# African Church Assets Programme (ACAP)

## Inspirational Ethical Management Guide

*Making Sustainable Development Impacts at Community Level*

*An Initiative for Churches and Church Related Organisations (CROs)*



**Strengthening Assets Management & Ethical Investment Capacities**

*Rethink . Innovate . Protect . Invest*

To Contribute to the UN SDGs 2030

SUSTAINABLE DEVELOPMENT GOALS

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*"You must be the change you wish to see in the world"*

- *Mahatma Gandhi -*


*"If we are going to see real development in the world, then our best investment is in Women"*

- *Desmond Tutu -*


*"Try not to be a man of success, but a man of value"*

- *Albert Einstein -*


*"The great man develops virtues in others"*

- *Confucius -*


*"Act so that you treat humanity, whether in your own person or in that of another, always as an end and never as a means only"*

- *Immanuel Kant —*


*"A Leader is best, when people barely know he exists, his work is done, his aim fulfilled, they will say: we did it ourselves"*

- *Lao Tzu -*


*"The time is always right to do what is right"*

- *Martin Luther King Jr. -*


*"It is in your hands to make a better world for all who live in it"*

- *Nelson Mandela -*


*"Never, Never, Never give up"*

- *Winston Churchill -*

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# PART 1
# Why This Guide?

## 1. Introduction

This guiding document has been developed based on the outcomes of three workshops of the African Church Assets Programme (ACAP) organised by Globethics.net in 2016, 2017 & 2019 with the support of Brot für die Welt with the purpose of embedding  responsible financial principles and implementing sustainable assets management tools within Churches and Church related organizations (CROs) on the African continent.

The overall goal of the African Church Assets Programme (ACAP) is aimed at strengthening the institutional sustainability of Churches and Church Related Organisations in Africa by encouraging the use of management standards and aligning to international best business practices.  This entails the need for capacity building & training on the principles of ethical investments and sustainable management of assets (e.g inventories, land, state properties and other assets, etc.).

Two surveys have been conducted over the past 3 years and have enabled to design a systematic approach that shall guide Churches and Church Related Organisations in Africa to adopt a new mindset by integrating ethical investment principles and sustainable assets resource management approaches in their daily operations.

The methodology developed to frame the topics of ethical investment and sustainable assets resource management for CROs has been coined around 4 key pillars referred to as L.E.G.S©[1] Principles in order to instil the thinking and practices on Leadership, Ethics, Governance and Sustainability in their institutions. It is a bold methodology which goes beyond the UN Principles on Responsible Investment[2] with a strong focus on the performance management of the institution in the long-term.

This guide presents the L.E.G.S© Principles and provides a step-by-step approach to CROs to ensure that the proper policies are in place, the key functions are addressed and to know on what impact indicators to rely on to showcase their actual performance. Those four key pillars are built on 14 key sub-categories to enable CROs to set-up the necessary mechanism and to assign clear responsibility within their organisation.

The adoption and the implementation of this guide by CROs shall be adapted to the local context of each institution and communicated to all staff. The need for CROs to address ethical investment and sustainable assets resource management today is crucial and should form an integral part of the strategy of their organisations to enable them to deliver according not only to the institution's vision, mission and values but also to meet their stakeholders' expectation and contribute to accelerating the implementation of the United Nations Sustainable Development Goals (SDGs) 2030.

Therefore, the alignment to the L.E.G.S© Principles by CROs shall provide more confidence to investors to come up with more impact investments projects/programmes and socially responsible investments[3] as it will

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[1] L.E.G.S© Principles 2019

[2] https://www.unpri.org/download?ac=6303

[3] https://www.abis-global.org/content/3ig-from-stewardship-to-power-report-may2014-final.pdf

contribute equally to their own success in demonstrating their effective impact in addressing the sustainable development goals at local level.

As a key player in society, CRO in their stewardship role must own this guide and spread it throughout their network so that they can make real impact on the ground to influence positively the local economy as well as society and the environment. This new thinking and methodology should be shared at national, regional and international level in order to contribute to addressing local and global challenges.

This is the ambitious goal of this guide with the objective to set a common foundation for CROs to give priority to upscale their staff's capacity and skills, to strengthen and sustain their institution and finally to know how to address their investments and assets resource management more ethically and responsibly.

We hope that the contributors to the African Church Assets Programme shall see the outcomes and impacts as they start applying this guide. Our special thanks go to Mrs Monika Redeker from Brot für die Welt for her full support in launching the African Church Assets Programme (ACAP) and to Dr Bright Mawudor at All African Conference of Churches for hosting those workshops. We are confident that this guide shall become the reference document for CRO in their daily operations and we pray for its successful application and full support so that ethical investment and sustainable assets management principles become the standard for the future of the world.

## 2. Context of Churches & Church Related

The weight of Christianity worldwide accounts for over 2.4 billion[4] of people among which 50.1% belongs to the Catholic Church with 1.3 billion followed by the Protestant Church with 930 million (36.7%) which in total represents nearly one-third of the global population.

Their sources of funding are multiple ranging from local to regional and international including some donations and small government contributions. Thus, it shows the potential and attention CROs still get today which provides huge opportunity for them to secure confidence in their donors/investors and increase sustainable funding from local, regional and international.

A small study conducted among a sample group of CROs, shows that the field of activities can be multiple with some major areas of operations which are the education, health, agriculture, tourism and land farming accounts.

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[4] https://en.wikipedia.org/wiki/Christianity

**Field of Activities**

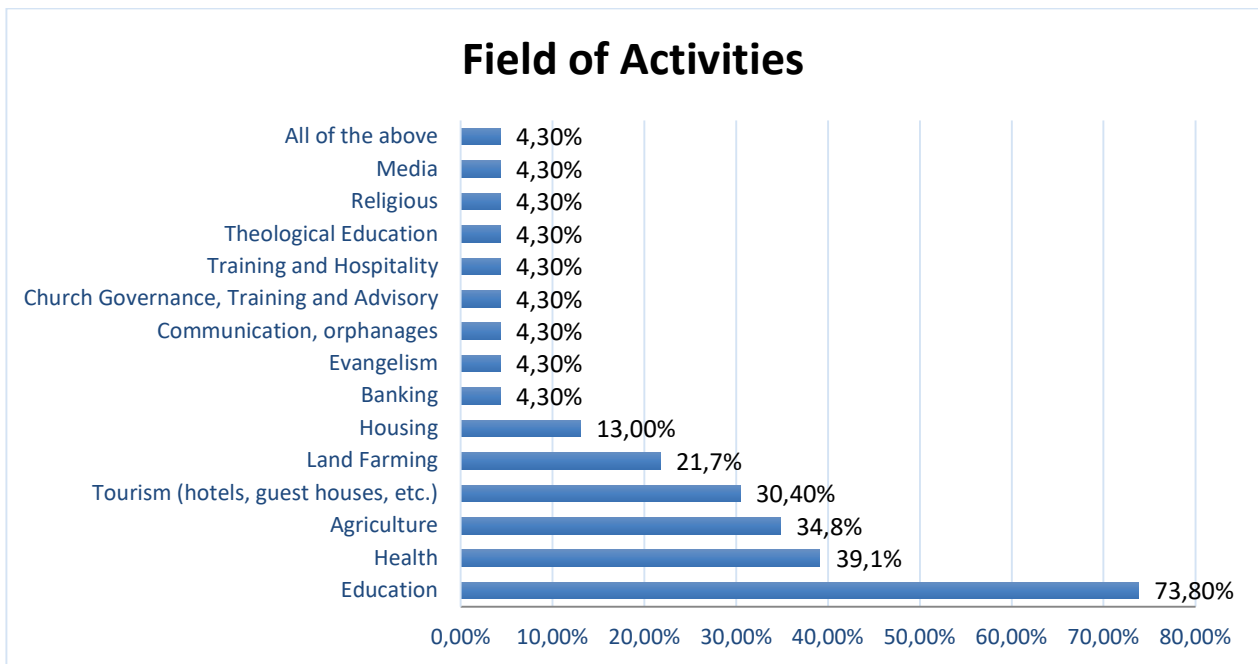| Field | Percentage |
|---|---|
| All of the above | 4,30% |
| Media | 4,30% |
| Religious | 4,30% |
| Theological Education | 4,30% |
| Training and Hospitality | 4,30% |
| Church Governance, Training and Advisory | 4,30% |
| Communication, orphanages | 4,30% |
| Evangelism | 4,30% |
| Banking | 4,30% |
| Housing | 13,00% |
| Land Farming | 21,7% |
| Tourism (hotels, guest houses, etc.) | 30,40% |
| Agriculture | 34,8% |
| Health | 39,1% |
| Education | 73,80% |

*Figure 3: Field of Activities*

Therefore, it is believed that there are great opportunity for CROs to develop and expand the above 5 sectors sustainably and to rethink their strategy at community, country, regional and international level so that they can make a real impact on a selected number of UN SDG namely 1, 2, 3,4, 5, 8, 10, 12, 16 & 17 and get the proper recognition they deserve.

## 3. Challenges Faced by CROs

Since the first ACAP meeting held in Nairobi in 2016, the participants representing the Church and CROs raised a number of issues and challenges faced by their institutions as outlined below[5]:

According to Dr Bright Mawudor, over the last past 25 years, CROs have seen a gradual decrease in funds due to perceived inefficiency in the management of resources. He therefore calls for Churches to the following:

- Make changes commensurate with global changes or risk becoming irrelevant in their prophetic witness and mission
- Need for introspection: identify determinants that will deliver institutions from the yoke of dependency
- Strategize to maximise the value of landed property and or other investments

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[5] Extracted from the African Church Assets Programme ACAP, Workshop Report, Nairobi/Geneva, Globethics.net 2016

Prof. Christoph Stückelberger, highlighted some areas of great challenges which CROs should seize as opportunities to improve their organisation. These areas of concerns are captured in the below table:

| Areas of concerns | Challenges | Opportunities |
|---|---|---|
| *Financial Needs* | Decreasing income (less members/church tax, new churches, more competition | Develop new income sources (Managing assets as one source) |
| *Documentation* | Insufficient information about assets owned | Registering and securing assets |
| *Professionalization* | Lack of expertise | Recruitment of young accountants |
| *Lack of experts* | Too expensive | Mobilize lawyers, architects & other experts among church members |
| *Nepotism* | Lack of quality of leaders | Selection criteria based on professionalism |
| *Ecclesiology: Leadership* | Lack of control and accountability of church leaders | Theological leadership formation for accountable |
| *Ordination-Laity* | Lay persons are not taken seriously | Ordination of finance officers |
| *Gender Ecclesiology* | Few women in church leadership and asset management | Gender equality in ordination, church leadership and asset management |

Prof. William Ogara, raised the importance of registering and securing assets so that they are safe and protected against theft, misuse or mishandling. He also pointed some of the bad practices which are the following:

- Church leaders do not know which properties they own and care only for what they know
- Several properties have been taken away and stolen from Churches
- Plans for acquisition of assets remain haphazard and unstructured
- Church land donated by the older generation are subject to dispute
- Expiration and non-renewal of leases
- Non-maintenance of fixed assets
- Inadequate valuation of assets put churches vulnerable to losses in case of event, fire, etc.
- Money received by Churches are put in wonderful structure without any incentives to make it profitable
- An increasing number of brief case investors which calls for greater vigilance & due diligence process

Geoffrey Murugari, an expert on Taxation highlighted the need for proper planning of rental taxes and ensure that taxes they are paid on due date. He also pointed out the importance of identifying transactions that are exempted from capital gain. However, he added that VAT and withholding tax has no express exemption unless an exemption certificate is provided by the proper governmental service.

Prof. Obiora Ike in his paper on African Time Management[6] provided some reflection on the notion of time which is very much culturally diverse in the Northern and Southern hemisphere. Nevertheless, in the modern

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[6] African Time Management in "African Church Assets Hanbook", Ethis Praxis 10,Globethics.net, 2018, page 81

world, time has become of essence and is greatly linked with the dimensions of disciplined planning, accountability and management.

The above issues and challenges reflect a real need for CROs to address both the individual's behaviour and to ensure that there is a sound and strong quality management system in place, which justifies the development of this guide.

## 4. The Spirit of this Ethical Management Guide & Charter

To secure the commitment of the Churches and CRO to the African Church Assets Programme to the spirit of this guide, an Ethical Charter was developed with the aim to set the foundation of the L.E.G.S Principles and to express clear alignment to the United Nations Sustainable Development Goals (SDGs) 2030.

The purpose of this charter is to instil a common thinking and to change the mindset of the Churches and Church Related Organisations so that they take responsibility in the running of their institution. This charter has been developed with the contribution of the participants of the African Church Assets Programme (ACAP) and it is their responsibility as well to ensure that their members adhered to the spirit of the charter and it is effectively implemented in their organisation. This Ethical Charter is open to any Churches and CROs who is willing to commit to Ethical and Sustainability Principles in their operations.

This charter shall be managed by Globethics.net Foundation to ensure and assess the level of commitment by the ACAP members and key implementers such as the All African Conference of Churches (AACC) and others.



African Church Related Organisations' (CRO) Ethical Charter
Committed to Impact and Sustain Africa

We, as members of the African Churches Network, and participants to the African Church Assets Programme (ACAP) workshop held from **21st-24th May 2019** at the All African Conference of Churches(AACC) in Nairobi under the leadership of Globethics.net Foundation, Switzerland, acknowledge the importance of Ethical Investment and Sustainable Assets Resource Management for our long-term financial prosperity, commit to strengthen the Leadership of our institution, promote ethical practices including in our investment, improve our Governance practices and align to sustainability principles to contribute to the acceleration of implementation of the UN SDG 2030 to eradicate poverty & hunger in our country, across the continent and to restore the human dignity.

We shall live up to our commitment by adhering to the four key pillars of the L.E.G.S© Principles and take **21 ACTIONS** as follows:

Behave as a Responsible LEADER by:

- Strengthening our Human Resource Management Policies to include formal staff's contracts, job's description, annual evaluation, clear succession plan with handover & fair compensation plan
- Promoting a culture of institutional ownership, responsibility & organisational development
- Providing space for all staff to express themselves and become a problem-solver

- Encouraging an institutional culture of capacity building, creativity & innovation through learning and sharing
- Reinforcing internal & external communication to promote ethical behaviours & sustainable practices among all stakeholders

Promote **ETHICS** standards in our organisation by:

- Establishing an Ethics body to supervise strict compliance with the Code of Ethics (e.g due diligence, conflicts of interest, gifts policy, etc.) across the institution
- Embedding ethics and values in all our policies, procedures and processes
- Disseminating the Code of Ethics with all stakeholders & conduct annual ethics training
- Monitoring & supervising annually the Ethics Programme across the organisation
- Providing secured communication channels for online reporting & for managing cases of corruption
- Collecting annual report from Top Management on implementation of the Code of Ethics

Ensure **GOVERNANCE** principles are complied with at the highest level by:

- Abiding by all laws and regulations at local and international level where applicable
- Establishing clear investment policy & strategy according to international financial & accounting standards
- Conducting mandatory annual internal & external audits
- Undertaking regular financial controls and implement monitoring & evaluation system in our institution
- Institutionalizing annual governance capacity building programme across all tiers of the organisation

Apply **SUSTAINABILITY** principles and approaches in our daily activities by:

- Including environmental & social criteria in our Investments and Assets Management Policies & strategies
- Establishing sustainable procurement procedures, processes according to local/international standards & best practices
- Making Ethical Investment & sustainable assets management a priority and provide related training
- Assessing and managing our sustainability risks of our institution
- Monitoring implementation and measuring impact of sustainability outcomes

By this, we pledge our commitment to the above 21 measures and shall ensure that the L.E.G.S© Principles are at the heart of our activities and organisation and that they form part of our daily life, in our families and communities so that we make sustainable development a priority to support our society, uplift our country, raise our continent and sustain our planet. Thus, we shall keep on spreading the word around us and promote the spirit of this charter at local, national & international levels.

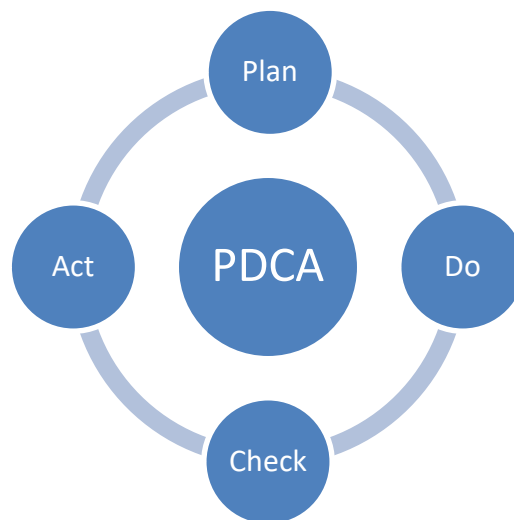Monsignor, Prof. Dr Obiora Ike, Globethics.net          X, Name of Organisation          Date:

# PART II

# How to Use this Guide?

## 1. Quality Management Approach & Methodology

This guide has been built on the general principles of quality management which is the Plan-Do-Check-Act (PDCA) as illustrated and explained below. In view to address the implementation of the L.E.G.S© Principles i.e **L**eadership, **E**thics, **G**overnance and **S**ustainability within the institution, it is IMPORTANT that Senior, Top and middle Management own this process and follow the step-by-step approach proposed hereunder:



### i. Planning Stage - PLAN

The planning stage requires a strong commitment from the Head of Institution & Top Management to the L.E.G.S© Principles which entails the following such as:.

- Appoint a Responsible Head for each of the 4 L.E.G.S© Principles
- Conduct a risk assessment and identify the areas of weaknesses and of greater priorities
- Set clear objectives and targets for your institution and trigger it down in the respective sector of activities and departments and/or functions
- Look for the right expert to assist you to carry out your work as efficient as possible
- Select for the most appropriate relevant standards and norms according to your field of activities
- Assign a dedicated team composed of internal and external (where required) stakeholders to lead the process
- Provide the relevant training to the dedicated team
- Work out a budget and secure the financial resources
- Set a workplan for implementation with clear responsibility and deadlines

## ii. Implementation Stage - DO

The implementation stage is about embedding the L.E.G.S© Principles in the procedures and processes of the organisation such as:

- Inform and train all the staff & all stakeholders on its application as required
- Assign clear roles and responsibilities to the staff and personnel
- Check for the most relevant local and international standards and norms that apply to your sector
- Make sure that your activities are supporting the country's priorities and challenges
- Review and adapt and develop new procedures and processes as appropriate to ensure that they are aligned to the L.E.G.S© Principles
- Develop and implement the necessary solutions/tools/approaches to support your work

## iii. Monitoring Stage - CHECK

The monitoring stage is about checking the application of internal procedures as well as to the agreed standards and norms:

- Conduct regular monitoring of implementation of the procedures
- Evaluate the results of the monitoring and decide on the necessary corrective actions
- Issue the monitoring & evaluation report for management review
- Assign internal and external auditors to conduct their yearly audits

## iv. Improvement Stage – ACT

The improvement stage is about taking corrective actions to remedy to any deviations under the leadership of management such as:

- Submit to management a consolidated report of the overall findings of the monitoring & evaluation report
- Define an action plan for implementation of the corrective actions
- Review and adapt the procedures as appropriate
- Inform & train all staff on the new changes

# 2. Quality Design Thinking & Philosophy

To get started, please keep in mind the following 6 key fundamentals:

1. Do the RIGHT thing first versus Do the THING right
2. SAY what you do and DO what you say
3. Think PDCA – Plan-Do-Check-Act and continuous improvement
4. Make use of the quality management TOOLS e.g SWOT Analysis, Ishikawa cause-effect diagram, check control tables, etc.
5. Use design thinking approaches to solve the problem in team
6. Rely on the appropriate standards and norms for guidance

# PART III
# The L.E.G.S$^{©}$ Principles

This third part of the guide deals with the **FOUR Key Pillars of the L.E.G.S© Principles** with the purpose to provide some guidance on the thinking CROs must adopt and the implementation measures to be put in place as well as the impact indicators to be considered. Each pillar is divided into sub-categories to support the key concept using the quality management approach and thinking to support the overall ethical and sustainable policy and strategy of CROs.

The **4 KEY PRINCIPLES** and subcategories are as follows:

## i.    Leadership

**Key Objectives:** This **FIRST** Principle is aimed at ensuring the existence of a strong Leadership within the organisation.

**Guidance:** Leadership is a key human character which organisation requires from their Senior, Top and Middle management to ensure that their personal attributes and capacity to motivate their team contribute valuably to achieving successfully the vision, mission and values of their respective institution and beyond.

**Implementation measures**

a.  Long-Term Organisation & Strategy

   *Responsibility: Head of the institution*

   - Define and/or reaffirm the institution's vision, mission and values
   - Establish the organisation's long-term policy, strategy and planning
   - Establish the relevant procedures and processes for election of leaders and succession
   - Define the organisation's and responsibility chart
   - Ensure the respective and ad hoc committees are in place with clear mandates

b.  Human Resources Management

   *Responsibility: Head of Human Resources*

   - Establish the Human Resources Policy (e.g recruitment, dismissal, vacation, planning, etc.) and Procedures according to local labour laws and regulations
   - Develop the staff job's description and contract's model
   - Conduct appropriate due diligence prior to hiring any new staff
   - Design a leadership programme on ethics and sustainability for all staff
   - Identify the staff's training needs with the respective head of functions/department
   - Set-up procedures for annual staff review and performance assessment
   - Define a mid-term and yearly career development plan for staff

c.  Staff evaluation and contribution

*Responsibility: Head of Business/Functions*

- Secure the best working environment and conditions for your staff
- Know the strengths and weaknesses of your staff
- Assess staff's capacity to deliver against their position and job description
- Conduct staff annual performance assessment & set yearly's objectives
- Organise weekly/monthly meetings with their staff
- Involve staff in the design of projects and collect their feedback for improvement and innovation
- Build a trusty values-based culture within the organisation

d. Communication Management

*Responsibility: Communication and Public Relations Manager*

- Identify the institution's key stakeholders & know their expectations
- Communicate to your stakeholders (e.g staff, suppliers, government, NGOs, etc.) on the organisation's values and commitment to ethics and sustainability principles
- Set-up appropriate ethical partnerships with your external stakeholders to deliver on the global UN SDG 2030 agenda
- Develop a communication strategic plan based on modern tools and technologies with clear budget

*Impact Indicators*

- No. of EFFECTIVE committees set-up & in place in the organisation with clear mandates
- No. of leadership training organised for the Management and triggered to the staff
- No. of due diligence conducted prior to recruitment
- No. of session organised with stakeholders on the institution's approach on ethics and sustainability
- Type of media used to inform on the institution's standards and values

*Reference Legal framework*

- National Labour Laws & regulations
- ILO Convention and labour standards

## ii. Ethics & Compliance

**Key Objectives:** This **SECOND** Principle is aimed at strengthening the organisation's values and compliance programme to provide confidence to all stakeholders on the management of their institution.

**Guidance:** Ethics is about going beyond the laws and compliance which remain very weak in a great number of societies. Embedding an ethical culture in organisation is crucial to restore a healthy working environment. It does not contribute to the institution reputation but also to build trust among management and staff and to retain them to work for their institution.

a. Ethics of Committee

*Responsibility: Ethics & Sustainability Committee (ECS)*

- Define the institution's ethics policy and procedures on ethics issues (e.g conflicts of interest, due diligence, sponsoring, gifts policy, cash payments, insider trading, human rights, etc.)
- Assign roles and responsibilities for implementation, monitoring & evaluation of the Code of Ethics & the Ethical Charter in support of the UN SDGs 2030
- Set-up an Ethics & Sustainability Committee under the Leadership of the Head of the Institution
- Organise & call for quarterly meeting of the Ethics & Sustainability Committee

b. Compliance Mechanism

*Responsibility: Ethics & Compliance Officer*

- Design the Code of Ethics in consultation with the line managers & staff
- Disseminate the Code of Ethics and Charter across the organisation
- Give guidance to Top & middle management to implement the Code of Ethics
- Include ethics and sustainability criteria in the institution's procedures and processes
- Collect quarterly report on its implementation and respective sector challenges & needs
- Establish an online secured whistle blowing mechanisms
- Secure annual letter of commitment from Top & middle management to the spirit of the Code of Ethics
- Conduct staff evaluation on ethical conduct and reward exemplary actions or incentives with the Human Resources Dept.
- Manage the Ethics & Compliance Programme and report to the Ethics & Sustainability Committee
- Assign responsibilities to the internal audit to monitor compliance to the Code of Ethics

c. Stakeholders' Management

*Responsibility: Head of communication & relevant business managers*

- Communicate the Code of Ethics to all their stakeholders and hold information session

*Impact Indicators*

- No. of corrective actions undertaken following the recommendations of the Ethics Committees
- No. of actions undertaken by management on an annual basis to address ethical behaviours
- No. of ethics & sustainability training provided to the stakeholders e.g suppliers, etc.
- No. of communication addressed to the stakeholders on the institution Code of ethics

*Reference standards & framework:*

- Transparency International (TI) Business Principles
- ISO 37001: 2016 – Anti-Bribery Management Systems
- OECD Convention against Corruption on combating bribery
- United Nations Convention Against Corruption (UNCAC)

## iii. Governance

**Key Objectives:** This **THIRD** Principle is aimed at establishing a strong legal and governance system in the Church and Church Related Organisations.

**Guidance:** Governance is crucial as it sets the level of transparency and accountability of the institution and provides confidence to investors and stakeholders in its ability to respect the laws and capacity to manage its properties and assets and related investments programmes / projects according to a given legal framework.

a. Legal Framework

*Responsibility: Legal Officer*

- Establish all legal procedures for all the businesses and functions of the organisation according to local laws
- Ensure compliance with all statutory laws and by-laws of all the institution
- Register and protect legally all your properties

b. *Financial Management*

*Responsibility: Financial Officer*

- Establish strong financial policy and accounting procedures (e.g signing authority, payment requests, approval processes, standard forms, etc.) according to local and international laws and standards
- Set-up  a sound financial management system for recording and tracking payments including daily small transactions such as petty cash
- Develop clear procedures and guidelines for the management of grants/donations
- Use modern & sustainable finance approaches to raise funds e.g crowdfunding, impact investing, etc.
- Formalize institutions' local and international banking accounts
- Plan your annual and mid-term budget
- Conduct monthly/quarterly review of expenditures against planned budget across all functions
- Undertake annual consolidated financial reporting

c. Annual Audits

*Responsibility: Internal Auditor*

- Set up an internal audit function within the institution
- Assign clear mandates to the internal auditor to conduct regular audits of the institution
- Include the internal auditor in project committee e.g ethics and sustainability committees, assets committees, investment committees, etc.
- Select an external auditing firm to do the revision of your annual accounts

*Impact Indicators*

- No. of fixed assets registered & protected with insurance scheme
- No. of savings made in their yearly expenditure and budget

- Amount of funds raised through innovative and sustainable finance instruments
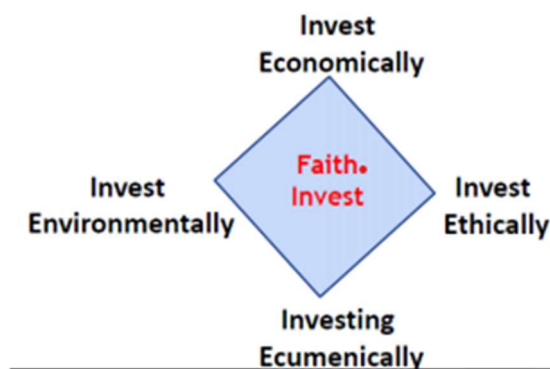
*Reference Legal framework:*

- International Financial Reporting Standards
- International Accounting Standards

## iv. Sustainability

**Key Objectives:** This **FOURTH** Principle is aimed at embedding sustainability criteria in their investment, procurement processes and management of their assets.

**Guidance:** Sustainability issues have become a priority on the global agenda and calls for an urgent mobilisation from each one of us. Thus, it provides CROs with the unique opportunity to own this agenda and make impact in their operations by adopting de-risking thinking as well as life-cycle approaches to address the planetary boundaries. It has been suggested to churches and CROs to adopt the **Concept 4E Faith Invest** as per below diagram[7]



*a. Assets Management*

**Responsibility : Assets & Resources Manager**
- Establish a sustainable assets management policy (planning, budgeting, approval, acquisition, registration, renovation, sales, etc.)
- Conduct a mapping of the institution existing assets & document
- Undertake a valuation of your assets & protect them

*b. Economic & Ethical Investments Dimensions*

**Responsibility : Business Development & Investment Manager**
- Develop a sustainable & innovative investment policy & strategy that addresses local & international activities, ethics, impact investing, Socially Responsible Investment, SDGs, crowdfunding,  microfinance, etc. for your institution
- Ensure all your investments are legally recognised
- Include sustainability & contextualized criteria in your investment projects

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[7] African Church Assets Hanbook", Ethis Praxis 10,Globethics.net, 2018, page 123-124

-   Apply international excluding criteria in your investment projects

### c. Social Dimensions

**Responsibility : Community Development Manager**

-   Identify & support social priorities and needs of your community
-   Hire and empower the youth, women and physically challenged individuals
-   Support social & cultural activities at community level
-   Provide opportunities for internship & give priority to the unemployed & mothers
-   Develop social campaign & promote the sustainable development agenda 2030
-   Make social & financial contribution through partnerships & sponsorships
-   Support local businesses and governments initiatives

### d. Environmental Dimensions

*Responsibility : Sustainability Manager*

-   Establish a Sustainability policy for your organisation
-   Set-up a quality management system for your organisation
-   Define a sustainable procurement policy[8]
-   Implement an occupational health & safety management system
-   Assess the environmental risks of your operations[9]
-   Conduct a monitoring & evaluation of your sustainability policy
-   Measure your sustainability impacts (e.g staff turnover, quality of products & services, accidents, absenteeism, etc.)

### Impact Indicators

-   No. of youth, women & physically challenged hired during the year versus total recruitment
-   No. of students, unemployed & mothers under contract with the institution
-   No. of investments/assets acquired or refurbished based on social and environmental criteria
-   No. of social and environmental campaigns conducted at community level

*Reference standards & regulations:*

-   UNCTAD Investment Policy Framework on Sustainable Development
-   UN Principles for Responsible Investment
-   UN Global Compact
-   ISO 26000:2010 on Social Responsibility
-   ISO 20400 on Sustainable Procurement
-   ISO 14001 on Environmental Management Systems
-   UN Guiding Principles on Business and Human Rights

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[8] https://www.oneplanetnetwork.org/sites/default/files/handbook_spp.pdf
[9] Cf. see Checklist developed by Sustainable Purchasing Leadership Council

- ISO 45001: 2018 – Occupational Health and Safety Management Systems

# PART IV
# Evaluation Criteria of the L.E.G.S© Principles

## Leadership

A set of 17 questions have been designed with specific key objectives around the dimension of Leadership and have been organised in 5 sub-categories as per below table:

| LEADERSHIP | KEY OBJECTIVES | YES | NO |
|---|---|---|---|
| **LONG-TERM VISION & STRATEGY** | | | |
| 1. Does your organisation have a Vision, Mission and Values? | **Vision, Mission & Values** | | |
| **2.** Do you have an election process for the appointment of your leader? | **Election Process** | | |
| **3.** Have you defined the succession process within your organisation? If yes, Please describe:_____ | **Succession Process** | | |
| 4. Do you have an organisation chart with clear roles and responsibilities? | **Organisation Chart** | | |
| **HUMAN RESOURCES MANAGEMENT** | | | |
| 5. Do you have a dedicated person to manage the Human Resources? | **HR Function** | | |
| 6. Do you have an Employment Policy and Procedures (e.g recruitment, selection criteria, dismissal, social protection, due diligence, etc.) within your organisation? | **Employment Policy** | | |
| 7. Do you provide working conditions according to local's laws and requirements? | **Working Conditions** | | |
| 8. Do all staff have a job description with clear responsibilities? | **Job Description** | | |
| 9. Do you provide training and capacity building to your staff on an annual basis? | **Annual Training** | | |
| **STAFF CONTRIBUTION** | | | |
| 10. Do you organise regular meetings with management and/or the staff? | **Management/Staff Meetings** | | |
| 11. Do you keep records of minutes of the staff meetings? | **Records of Meetings** | | |
| 12. Do you do follow-up on outcomes of meetings prior to the next one? | **Follow-up actions** | | |
| 13. Do you collect feedback from your staff to improve on your institution? | **Staff Feedback** | | |
| **STAKEHOLDERS' COMMUNICATION** | | | |
| 14. Do you communicate on a regular basis with your internal and external stakeholders? | **Stakeholders' Communication** | | |
| **SKILLS & COMPETENCES** | | | |

| | | YES | NO |
|---|---|---|---|
| 15. How would you rate the level of skills and competences of your staff? | **Level of skills/Competences** | | |
| 16. Do you conduct regular assessment of your personnel staff against objective criteria? | **Personnel/Staff Assessment** | | |
| 17. Do you reward personnel and staff for their commitment and professional work? | **Personnel/Staff Reward** | | |

### I. Ethics

A set of 12 questions have been designed with specific key objectives around the dimension of Ethics and have been organised in 3 sub-categories as per below table:

| ETHICS | KEY OBJECTIVES | YES | NO |
|---|---|---|---|
| **CODE OF ETHICS & POLICY** | | | |
| 1. Is there an ethics and compliance programme in your organisation? | **Ethics / Compliance Programme** | | |
| 2. Does your organisation have a Code of Ethics? | **Code of Ethics** | | |
| 3. Is the issue of Conflict of Interest clearly addressed in your Code of Ethics and policies? | **Conflict of Interest clause** | | |
| 4. Have you established a gifts policy within your organisation? | **Gifts Policy** | | |
| 5. Do you provide regular ethics training for all your staff? | **Ethics Training** | | |
| **COMPLIANCE MECHANISM** | | | |
| 6. Do you provide your personnel/staff with a mechanism for reporting unethical behaviour? | **Complaint / Reporting Mechanism** | | |
| 7. Are staff protected against retaliation in case they report an incident? | **Complainant Protection** | | |
| 8. Do you have a disciplinary or Ethics committee? | **Disciplinary / Ethics Committee** | | |
| 9. Is there a higher court for appeal in case of injustice? | **Appeal Mechanisms** | | |
| 10. Are incidents documented and corrective actions undertaken fairly? | **Incidents & Corrective Actions** | | |
| **STAKEHOLDERS' MANAGEMENT** | | | |
| 11. Have you communicated your Code of Ethics to all your stakeholders? | **CoE to Stakeholders** | | |
| 12. Do you conduct any due diligence before entering into partnerships? | **Due Diligence Process** | | |

### II. Governance

A set of 24 questions have been designed with specific key objectives around the dimension of Governance and have been organised around the 4 sub-categories as per below table:

| GOVERNANCE | KEY OBJECTIVES | YES | NO |
|---|---|---|---|
| **LEGAL FRAMEWORK** | | | |
| 1. Are you a legally registered institution? | **Legal Entity** | | |
| 2. Are all your properties registered? | **Registered Properties** | | |
| 3. Are you subject to any taxation in the country? | **Legally Taxed** | | |

| | KEY OBJECTIVES | YES | NO |
|---|---|---|---|
| 4. Is there a supervisory board of trustees and executive board? | **Board of Trustees & Executive Board** | | |
| 5. Do you hold General Assemblies or synods? | **General Assemblies** | | |
| **FINANCIAL MANAGEMENT** | | | |
| 6. Do you have a dedicated Financial Officer with discretionary powers? | **Financial Responsibility** | | |
| 7. Do you prepare annual budget spending? | **Annual Budget** | | |
| 8. Do you have a sound financial management system (e.g. IT)? | **Financial Management System** | | |
| 9. Do you have a financial policy and procedures for the organisation? | **Financial Policy & Procedures** | | |
| 10. Is there a documented procedure for grants/fund management? | **Grants/Fund Procedures** | | |
| 11. Is there a double authorising signature rule within your organisation? | **Double Signature Rule** | | |
| 12. Do you have a clear record bookkeeping system for all your organisations? | **Record Bookkeeping System** | | |
| 13. Are petty cash clearly identified and recorded? | **Petty Cash Record** | | |
| 14. Do you have a formal account number with a bank? | **Bank Account** | | |
| 15. Do you have an obligation to transfer foreign investments/funding into a local currency account? | **Foreign Currency Account** | | |
| 16. Do you conduct monthly review of your expenditures versus your budget? | **Expenditures Review** | | |
| 17. Do you conduct financial quarterly review of income vs expenditure? | **Financial Review** | | |
| 18. Do you conduct annual financial reporting (e.g balance sheet, etc.)? | **Annual Financial Reporting** | | |
| 19. Do you have annual consolidated financial statements for your organisation? | **Consolidated Financial Statements** | | |
| **ANNUAL AUDITS** | | | |
| 20. Do you conduct annual internal audits? | **Annual Internal Audits** | | |
| 21. Is your organisation externally audited? | **External Audits** | | |
| 22. Do you issue an annual report of your overall activities? | **Annual Report** | | |
| **PROJECT / INVESTMENT IMPACT ASSESSMENT** | | | |
| 23. Are projects and investment yearly assessed by your own organisation? | **Internal Project / Investment Assessment** | | |
| 24. Are projects and investments systematically assessed by funding partners or agencies? | **External Project / Investment Assessment** | | |

## III.    Sustainability

A set of 27 questions have been designed with specific key objectives around the dimension of Sustainability and have been organised in 4 sub-categories as per below table:

| SUSTAINABILITY (Economic, Social and Environment) | KEY OBJECTIVES | YES | NO |
|---|---|---|---|
| **ASSETS MANAGEMENT** | | | |

| Question | Category | | |
|---|---|---|---|
| 1. Have you done a mapping of all your assets? | **Assets Mapping** | | |
| 2. Have you valued those assets under your responsibility? | **Assets Valuation** | | |
| 3. Do you have an assets management policy & strategy for your organisation? | **Assets Policy & Strategy** | | |
| 4. Are investments/assets acquisition reviewed and approved by a Committee? | **Assets Committee** | | |
| 5. Have you lost any assets under your portfolio? | **Loss of Assets** | | |
| **ECONOMIC & ETHICAL INVESTMENTS DIMENSIONS** | | | |
| 6. Are all your investments legally recognised? | **Legal Investments** | | |
| 7. Are you familiar with the concept of ethical investment? | **Ethical Investment Concept** | | |
| 8. Are ethical investment criteria required by your investors? | **Investors' Ethical Investment Criteria** | | |
| 9. Have you seen a growing interest from investors/funders for ethical investment? | **Investors / funders' interest for Ethical Investment** | | |
| 10. Do you apply ethical criteria in your investment by excluding activities (e.g tobacco, weapons, alcohol, prostitution, gaming, etc.)? | **Ethical Investment Criteria** | | |
| 11. What positive criteria do you apply to decide on your investment? Please name the criteria:_____ | **Investment Positive Criteria** | | |
| 12. Have your income increased over the past 3 years? | **Income Growth** | | |
| **SOCIAL DIMENSIONS** | | | |
| 13. What channels exist to practice charity? Please describe:_____ | **Charity's Channels** | | |
| 14. Are you aware of the social labour laws applicable in your country? | **Social Labour Laws** | | |
| 15. Do you ensure that Human Rights criteria are adhered to by all your staff? | **Compliance with Human Rights Criteria** | | |
| 16. Do you assess your social impact on an annual basis? | **Social Impact Assessment** | | |
| **ENVIRONMENTAL DIMENSIONS** | | | |
| 17. Have you established an environmental policy for your organisation? | **Environmental Policy** | | |
| 18. Have you done an environmental risk assessment of all your organisations? | **Environmental Risk Assessment** | | |
| 19. Do you assess your environmental impact on an annual basis? | **Environment Impact** | | |
| **SUSTAINABLE PROCUREMENT PROCESSES** | | | |
| 20. Have you set sustainable criteria for the selection of your suppliers? | **Suppliers Selection** | | |
| 21. Do you have a procurement policy with guidelines for procurement officers? | **Procurement Policy Guidelines** | | |
| 22. Do you apply thresholds according to your procurement methods? | **Procurement Methods** | | |
| 23. Do you have procurement tender review boards? | **Procurement Tender Review Boards** | | |
| 24. Do you apply sustainability criteria in your purchasing and assets acquisition? | **Sustainable Purchasing & Assets Acquisition** | | |
| 25. Do you consider sustainability criteria in your maintenance and quality control of your asset? | **Assets Maintenance** | | |
| **INTERNATIONAL ALIGNMENT** | | | |
| 26. Do you comply with any international management standards or their equivalent? Please tick as appropriate | **International Standards** | | |

| | | | |
|---|---|---|---|
| □ ISO 9001 □ ISO 14001 □ ISO 45001 □ ISO 26000 □ ISO 20400 □ ISO 37001 □ UNPRI □ BREEAM <br> □ Other, please specify:_____ □ None | | | |
| 27. Have you aligned your activities with the UN Sustainable Development Goals 2030? | **UN SDG Goals** | | |

# ANNEX I
# Glossary

**Design thinking**[10]: It is a process for creative problem solving. Design thinking has a human-centered core. It encourages organizations to focus on the people they're creating for, which leads to better products, services, and internal processes. When you sit down to create a solution for a business need, the first question should always be what's the human need behind it.

**Environmental impacts**: Possible adverse and favourable effects caused by a development, industrial, or infrastructural project or by the release of a substance in the environment.

**Ethical investments**: the practice of investing in companies whose business is not considered harmful to society or the environment[11]. Ethical investment is also known as sustainable investment and socially responsible investment (SRI). The term describes an investment process that incorporates environmental and social factors when selecting investments, in addition to the objective of achieving a competitive financial return[12]. These include, socially responsible investing (SRI), environmental, social, and governance (ESG) investing, sustainable investing, impact investing, values-based investing, conscious investing and green investing, etc[13].

**Fixed Assets:** assets which are purchased for long-term use and are not likely to be converted quickly into cash, such as land, buildings, and equipment[14].

**Impact Investment: Impact investing** refers to **investments** "made into companies, organizations, and funds with the intention to generate a measurable, beneficial **social** or environmental **impact** alongside a financial return.[15]

**Life cycle assessment LCA**: A compilation and evaluation of the inputs, outputs and the potential environmental impacts of a product system throughout its life cycle[16]

**Planetary boundaries**: It is a concept involving Earth System processes which contain environmental boundaries, proposed in 2009 by a group of Earth system and environmental scientists led by Johan Rockström from the Stockholm Resilience Centre and Will Steffen from the Australian National University. According to the paradigm, "transgressing one or more planetary boundaries may be deleterious or even catastrophic due to the risk of crossing thresholds that will trigger non-linear, abrupt environmental change within continental-to planetary-scale systems." The Earth system process boundaries mark the safe zone for

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[10] www.ideou.com/blogs/inspiration/what-is-design-thinking
[11] https://dictionary.cambridge.org/fr/dictionnaire/anglais/ethical-investment
[12] https://www.australianethical.com.au/what-is-ethical-investment/
[13] https://www.australianethical.com.au/what-is-ethical-investment/
[14] https://www.investopedia.com/terms/f/fixedasset.asp
[15] Source : wikipedia.org
[16] https://web.stanford.edu/class/cee214/Readings/ISOLCA.pdf

the planet to the extent that they are not crossed. As of 2009, two boundaries have already been crossed, while others are in imminent danger of being crossed.

**Social Entrepreneurship:** It is the process of pursuing suitable solutions to social problems. More specifically, social entrepreneurs adopt a mission to create and sustain social value. They pursue opportunities to serve this mission, while continuously adapting and learning. They draw upon appropriate thinking in both the business and non-profit worlds and operate in all kinds of organizations: large and small; new and old; religious and secular; non-profit, for-profit, and hybrid.

**Social impacts**: The effect of a development, industrial or infrastructure project on the social fabric of the community and well-being of the individuals and families.

**Socio-economic impacts**: Socio-economic impact is the effect of a development, industrial or infrastructure project on community social and economic well-being. Socio-economic impacts are generally evaluated in terms of changes in community demographics, housing, employment and income, market effects, public services, and aesthetic qualities of the community.

**Sustainable Consumption and Production (SCP)**[i]: SCP is generally defined as the production of goods and services that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardize the needs of future generations.

**Sustainable Public Procurement (SPP):** SPP is about laws, policies and practices to integrate economic, social and environmental issues into public procurement processes and decisions. It is about achieving "value for money" across the lifecycle of goods, works and services by considering the environmental, social and economic consequences of: design; renewable or non-renewable material use; manufacture and production methods; distribution and commercialization; operations and/or user life; disposal, reuse and recycling options; and suppliers' capabilities to address these consequences throughout the value chain. In other words, sustainable public procurement is about doing business with taxpayers' money in a way that benefits society in the longer term.

**Whole life (Life Cycle) costs**: Whole life costing is the systematic consideration of all relevant costs and revenues associated with the acquisition and ownership of an asset. It is essentially a means of comparing options and their associated costs and income streams over a period. Costs to be considered include both initial capital or procurement costs, opportunity costs and future costs. Only options which meet the performance requirements for the built asset should be considered - those with lower costs over the period will be preferred.

Initial costs include design, construction and installation, purchase or leasing, fees and charges. Future costs include all operating costs, such as rent, rates, cleaning, inspection, maintenance, repair, replacements/renewals, energy and utilities use, dismantling, disposal, security and management over the life of the asset.

Loss of revenue may also need to be considered.

The timing of future costs must be considered in the comparison of options. Future cost flows are discounted by a rate that relates present and future money values - which may include an allowance for inflationary changes.

# ANNEX II
# Sustainability Self-Assessment Questionnaire

The following checklist has been made available freely by SPLC for which we are very grateful. It has been designed to help document your organization's current sustainability practices and provide ideas for practices you may want to implement in the future.

Not all categories or practices may be relevant to your organization. When reviewing the following list of activities in each section, make a note of determining who is responsible for them in your organization, and/or noting if someone outside of your organization (such as a landlord or supplier) is responsible, or if you need to find out who is responsible for that activity.

The checklist is not exhaustive and may not cover issues material to your sector or region. include additional practices in the "other" section provided at the bottom of every category.

## Sustainability Institution Self-Assessment

**Instructions:**
☐ **Check 1st box if this is a current company practice.**
☐ **Check 2nd box if you are planning to make this a future company practice.**

**BUIDINGS**

**Building Operations and Maintenance**

| | | |
|---|---|---|
| 1. | ☐ ☐ | Create and keep current a building operating and maintenance plan that contains all the information necessary to operate and maintain building systems and equipment. |
| 2. | ☐ ☐ | Perform regularly scheduled, manufacturer-recommended maintenance on building systems and equipment, particularly HVAC and refrigeration, eliminating all instances of deferred maintenance. |
| 3. | ☐ ☐ | Inspect and test entire HVAC (heating, ventilation and air conditioning) system annually for coolant and air leaks, duct sealing, clogs, and obstructions of air intake and vents. |
| 4. | ☐ ☐ | Check building HVAC set-points quarterly to ensure they have not been changed and are functioning properly and according to occupancy schedules. |
| 5. | ☐ ☐ | Regulate and use of an outside air intake to take advantage of outdoor air temperatures (cool air takes less energy to compress). |
| 6. | ☐ ☐ | Clean permanent filters with mild detergents every two months and change replaceable filters every 2 months or as recommended by the equipment manufacturer). |
| 7. | ☐ ☐ | Clean condenser coils of dust & lint on a regular basis. |

| | | |
|---|---|---|
| 8. | ☐ ☐ | Clean evaporator coils of excessive frost as needed. |
| 9. | ☐ ☐ | Inspect building envelope annually, repairing cracks and applying sealants and weather stripping as needed to maintain air tightness and prevent moisture infiltration |
| 10. | ☐ ☐ | Inspect building roof annually, repairing any defects |
| 11. | ☐ ☐ | Install/apply a reflective roof and clean periodically to maintain reflective properties |
| 12. | ☐ ☐ | Inspect and test building fire and safety and other communications at least annually |
| 13. | ☐ ☐ | Set hot water heaters to meet minimum sanitation requirements (typically 125-130 F) and check quarterly to ensure they have not been changed. |
| 14. | ☐ ☐ | Insulate all hot water pipes. |
| 15. | ☐ ☐ | Inspect and test water equipment, fixtures, and lines for leaks every 6 months. |
| 16. | ☐ ☐ | Test irrigation sprinklers quarterly to ensure proper operation and coverage and repair all broken or defective sprinkler heads/nozzles, lines and valves. |
| 17. | ☐ ☐ | Perform regularly scheduled, manufacturer-recommended maintenance on building systems and equipment, eliminating all instances of deferred maintenance. |
| 18. | ☐ ☐ | Establish and enforce rules to restrict smoking to 25 feet from any building entrance or air intake vent. |
| 19. | ☐ ☐ | **Other:** |

## ENERGY
## Update and upgrade building systems and equipment to be more energy efficient

| | | |
|---|---|---|
| 20. | ☐ ☐ | Use a building automation system for automated control and monitoring of building systems, including HVAC, lighting, fire and safety, and communications. |

| | | |
|---|---|---|
| 21. | ☐ ☐ | Replace single or package A/C units with ones that exceed building standards for energy efficiency. |
| 22. | ☐ ☐ | Replace equipment motors with high-efficiency models. |
| 23. | ☐ ☐ | Install renewable energy sources, such as solar panels or wind generators. |
| 24. | ☐ ☐ | Purchase ENERGY STAR® rated equipment and appliances (e.g., refrigerators, water fountains) |
| 25. | ☐ ☐ | Use refrigerants (naturally occurring or synthetic) that have lowest ozone depletion potential (ODP) and global warming potential (GWP) based on recommendations under the EPA's Significant New Alternatives Policy (SNAP) program: https://www.epa.gov/snap |
| 26. | ☐ ☐ | Install and use ceiling fans (high edge of blade should go forward first in winter, forcing air down; reverse in summer). |
| 27. | ☐ ☐ | Apply window film to reduce solar heat gain on clear, single-pane non-northern facing windows in air-conditioned spaces. |
| 28. | ☐ ☐ | Use energy-efficient double paned windows on at least 90% of windows. |
| 29. | ☐ ☐ | Replace all fluorescent lighting with energy-efficient LED fixtures and lamps. |
| 30. | ☐ ☐ | Replace all incandescent bulbs with efficient LED lamps. |
| 31. | ☐ ☐ | Improve exit sign efficiency to less than 5 watts per sign by using LED signs, electroluminescent, photo luminescent or other applicable signs. |
| 32. | ☐ ☐ | Reduce number of fixtures or lamps per fixture where appropriate to eliminate over-lit spaces. |
| 33. | ☐ ☐ | Provide lighting options for varied uses, including task lighting |
| 34. | ☐ ☐ | Use occupancy sensors, bypass/delay timers, photocells, or time clocks, to control lighting in low occupancy areas such as closets, hallways, and restrooms. |

| | | |
|---|---|---|
| 35. | ☐ ☐ | Install day-lighting controls wherever feasible |
| 36. | ☐ ☐ | Place equipment with refrigeration features in shaded areas, including HVAC condensers, especially roof-top units. |
| 37. | ☐ ☐ | Install awnings, sunscreens, and native shade trees or shrubbery to shade sun-exposed windows and walls and reduce indoor heat gain in air-conditioned spaces. |
| 38. | ☐ ☐ | Shield exterior light fixtures to emit any light at no greater a vertical angle more than 90 degrees from straight down. |
| 39. | ☐ ☐ | Use sensors on vending machines to turn off lighting when not in use. |
| 40. | ☐ ☐ | **Other:** |
| **Measure energy consumption and reduce GHG emissions** | | |
| 41. | ☐ ☐ | Track energy use over time using EnergyStar Portfolio Manager or another user-friendly software: https://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/use-portfolio-manager |
| 42. | ☐ ☐ | Assign a person to monitor energy use for sudden rises |
| 43. | ☐ ☐ | Calculate your carbon footprint: http://www.ghgprotocol.org/  OR  EPA Low Emitter tool: https://www.epa.gov/sites/production/files/2017- |
| 44. | ☐ ☐ | Use a 365-day programmable thermostat to control heating and air conditioning |
| 45. | ☐ ☐ | Monitor and communicate air quality conditions to staff, encouraging them to use emissions reduction strategies on poor quality days. |
| 46. | ☐ ☐ | Register with a local rideshare program. |
| 47. | ☐ ☐ | If you have company vehicles, join the EPA SmartWay program and train drivers on fuel-efficient driving techniques. |
| 48. | ☐ ☐ | Convert/transition company vehicles to low emission vehicles (electric, hybrid, natural gas or alternative fuels). |

| | | |
|---|---|---|
| 49. | ☐ ☐ | Retrofit vehicles to use biodiesel (100% or blends) or vegetable diesel in place of petrodiesel. |
| 50. | ☐ ☐ | Use route optimization software or have documented delivery plans; consolidate ordering to reduce the frequency of deliveries. |
| 51. | ☐ ☐ | Implement a program and post signs for anti-idling in pick-up and drop-off and loading areas |
| 52. | ☐ ☐ | Purchase Green power and Renewable Energy Certificates (RECs) to mitigate the effects of Scope 2, electricity use (must be Green-e Energy certified or the equivalent): link to https://www.green-e.org/programs/climate |
| 53. | ☐ ☐ | Purchase carbon offsets to mitigate Scope 1 or Scope 2 emissions (should be US-based, Green-e Climate certified (or the equivalent), GHG-reduction projects. |
| 54. | ☐ ☐ | **Other:** |

| **WATER** |
|---|
| **Measure water consumption** |

| | | |
|---|---|---|
| 55. | ☐ ☐ | Track water use over time using EnergyStar Portfolio Manager or another user-friendly software: https://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/use-portfolio-manager |
| 56. | ☐ ☐ | Separately meter and track your irrigation water use to ensure efficient watering. |
| 57. | ☐ ☐ | Assign a person to monitor water bills for sudden rises in use. |
| 58. | ☐ ☐ | Develop a site-specific "water budget" for your landscaped areas using the Environmental Protection Agency (EPA) WaterSense Water Budget Tool. |
| 59. | ☐ ☐ | Monitor and correct operating issues in irrigation systems at least bi-weekly during the operating season. |
| 60. | ☐ ☐ | **Other:** |

| **M Update and upgrade water fixtures, fittings, and equipment to reduce use & be more efficient** |
|---|

| | | |
|---|---|---|
| 61. | ☐ ☐ | Install low-flow aerators in faucets and showerheads according to water district specifications or LEED standards, whichever conserves the most. Your water district may provide an audit service and may provide low-flow aerators for free. |

| | | |
|---|---|---|
| 62. | ☐ ☐ | Install EPA WaterSense labeled toilets that are at least 1.6 gpf (gallon per flush), and preferably 1.28 gpf HETs (high efficiency toilets). |
| 63. | ☐ ☐ | Install high efficiency, EPA WaterSense labeled urinals that flush 0.5 gpf or less. |
| 64. | ☐ ☐ | Provide additional urinals in men's restroom and reduce number of toilets (urinals use less water than toilets). |
| 65. | ☐ ☐ | Change window cleaning schedule from "periodic" to "as required." |
| 66. | ☐ ☐ | **Other:** |

## Reduce water in landscape areas

| | | |
|---|---|---|
| 67. | ☐ ☐ | Reduce area of turf. |
| 68. | ☐ ☐ | Reduce the overall landscape water requirement through plant species selection, using drought tolerant plants and ground cover, preferably native species. |
| 69. | ☐ ☐ | Reduce the overall landscape water requirement by replacing planted areas with xeriscaping. |
| 70. | ☐ ☐ | Group plants with similar water requirements together (hydrozone) on the same irrigation line, separating plants with different water requirements on separate irrigation lines. |
| 71. | ☐ ☐ | Use low-impact development (LID) practices to capture and treat infiltrate, evapotranspirate, collect and reuse water onsite |
| 72. | ☐ ☐ | Apply at least 2 inches of mulch in non-turf areas, preferably with recycled wood chips. |
| 73. | ☐ ☐ | Use reclaimed water for irrigation and other approved uses instead of potable water, if available. |
| 74. | ☐ ☐ | Use repeat cycles when watering turf or shrubs to encourage percolation and deep root growth. |
| 75. | ☐ ☐ | Water during early morning, pre-dawn hours to reduce water loss from evaporation. |

| 76. | ☐ ☐ | Modify your existing irrigation system to include drip irrigation (or soaker hoses where feasible). |
|-----|-----|-----|
| 77. | ☐ ☐ | Reduce irrigation system water pressure to no higher than 50 psi (pressure-reducing valves must be installed to do this). |
| 78. | ☐ ☐ | Adjust the irrigation schedule monthly during irrigation season, or as needed. |
| 79. | ☐ ☐ | Install matched precipitation rate sprinkler heads in turf areas. |
| 80. | ☐ ☐ | Use either rain shutoff, moisture sensing or other weather-based controls that turn off (or override) the irrigation system during rain or other conditions when irrigation is not required. |
| 81. | ☐ ☐ | Install irrigation controllers that have at a minimum the following features: precise 1-minute runtime capability; a minimum of 3 separate programs (e.g., self-adjusting to weather, plant type, site-specific conditions); and 3 cycle start time features. |
| 82. | ☐ ☐ | **Other:** |

## WASTE

## Reduce

| 83. | ☐ ☐ | Audit and optimize all waste streams to divert waste from landfills to recycling and composting. |
|-----|-----|-----|
| 84. | ☐ ☐ | Divert from your waste stream any items that can be reused or repurposed to extend the useful life of those items |
| 85. | ☐ ☐ | Donate furniture, supplies, scrap materials, etc., or use a waste exchange program where another business can take your unwanted items. |
| 86. | ☐ ☐ | Eliminate individual bottles of water for employees and guests. |
| 87. | ☐ ☐ | Install water bottle refill stations |
| 88. | ☐ ☐ | Eliminate the use of polystyrene, such as Styrofoam, in beverages and food service ware. |
| 89. | ☐ ☐ | In the lunch/break room, replace disposables with permanent ware (mugs, dishes, utensils, etc.) and use refillable containers for sugar, salt & pepper, etc. to avoid individual condiment packets. |
| 90. | ☐ ☐ | For events, use reusable dishware when possible. If disposable dishware is necessary, use recyclable or compostable options (require the same of caterers). |
| 91. | ☐ ☐ | Reduce unwanted mail by the following: |

| | | | |
|---|---|---|---|
| 92. | ☐ ☐ | • Write to or call senders requesting removal from mailing list. | |
| 93. | ☐ ☐ | • Return labels from duplicate mailings & subscriptions requesting all but one employee be removed. | |
| 94. | ☐ ☐ | • Write "refused" on first class mail and return to sender. | |
| 95. | ☐ ☐ | • Use an on-line service to help reduce junk mail (ex. 41 lbs., Green Dimes, Catalog Choice) or receive guidance and a PDF kit are at http://stopjunkmail.org. | |
| 96. | ☐ ☐ | • Reduce catalogs at www.catalogchoice.org. | |
| 97. | ☐ ☐ | • Purge your own mailing lists to eliminate duplication. Document the process. | |
| 98. | ☐ ☐ | Use electronic billing methods to invoice customers and receive payment. | |
| 99. | ☐ ☐ | Send/receive and provide for signing documents electronically and without printing. | |
| 100. | ☐ ☐ | Discourage the printing of emails and documents. | |
| 101. | ☐ ☐ | Print drafts of documents on the back side of previously printed on paper. Either use a second tray of the printer for such paper or keep it stacked next to the printer for hand loading. | |
| 102. | ☐ ☐ | Subscribe to journals, trade magazines, etc. online rather than receiving paper copies. | |
| 103. | ☐ ☐ | **Other:** | |

## Reuse and Recycle

| | | | |
|---|---|---|---|
| 104. | ☐ ☐ | Have your customers return packaging to you for reuse? | |
| 105. | ☐ ☐ | Reuse paper or plastic packaging materials in your own shipments. | |
| 106. | ☐ ☐ | Reuse garbage bag liners. | |
| 107. | ☐ ☐ | Recycle newspaper, office/mixed paper and junk mail. | |
| 108. | ☐ ☐ | Recycle metal cans, containers and aluminium foil. | |
| 109. | ☐ ☐ | Recycle plastic bottles and containers. | |
| 110. | ☐ ☐ | Recycle cardboard. | |
| 111. | ☐ ☐ | Recycle glass bottles and jars. | |
| 112. | ☐ ☐ | Recycle wood, including pallets. | |
| 113. | ☐ ☐ | Recycle electronic media. | |

| 114. | ☐ ☐ | Recycle scrap metal and other construction waste. |
|------|------|---------------------------------------------------|
| 115. | ☐ ☐ | Compost food waste. |
| 116. | ☐ ☐ | Compost all landscape waste and debris. |
| 117. | ☐ ☐ | **Other:** |

## Control Hazardous Waste

| 118. | ☐ ☐ | Store any potentially hazardous materials securely, control access and rotate stock to use oldest material first. |
|------|------|---------------------------------------------------|
| 119. | ☐ ☐ | Properly store, reduce, and recycle Universal Wastes as required by law. Designate a storage area for spent Universal Wastes, posting a sign and notifying employees of this area. Ensure that these are recycled (and not put into your landfill-bound dumpsters). Examples of Universal Wastes are: Spent fluorescent light tubes & bulbs (mercury), electronic equipment (computers, cell phones, pagers, etc.) and batteries |
| 120. | ☐ ☐ | Recycle excess paint/solvents (keep only what's needed for touch ups, then give remainder to hazardous waste collection program, donate to anti-graffiti program, or return to contractor or manufacturer). |
| 121. | ☐ ☐ | Routinely check for and address leaks, spills, and emissions of chemicals, paints, and cleaners. Repair any deficiencies. |
| 122. | ☐ ☐ | Donate electronic equipment for reuse or responsibly recycle it with an "e-Steward" certified recycling facility. |
| 123. | ☐ ☐ | Use rechargeable (instead of disposable) batteries for flashlights, radios, remote controls, etc., and provide battery rechargers for the office. |
| 124. | ☐ ☐ | Recycle used copier ink jet and toner cartridges. |
| 125. | ☐ ☐ | Use unbleached and/or chlorine-free paper products (copy paper, paper towels, napkins, coffee filters, etc.). |
| 126. | ☐ ☐ | Locate all potential pollutants away from food preparation, service and storage areas as well as sewer and storm drains. |
| 127. | ☐ ☐ | **Other:** |

| | | POLLUTION |
|---|---|---|

**Reduce water pollutants**

| 128. | ☐ ☐ | Eliminate the routine use of all disinfectants and sanitizers, unless needed to comply with applicable health standards and codes. |
|---|---|---|
| 129. | ☐ ☐ | Use no products with added antibacterial agents, such as triclosan. This includes products used for hand washing, dishwashing and cleaning. |
| 130. | ☐ ☐ | Use one or two low-toxicity multipurpose cleaners, rather than many special-purpose cleaners. |
| 131. | ☐ ☐ | Train (or require training for) janitorial staff periodically in green-cleaning techniques and recycling requirements and conduct semi-annual audits for compliance. |
| 132. | ☐ ☐ | Use the most environmentally friendly snow and ice melt/removal products, based on conditions, to minimize degradation of water quality, surrounding plants and soil health. |
| 133. | ☐ ☐ | Use fertilizers only as needed for plant health based on soil testing |
| 134. | ☐ ☐ | Eliminate preventive applications of herbicides, pesticides and fungicides, applying only as needed. |
| 135. | ☐ ☐ | Use only dry methods (e.g., dry sweeping) to clean outdoor hard surfaces; post instructions for staff. |
| 136. | ☐ ☐ | If using water to clean parking or other outdoor areas, hire a contractor who uses equipment that collects wash water and disposes to sanitary sewer. |
| 137. | ☐ ☐ | Do not wash cars, equipment, floor mats or other items where run-off water flows straight to the storm drain. Use waterless cleaning methodology whenever possible. |
| 138. | ☐ ☐ | Clean private catch basins annually, before the start of the rainy season and as needed thereafter. |
| 139. | ☐ ☐ | Regularly check and maintain storm drain openings and basins. Keep litter, debris and soil away from storm drains. |
| 140. | ☐ ☐ | Post signs to ensure that no wastewater enters a storm drain: "No dumping. Only rain down the storm drain." |
| 141. | ☐ ☐ | Keep dumpsters covered and impermeable to rainwater. Keep them from overflowing and keep dumpster/parking areas clean. |
| 142. | ☐ ☐ | Post signs at targeted trouble spots (e.g., loading docks, dumpster areas, outside hoses) to explain proper practices to prevent pollutants from reaching storm drains. |
| 143. | ☐ ☐ | **Other:** |

**Reduce air pollutants**

| 144. | ☐ ☐ | Regularly monitor and correct for indoor breathing zone carbon monoxide, carbon dioxide, ozone, and total VOCs. |
|---|---|---|
| 145. | ☐ ☐ | Conduct an annual Indoor Air Quality occupant survey. |
| 146. | ☐ ☐ | Print promotional materials with vegetable or other low-VOC inks. |

| 147. | ☐ ☐ | Eliminate or use low-VOC air fresheners |
|------|------|------------------------------------------|
| 148. | ☐ ☐ | Use/purchase low- or no-VOC or natural building materials (e.g., paints, adhesives, and carpets) and furniture. |
| 149. | ☐ ☐ | Use indoor plants to help and promote healthy indoor air |
| 150. | ☐ ☐ | Require your janitorial staff to use micro fibre dusters, towels and mops to trap dust particles. |
| 151. | ☐ ☐ | Install and properly maintain entryway mats/systems. |
| 152. | ☐ ☐ | Replace all aerosols with pump dispensers. |
| 153. | ☐ ☐ | Switch from gasoline-powered to electric equipment. |
| 154. | ☐ ☐ | **Other:** |

## PEOPLE

## Encourage and support environmentally preferred behaviors

| 155. | ☐ ☐ | Encourage employee participation in greening your business through employee orientations and trainings, employee evaluations, staff meeting discussions, company newsletters, brochures or other materials, and by having incentive or reward programs. |
|------|------|------------------------------------------|
| 156. | ☐ ☐ | Establish a "green team" that can help guide efforts to green your business. |
| 157. | ☐ ☐ | Provide educational programs about energy and water conservation and recycling and waste reduction efforts |
| 158. | ☐ ☐ | Implement educational and collection/reuse program to divert reusable items from the dumpster (e.g. office supplies such as binders, folders and staplers); designate a reuse area. |
| 159. | ☐ ☐ | Post lights out reminder signs |
| 160. | ☐ ☐ | Rearrange workspaces to take advantage of areas with natural light to encourage day lighting and provide workers with access to the natural environment |
| 161. | ☐ ☐ | Turn on energy-saving features and sleep modes on equipment and appliances, including computers, printers, and copiers. |
| 162. | ☐ ☐ | Provide smart strips (plug load controllers) that automatically turn off plugged in office equipment and appliances when not in use |
| 163. | ☐ ☐ | Use a power management software program for computers, monitors, printers, and other electronic equipment |
| 164. | ☐ ☐ | Set thermostat higher for cooling and lower for heating during business hours and encourage staff to dress accordingly |
| 165. | ☐ ☐ | Offer employees pre-tax commuter benefits for transit, vanpool or biking costs. |
| 166. | ☐ ☐ | Offer telecommuting opportunities and/or flexible schedules so workers can avoid commuting and heavy traffic times of day. |

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|---|---|---|
| 167. | ☐ ☐ | Offer commuter incentive programs (e.g., rideshare incentive programs, guaranteed ride home in emergency situations, etc.) and post commuter ride sign-up sheets |
| 168. | ☐ ☐ | Post signs in restrooms and kitchen to encourage water conservation and to report leaks. |
| 169. | ☐ ☐ | Provide recycling containers at convenient and appropriate locations (i.e., lobbies, guest rooms, vending machines, kitchens, next to garbage containers, desks, etc.). |
| 170. | ☐ ☐ | **Other:** |

## Health, safety, and wellness

| | | |
|---|---|---|
| 171. | ☐ ☐ | Encourage employees and customers to bike and use public transit by posting bicycle ride maps and transit schedules/maps. |
| 172. | ☐ ☐ | Provide secure bicycle storage for staff and customers; provide changing facilities for staff. |
| 173. | ☐ ☐ | Provide ergonomically designed equipment (e.g., seating, computer keyboards, and janitorial/landscape equipment) |
| 174. | ☐ ☐ | Purchase organically or locally grown foods and beverages for the office kitchen. List examples: |
| 175. | ☐ ☐ | Establish an emergency preparedness and disaster response program and conduct annual training. |
| 176. | ☐ ☐ | Create and maintain a list of all chemicals used in your business, together with their SDSs sheets |
| 177. | ☐ ☐ | Assess chemicals used in your business by reviewing Safety Data Sheets (SDSs) and warnings on labels, substitute with less toxic alternatives if available, and train staff on proper handling and use. |
| 178. | ☐ ☐ | Work with your janitorial or building maintenance staff to reduce the number of chemicals used and to switch potentially harmful products to safer alternatives. |
| 179. | ☐ ☐ | Use Integrated Pest Management (IPM), which includes good sanitation, acting only when needed, making physical changes to keep pests out, and limited use of pesticides. |
| 180. | ☐ ☐ | Keep kitchen, waste storage and other areas clean to avoid attracting pests. |
| 181. | ☐ ☐ | When pest control is necessary, use barriers (such as caulking/sealing holes) and traps first, and then use the least-toxic/most-effective pesticides (such as soaps, oils, microbials and baits), applied only as needed (rather than on a routine schedule). |
| 182. | ☐ ☐ | If you contract with a pest control operator and specify in the contract that IPM methods (including non-chemical pest prevention and pest exclusion) must be used. Do not allow any outdoor perimeter spraying. |
| 183. | ☐ ☐ | **Other:** |

## DEFINE WHO YOU ARE/WHAT YOU CURRENTLY DO

## General business practices

| | | |
|---|---|---|
| 184. | ☐ ☐ | Prefer doing business with other "green" vendors or services. |

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|---|---|---|---|
| 185. | ☐ | ☐ | Set goals and targets to reduce environmental, social and economic negative impacts. |
| 186. | ☐ | ☐ | Inform your customers about what you're doing to be green. Examples: Post a list of your efforts in a visible location, promote green products or services as green, talk about it in your company newsletter, highlight your efforts on your website, with a link to a local Green Business website, if available, and offer tours that highlight your green-ness. |
| 187. | ☐ | ☐ | Produce/sell environmentally preferred products (e.g., use less energy, made with recycled content). |
| 188. | ☐ | ☐ | Retailers: Offer incentives for customers who bring their own reusable bags, coffee mugs, etc. (or disincentives such as charging fees for bags). |
| 189. | ☐ | ☐ | Retailers: If you provide disposable bags to your customers, you must primarily provide paper bags instead of plastic. Plastic bags should only be provided when necessary. |
| 190. | ☐ | ☐ | Retailers: Give away or sell reusable bags (this is required in some states for stores over 10,000 square feet). |
| 191. | ☐ | ☐ | Use closed-loop processes whenever possible in manufacturing. |
| 192. | ☐ | ☐ | Design products for recyclability, disassembly, and/or reuse. |
| 193. | ☐ | ☐ | Create Health Product Declarations and Environmental Product Declarations for products. |
| 194. | ☐ | ☐ | **Other:** |
| **Policies** | | | |
| 195. | ☐ | ☐ | Adopt and publish an environmental policy stating your commitments to environmental stewardship (including areas of focus, such as energy, GHG emissions, water, waste, transportation, pollution, materials impacts, biodiversity & land use) |
| 196. | ☐ | ☐ | Adopt and publish a business ethics policy stating your commitments and expectations for ethical behavior |
| 197. | ☐ | ☐ | Adopt and publish a human rights policy based on an internationally recognized standard |
| 198. | ☐ | ☐ | Adopt and publish a supply chain management policy, including a supplier code of conduct |
| 199. | ☐ | ☐ | Adopt and publish a sustainable purchasing policy that addresses and reduces environmental, social, and business risks and negative impacts associated with purchasing |
| 200. | ☐ | ☐ | Adopt and publish a diversity and inclusion policy |
| 201. | ☐ | ☐ | **Other:** |
| *For sustainable purchasing, see SPLC's Guidance and Executive Summaries,[17] which are organized by product and service category.* | | | |

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[17] www.sustainablepurchasing.org/guidance/

# ANNEX III - REFERENCES

ILO Convention and labour standards

https://www.ilo.org/global/standards/lang--en/index.htm

International Accounting Standards

https://www.iasplus.com/en/resources/ifrsf/overview

International Financial Reporting Standards

www.irfs.org

Certified Management System

- ISO 9001:2015 on Quality Management Systems
- ISO 14001:2015 on Environmental Management Systems
- ISO 37001: 2016 – Anti-Bribery Management Systems
- ISO 45001: 2018 – Occupational Health and Safety Management Systems

Non-Certified Management System

- ISO 26000:2010 on Social Responsibility
- ISO 20400:2017 on Sustainable Procurement

Evangelischen Kirche in Deutschland

https://www.ekd.de/en/index.htm

OECD Convention against Corruption on combating bribery

http://www.oecd.org/corruption/oecdantibriberyconvention.htm

One Planet Network

https://www.oneplanetnetwork.org/

Sustainable Purchasing Leadership Council

https://www.sustainablepurchasing.org/

Transparency International (TI) Business Principles

https://www.transparency.org/whatwedo/tools/business_principles_for_countering_bribery/1

United Nations Convention Against Corruption (UNCAC)

https://www.unodc.org/unodc/en/index.html

UNCTAD Investment Policy Framework on Sustainable Development

https://unctad.org/en/Pages/Home.aspx

UN Guiding Principles on Business and Human Rights

https://www.business-humanrights.org

UN Global Compact

https://www.unglobalcompact.org/

UN Principles for Responsible Investment

www.unpri.org

United Nations Sustainable Development Goals 2030

https://www.un.org/sustainabledevelopment/sustainable-development-goals/

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[i]United Nations Commission on Sustainable Development (UNCSD) Symposium on Sustainable Consumption, Oslo, 1994.2