well as measure the efficiency of the actions developed in this regards.

6.1.6. SOCIAL RESPONSIBILITY PLAN

The organization must elaborate a Social Responsibility Plan with measurable, comparable and verifiable objectives.

This plan must incorporate an identification of individuals who are responsible for the different tasks, implementation deadlines and applicable resources as well as the corresponding performance indicators.
This plan should be evaluated annually.

6.1.7. STAKEHOLDER ENGAGEMENT

The organization will analyze the positive and negative impacts that its activity generated in relation to their stakeholders, trying to maximize the value generated for them. For this, the organization shall:
    a) Identify and classify stakeholder groups.
    b) Adopt a methodology to detect their expectations.
    c) Design and prioritize action plans and communications with them.
    d) Maintain evidences of the results of the developed actions.

6.1.8. ANTICORRUPTION POLICY

The organization must define a policy to fight corruption, which, among others, should include:
    a) Measure to eradicate the practices associated with bribery and extortion.
    b) Criteria for the receipt and issuing of gifts.
    c) Processes for the detection and limitation of conflict of interests.
    d) Feedback and guidance mechanisms on business conduct for employees.
    e) Speak up systems to report misconduct.
The organization must guarantee that all individuals with decision-making capacity are aware and understand the policy. Evidences regarding the undertaken measures in case of noncompliance must be maintained.

SGE 21 | Ethical and Socially Responsible Management System | Forética

6.1.9. INTERNAL AUDIT

The organization should annually undertake an internal audit of the Ethical and Socially Responsible Management System to ensure the correct application and evolution of the system as well as its compliance with the SGE 21 standard. For this, it shall:

a) Define in a document the audit process detailing, at least, the responsibilities, the auditing criteria, methods and scope that allow for the guarantee of objectivity and impartiality of the process and results.

b) Maintain, at least, the following registries:

1. The deviations detected and the necessary actions undertaken for the correction of these.
2. An audit report that includes the conclusions, which must be provided to the Social Responsibility Committee.

6.1.10. REVIEW BY MANAGEMENT AND CONTINOUS IMPROVEMENT

The highest representative of the organization must review the Ethical and Socially Responsible Management System at least annually to ensure its correctness and efficiency, through follow-up indicators and the elaboration of continuous improvement plans.

The information provided for this review will at least include:

a) The Social Responsibility Policy.
b) Code of Conduct.
c) Composition and actions undertaken by the Social Responsibility Committee.
d) Social Responsibility Plan.
e) Management of environmental, social and good governance risks.
f) Main results of the engagement process with stakeholders.
g) Audit reports.
h) Corrective actions undertaken.
i) Social Responsibility Report.

6.1.11. COMMUNICATION OF NON-FINANCIAL INFORMATION

The organization must provide public information regarding the relevant ESG information around its activities, impacts and results of the actions undertaken through the means that it has access to and guarantee maximum transparency.

Periodically, the organization must publish an ESG performance report, which should include, as a minimum, the following information:

a) The profile of the organization.
b) Governance structure and commitments.
c) CSR Plan and strategy (focus and results).
d) Key ESG indicators.

6.2. HUMAN CAPITAL

6.2.1. HUMAN RIGHTS

The organization must respect human rights. For this, they should undertake a control and follow-up of their compliance on these in relation to the people that work in the organization and on its behalf as well as the various groups with which the organization has a relationship with for the development of its activity. It must have, in relation to its size and circumstances, the following elements:

    a) A public commitment, and at the highest level, to assume responsibility to respect human rights, at least in relation to:
1. Children´s rights, amongst them the elimination of child labor and forced labor.
2. Right to association, mainly through the freedom to join trade unions and the right to collective bargaining.
3. Right to equal opportunities and decent work.

    b) Established procedures to identify, prevent, mitigate and account for performance on human rights throughout its operations and activities.

    c) Mechanisms that allow the remediation, to the degree that it is possible, of the negative consequences on human rights that it may have caused or contributed to.

6.2.2. EQUAL OPORTUNITIES AND NON-DISCRIMINATION

The organization must guarantee, through the deployment of policies and procedures, the compliance with the Principle of Equal Opportunities, in the access to employment, training, professional development and retribution to all individuals that work in it. It should specifically contemplate, as applies, the absence of discrimination due to gender, racial or ethnic origin, religion or convictions, disability, age, sexual orientation and culture, among others. Evidences of the actions that have derived from such policies and procedures must be maintained, while indicating the implicated department, the responsible of its execution, the objective, the obtained results and the implementation date.

6.2.3. MANAGEMENT OF DIVERSITY AND INCLUSION

The organization must undertake an active management of diversity, for this it should deploy the following actions:

a) Identification and analysis of a set of diversity profiles.
b) Identification of the needs and expectations of these profiles.
c) Definition of a plan of action based on the obtained results.
d) Follow-up of results of the actions undertaken.
e) Review, at least once every three years, of the action plan.

The organization must try, to the greatest possible degree, to promote the inclusion of individuals whom are underrepresented within the organization or that have with a limited participation in the workforce.

6.2.4. WORK LIFE BALANCE

The organization should define a plan related to work life balance which includes those measures that respond to the needs and expectations of the people that work within the organization. All individuals should be informed of the plan and a registry of use and results of the defined actions must be kept. At least once every three years, the plan must be updated in regards to satisfaction levels and use.

6.2.5. DESIGN AND STRUCTURE OF THE ORGANIZATION

The organization must maintain an updated organization chart that reflects its structure.
The organization must provide updated information to all individuals about their function, responsibility and reporting lines, as well as the evaluation parameters related to their performance with the objective of guaranteeing clear and fair treatment.
The organization will commit to the gradual introduction of environmental, social and good governance (ESG) objectives for performance reviews.

6.2.6. MONITORING THE WORKING ENVIRONMENT

The organization must undertake an evaluation of the working environment, at least once every three years, analyzing results and putting in place measures and actions plans to ensure continuous improvement.

6.2.7. HEALTH AND SAFETY AT WORK

The organization will guarantee health and safety at work to all those individuals that work in it or on its behalf. For this, it should:

a) Undertake a diagnosis of the occupation risks of their installations and the different working environments, including the evaluation of psychosocial risks.

b) Implement improvement measures to guarantee a safe and healthy working environment through an annual action plan with concrete objectives.

c) Provide training to all employees and individuals that work for the organization about issues related to ergonomic issues, occupation health, safety and hygiene, as well as healthy life habits that are applicable.

d) Facilitate security information of their installations to the individuals that undertake any type of activity in them.

6.2.8. TRAINING AND PROMOTION OF EMPLOYABILITY

The organization should periodically evaluate the training needs, establish the necessary programs so that their employees can remain updated and develop their competencies and skills, in line with the objectives of the organization.

6.2.9. RESPONSIBLE RESTRUCTURING

In case of restructuring, the organization will take into account the needs, interests and demands of the affected parts, reducing, to the degree possible, the associated negative impacts.

6.3 CLIENTS

6.3.1. RESPONSIBLE INNOVATION

The organization shall provide responsible and competitive products and services. For this, it should include in the design and development, environmental, social and good governance (ESG) related aspects for the promotion of responsible innovation.

6.3.2. QUALITY AND EXCELLENCE

The organization must guarantee its activity is developed in accordance with the highest quality standards.

For this, the organization must undertake the following actions:
a) Publicly communicate, at the top management level, its commitment in regards to quality.
b) Provide information to all those individuals working in the organization, or on its behalf, the defined quality principles, while also providing training for those that due to their working filed have a greater incidence in the quality of the product or service provided by the organization
c) Conduct evaluations of client satisfaction, analyze the results and elaborate action plans for improvement
d) Whenever defects or flaws in the product or the service might be detected, the client must be informed and the necessary repair and reposition measures will be implemented.

6.3.3. RESPONSIBLE INFORMATION OF PRODUCTS AND SERVICES

The organization must present at all times clear and honest information about its products and services in its communication to clients. To do this, it has to supervise and guarantee that the following aspects are complied with:

a) Clear and unmistakable identification of the product and service
b) Commercial offer, including the final price, payment and delivery conditions.
c) Technical specification of the product or service in regards to recommendations, risks, and impacts on health, safety and the environment as well as the use and conservation conditions.

6.3.4. ACCESS TO PRODUCTS AND SERVICES

The organization must analyze the different types of current and potential clients, consumer of the products and users of the services with two fundamental objectives:

a) Detect and manage the elements that may impede a correct use of these products and services.
b) Identify and manage risks derived from the use of the product or service that could be an unintended impact on vulnerable groups.

Based on this identification, corrective measures focused on improving the access of clients to the products and services must be defined, implemented and evaluated.

6.3.5. RESPONSIBLE MARKETING AND ADVERTISING

The organization must establish principles that guide their actions in marketing and advertising in respect of the promotion of their product or service. These principles must consider, at least, the following aspects:
a)   Protection of vulnerable groups
b)   Responsible management of personal data
c)   Responsible criteria for the selection of marketing elements, including materials or event planning
d)   Engagement with the media
e)   Language and tone of communications

In case of noncompliance with the principles, the organization must maintain evidence of the type of violations, their scope and the action undertaken for its resolution.

6.3.6. RESPONSIBLE CONSUMPTION

The organization must undertake measures to raise awareness amongst its clients about responsible consumption of the products and services it provides, as well as of material aspects for the sustainability within its sector.

6.4. SUPPLY CHAIN

6.4.1. RESPONSIBLE PURCHASING

The organization must define criteria for responsible purchasing in regards to social, environmental and good governance (ESG), best practices that are achievable and go beyond the applicable legal obligations.

6.4.2. EVALUATION SYSTEM

The organization must periodically evaluate and rank its suppliers in terms of relevance for its business activity. This ranking must determine the actions that are taken in regards to follow-up and control of suppliers.

6.4.3. OFFICIAL APPROVAL OF SUPPLIERS

Upon the evaluation and ranking results, the organization will assess and approve its suppliers according to its responsible purchasing criteria. The organization will keep records on the methodology and the approval process.

6.4.4. PROMOTION OF BEST PRACTICES, SUPPORT AND IMPROVEMENT MEASURES

The organization must provide its suppliers, in a transparent manner its commitments and expectation regarding their commercial relationship.

Similarly, the organization must cooperate with its suppliers in promoting knowledge and encouraging improvement on social responsibility.

SGE 21
Ethical and Socially Responsible Management System

e
Forética

6.5. SOCIAL ENVIRONMENT AND IMPACT ON THE COMMUNITY

6.5.1. MEASUREMENT AND EVALUATION OF SOCIAL IMPACT

The organization must take into account the repercussions that its business processes, projects and activities have on the communities where it operates. For this, it must identify and evaluate its current and potential social impacts, negative and positive, as well as well as develop action plans and concrete measures for each.

6.5.2. COMMUNITY INVESTMENT

The organization should be involved, based on its possibilities, in the development of social actions, prioritizing those communities where it operates.

These actions must be aligned with the strategic vision and values of the organization and a special emphasis should be given to the participation of employee for example, through volunteering actions.

In the case where the organization undertakes community investment actions, it should inform the Social Responsibility Committee about its results in accordance with its social, environmental and economic impact, at least once a year.

6.6. ENVIRONMENTAL CONTEXT

6.6.1. IDENTIFICATION OF ACTIVITIES AND IMPACTS

The organization must take into account the impact of their processes, activities, products and services have or could have on the environment in which it operates, including its supply chain.

For this, the organization must identify and evaluate those aspects related to its operations as well as the significant impacts over the environment, with the objective of managing and minimizing them. Amongst the environmental aspects, both direct and indirect, that can be identified are:
a) Consumption of natural resources- water and energy included
b) Waste generation
c) Greenhouse gas emissions (GEI), other contaminant gases or particles, amongst others
d) Acoustic emissions
e) Waste on water or soil
f) Impacts on biodiversity or other natural spaces

The identification of environmental aspects and impacts must be reviewed annually and when there are significant changes in the organization that could affect its results.

6.6.2. ENVIRONMENTAL MANAGEMENT PROGRAM

The organization must establish an operational and specific environmental management program for its working facilities that is aligned and coherent with its environmental commitment and its social responsibility plan.

This program must include objectives and measurable indicators that allow for the adequate monitoring as well as prevent and manage the produced impacts of its activities and processes.

This program must be revised annually and when there are any changes within the organization that could affect the current identification.

6.6.3. ENVIRONMENTAL RISK PLAN

The organization must have a plan of environmental contingencies that allow for the operation evaluation, prevention and management of possible environmental emergencies, incidences and accidents associated with its activities.

A record for such events must be maintained, alongside the measures that have been implemented for its correction and prevention, as well as the reduction of impacts and adverse effects that have been obtained.

6.6.4. CLIMATE CHANGE STRATEGY

The organization must commit in a concrete manner to fighting climate change. For this, it has to define a strategy that is adequate to the significant aspects and impacts identified in the organization, through which it should implement concrete actions to reduce GEI emissions. Evidences of the obtained results must be maintained.

6.7. INVESTORS

6.7.1. GOOD GOVERNANCE, OWNERSHIP AND MANAGEMENT

The relationship of the organization with its investors must follow the principles of transparency, loyalty and sustainable value creation. For this, it should develop a formal protocol for investor relations or a Good Governance Code, which must be available to them.

In this protocol, the organization must define at least the following aspects:
a)   The relationship between ownership and management of the organization
b)   The content of the periodic information that will be made available to investors
c)   The frequency of this information
d)   The channels available for the investor to request and receive information at any time

6.7.2. TRANSPARENCY OF THE INFORMATION

The organization must publish their annual account making them publicly available.

6.8. COMPETITION

6.8.1. LOYAL COMPETITION

The organization must respect the Intellectual Property of their competitors, and will not use undue actions to obtain information about them and will not disseminate false or biased information against them. In case of differences or disputes in this sense, agreements amongst the parties and arbitration formulas must be promoted as means of resolutions. The organization will maintain records of claims and specifics requirements related to competitors and the measures undertaken in this regard.

6.8.2. COOPERATION AND ALLIANCES

The organization must promote the development of associations and forums that serve the common interest and that become platforms for exchange of experiences with competitors as well as common cooperation channels to ensure an improvement in corporate responsible management and leadership in regards to sustainable development. The organization must maintain evidences of the main actions undertaken, identifying the individual or department in charge of leading the relationship as well as its results and obtained achievements.

6.9. PUBLIC AUTHORITIES

6.9.1. LEGAL AND NORMATIVE COMPLIANCE

The organization will guarantee the control and compliance with the legal requirements that affect its activity, including general and local legislation as well as sector-specific regulations, especially in social, labour and environmental standards. For this, the organization will remain updated in the identification of the applicable legislation, establishing a compliance system and measure to prevent crimes.

6.9.2. RESPONSIBLE TAX PLANNING

The organization must publish details of the taxes paid, relating it with the volume of activity developed in the country where it operates.

6.9.3. COOPERATION AND PUBLIC-PRIVATE ALLIANCES

The organization must maintain community and engagement channels that it considers appropriate with relevant public authorities with the objective of cooperating in the development of private-public alliances that promote an ethical and social responsible management culture in the community where it operates.

SGE 21

Ethical and Socially Responsible Management System

Forética