Positive Luxury

Butterfly Mark Certification Audit Criteria

ESG+2.1
PL-BM-CRT-001

Version: 1.0
Date of issue: September 2026

BUTTERFLY MARK · CERTIFIED ·

Butterfly Mark Certification Scheme Audit Criteria

ESG+ 2.1
21 criteria across Environmental, Social and Governance

Scheme owner: Positive Luxury Ltd.
72-74 Dean St, London W1D 3SG, United Kingdom

Document reference: PL-BM-CRT-001
Structured to ISO/IEC 17065:2012

Document control

This document is the master Audit Criteria document for the Butterfly Mark certification scheme operated by Positive Luxury Ltd. (the “scheme owner”). It sets out, for each assessment criterion, the compliance requirements, the indicators the auditor verifies, the prescriptive pass and fail rules applied to the evidence, and the conditions under which a major or minor non-conformity is raised. It is applied by certification bodies authorised to operate the scheme, and is published so that organisations seeking certification can see in advance the basis on which they will be assessed. This document is read together with the Scheme Document (PL-BM-SCH-001), which governs the certification process itself. Where this document and the Scheme Document differ on a matter of process, the Scheme Document prevails.

Document identification

Title	Butterfly Mark Certification Scheme: Audit Criteria
Reference	PL-BM-CRT-001
Version	1.0
Criteria set	ESG+ 2.1
Status	Published
Date of issue	2026-09-09
Effective date	2026-09-09 (see Clause 11.1 of PL-BM-SCH-001)
Date of next review	Reviewed at least every three years, and sooner where warranted by material developments, regulatory change or stakeholder feedback (PL-BM-SCH-001, Clause 10.4).
Document owner	Sustainability team, Positive Luxury Ltd.
Approval authority	Managing Director, Positive Luxury Ltd.

Version history

Version	Date	Author	Summary of changes
1.0	2026-09-09	Standards team	ESG+2.1 first issue

Distribution and access

This document is published on the Positive Luxury website and is publicly accessible. It is the master Audit Criteria document; the controlled version is the one published on the Positive Luxury website. Printed or locally stored copies are uncontrolled; users shall verify they are referring to the current published version. This publication is made in support of the transparency requirements applicable to certification schemes under Directive (EU) 2024/825 (the ECGT Directive).

Copyright and permitted use

Contents

Audit Criteria Guide – ESG+ 2.1

Complete Guide – All 21 Criteria | Environmental · Social · Governance

Purpose of this guide

This guide provides prescriptive, decision-level instructions so that two auditors reviewing the same evidence independently reach the same conclusion. Where a rule is labelled PASS or FAIL, that is the finding, no further judgement is required.

How to use this guide

Each criterion section contains: (1) compliance requirements; (2) indicators for each requirement; (3) prescriptive guidance with defined pass/fail rules for every decision point including boundary cases; (4 an Auditor Decision Summary table consolidating all PASS and FAIL conditions; and (5) the conditions for raising major and minor non-conformities.

Major vs Minor Non-Conformity – general rule (applies across all 21 criteria)

A major non-conformity requires positive, specific evidence of intentional misrepresentation or fabrication. Inability to verify a claim, a missing document element, or evidence that does not satisfy the standard are minor non-conformities. When in doubt, the auditor raises a minor NC and requests clarification – the auditor never escalates to major NC on the basis of suspicion alone.

Closure timeline for minor non-conformities (applies across all 21 criteria): a minor NC must be closed – i.e. the organisation must provide the missing evidence or implement the missing requirement, and the auditor must confirm this – within 12 months of the date the NC was raised. An NC not closed within 12 months is treated as a non-conformity, and the auditor escalates accordingly per the certification body's standard escalation procedure.

SME vs Non-SME – general rule

The organisation's SME or non-SME status is determined by Positive Luxury (the scheme owner) in the ESG+ 2.1 portal, on the basis of the EU SME definition and the data declared by the applicant, and is verified and accepted by the certification body during application review. The auditor does not re-determine SME status from first principles, but applies the threshold corresponding to the accepted classification as shown in each criterion section.

Guide contents – 21 criteria across 3 pillars

ENVIRONMENTAL (7): 2100002 Scope 1 GHG · 2100003 Scope 2 GHG · 2100018 Scope 1 Corrective Actions · 2100019 Scope 2 Corrective Actions · 2100022 Supplier GHG Engagement · 2100126 Circularity · 2100193 Water Conservation

SOCIAL (7): 2300097 Employee Wellbeing · 2300118 Modern Slavery Statement · 2300124 Human Rights Risk Assessment · 2300140 Supply Chain Human Rights · 2300005 Employee Handbook · 2300017 Living Wage · 2300020 Engagement Monitoring

GOVERNANCE (7): 2200064 Sustainability Culture · 2200100 Code of Conduct · 2200101 Anti-Corruption Policy · 2200076 Material Priorities · 2200053 Sustainability Purpose · 2200127 Supplier Code of Conduct · 2200150 Procurement Process Integration

ENVIRONMENTAL PILLAR

2100002 – Gross Scope 1 GHG Emissions

Assessment Criteria: "Company shall disclose its gross Scope 1 greenhouse gas emissions in Metric Tonnes CO2e and provide the calculation methodology, reporting boundary and emission factors used as supporting evidence."

Note: Applicability: non-SMEs only – SMEs are NOT required to disclose Scope 1 figures or supporting evidence under this criterion; if an SME submits this criterion it is not assessed. Answer format: numeric value (text input). For non-SMEs, the numeric entry AND all supporting evidence elements under Requirement 2 are mandatory; any element missing alone constitutes a finding.

Criterion overview	This criterion applies to non-SMEs only. SMEs are exempt from this criterion entirely – there is no SME version of the requirement, and a missing or blank submission from an SME is NOT a finding. For non-SMEs, the organisation must (1) enter a numeric Scope 1 figure in MT CO2e in the assessment platform, and (2) provide supporting evidence covering the calculation methodology, reporting boundary, and emission factors used. This supporting evidence is most practically provided as a single uploaded document, but may be provided across several documents. For brevity this guide refers uses 'the methodology document' – to refer to the uploaded evidence as a whole, the substantive requirement being that all three elements (methodology, boundary, factors) are present, however they are packaged. **'Gross' defined:** total direct GHG emissions before deduction of any offsets, carbon credits, carbon removals, or compensation measures. A net figure may additionally be reported, but the gross figure is what is assessed. **'Scope 1' defined:** direct GHG emissions from sources owned or controlled by the organisation – e.g. combustion of fossil fuels in owned boilers or vehicles, fugitive refrigerant releases, on-site industrial processes. **Accepted supporting evidence (examples, not exhaustive):** Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard, Scope 1; ISO 14064-1 greenhouse gas inventory; CDP (Carbon Disclosure Project) Climate Change response; ESRS (European Sustainability Reporting Standards) E1 or IFRS (International Financial Reporting Standards) S2 climate disclosures; third party greenhouse gas verification statement under ISO 14064-3. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. The FAIL conditions target generic, unnamed descriptions – not named sources that are simple absent from the example lists.
Compliance Requirements	**Prerequisite – SME exemption:** this criterion applies to non-SMEs only. If the organisation is classified as an SME, the criterion is not assessed – no figure or document is required, and an absent submission is not a finding. The remainder of this section applies to non-SMEs. **Both requirements must be met for non-SMEs. If either is absent, raise a minor non-conformity.** **Requirement 1 – Numeric figure disclosed:** A non-zero or zero numeric value for gross Scope 1 emissions (in Metric Tonnes CO2e) is entered in the assessment. A blank field, 'N/A', or a text description without a number does not satisfy this requirement. **Requirement 2 – Methodology evidence uploaded:** One or more documents is uploaded to the evidence section containing all four mandatory elements: (a) Emission factors and source – the specific emission factors applied and the named source. (b) Reporting period – the calendar year or financial year covered, stated explicitly. (c) Organisational boundary – a clear statement of what is and is not included in the figure. (d) Calculation standard – the named GHG accounting standard, methodology, or tool used.
Indicators	The auditor verifies the presence of each item below. Each is a binary check – present or absent: • Numeric Scope 1 figure (Metric Tonnes CO2e) appears in the assessment submission.

	• At least one document is present in the evidence section. • Element (a): at least one named emission factor source appears in the document. • Element (b): a specific reporting period is stated in the document. • Element (c): an organisational boundary statement appears in the document. • Element (d): a named calculation standard, methodology, or tool appears in the document. The auditor does not assess whether the figure is large or small, or whether the methodology is best practice – only that the four elements are present and coherent.
Guidance – Requirement 1: Numeric Figure	
Units and conversion	The disclosed figure must be in Metric Tonnes CO2e. If the organisation's source document uses tonnes CO2e, the conversion is: 1 tonne CO2e = 1,000 Kg CO2e. Where a unit mismatch exists between the entered figure and the document, the auditor raises a finding. **CO2e vs CO2-only:** CO2e captures all greenhouse gases on a common basis (CO2, CH4, N2O, HFCs, PFCs, SF6). Where only CO2 is reported, this is acceptable provided the methodology document states that non-CO2 gases are excluded and briefly explains why. An undisclosed CO2-only figure presented as CO2e is a finding. **Zero figures:** A disclosed figure of zero is acceptable only where the methodology document confirms there are genuinely no Scope 1 emission sources in the reporting period. Zero used as a placeholder without supporting explanation is a finding.
Gross vs net – auditor check	If the submitted document shows both a gross figure and a net figure (after offsets), the auditor verifies that the value entered in the assessment matches the gross figure, not the net. If the organisation has entered the net figure, this is a finding. The auditor notes the gross figure from the document and records the discrepancy. **Boundary case:** if the document shows only one figure and it is labelled 'net' or 'after offsets', the auditor requests the gross figure before closing the review. This is not a waivable difference.
Guidance – Element (a): Emission Factors and Source	
What qualifies as a named source	The document must name the specific source – not describe it generically. Qualifying named sources include: • UK DESNZ / formerly Defra/BEIS conversion factors (annual publication, year must be cited). • US EPA Emission Factors for Greenhouse Gas Inventories. • IEA CO2 Emissions from Fuel Combustion. • IPCC Guidelines for National Greenhouse Gas Inventories (with edition year). • A named carbon accounting software or platform – naming the platform is sufficient; the auditor does not verify the factors within the tool. • Supplier-specific emission factors provided in writing – the supplier must be named. The following do NOT satisfy element (a): • 'International standards' – too generic, no specific source named. • 'Industry conversion factors' – too generic. • 'Best available data' – no source named. • Emission factors stated as numbers without identifying their origin. **Boundary case – platform only cited:** if the methodology document references a carbon accounting platform and the platform's factors are derived from Defra/BEIS, naming only the platform PASSES. The auditor does not need to verify the factors within the tool. **Multiple Scope 1 sources:** where the organisation has multiple Scope 1 sources (e.g. fleet vehicles and on-site boilers), different sources may use different factor sets. Each named factor source covers the relevant category. A document naming a source for one category but not another: element (a) is considered not met for the undocumented category. Auditor action – cross-check emission sources listed in the boundary statement against factor sources named.
Guidance – Element (b): Reporting Period	

Acceptable period and staleness test	The reporting period must be explicitly stated in the document (e.g. 'Calendar year 2024', 'Financial year April 2024 – March 2025'). A period inferred only from a report title date, with no explicit period statement, does not satisfy element (b). **36-month staleness rule:** the end-date of the stated period must fall within 36 months of the audit date. The auditor applies this as follows (example audit date: 15 June 2026): → Calendar year 2025 (end 31 Dec 2025 = 5.5 months ago) → PASS → Calendar year 2024 (end 31 Dec 2024 = 17.5 months ago) → PASS → Calendar year 2023 (end 31 Dec 2023 = 29.5 months ago) → PASS → Calendar year 2022 (end 31 Dec 2022 = 41.5 months ago) → FAIL (stale) **Boundary case – mid-year financial year:** an FY ending 30 September 2023 has an end-date 33 months before June 2026 → PASS. An FY ending 31 March 2023 has an end-date 39 months before June 2026 → FAIL. **Boundary case – multi-year or rolling period:** use the end-date of the most recent period covered for the staleness test.
Guidance – Element (c): Organisational Boundary	
What the boundary statement must contain	The boundary statement must make clear without inference what is included and what is excluded. Acceptable formulations: • 'All facilities and vehicles under the operational control of [Company Name] in the United Kingdom' • 'The parent company [Name] and its wholly-owned subsidiaries [Names], on an operational control basis per the GHG Protocol' • 'All directly owned sites listed in Annex A of this report' **Not acceptable:** • 'Our operations' – too vague; does not identify legal entities, geographies, or control basis. • 'Scope 1 emissions from our activities' – circular; adds no boundary information. • No boundary statement, even where the figure is otherwise well-documented. **Partial exclusions:** where the boundary explicitly excludes part of the organisation, the exclusion must be briefly explained. 'All operations except [Name], acquired October 2025, not yet integrated' → PASS. 'All main operations' with no mention of what is excluded → FAIL. **Boundary case – single-entity organisation:** a sole-trader or single-entity business with no subsidiaries may state 'all operations of [Legal Name], registered number [X]'. No consolidation approach statement is required for single-entity organisations.
Guidance – Element (d): Calculation Standard	
What qualifies as a named standard or tool	The document must name the standard, methodology framework, or calculation tool. Naming a tool is sufficient. Examples that PASS: • 'GHG Protocol Corporate Standard (WRI/WBCSD)' • 'ISO 14064-1:2018' • Named carbon accounting platform (name of the software) • 'Defra/BEIS conversion factors 2024' (names both factor source and year) **Examples that FAIL:** • 'Recognised international accounting standards' – no specific standard named. • 'Standard industry methodology' – no specific standard named. • Reference only to emission factor source with no mention of accounting framework for scope definition. **Boundary case – consultant proprietary methodology:** where a consultant uses only a proprietary methodology name (e.g. 'Acme Consulting Carbon Model') with no further detail, this does NOT satisfy element (d) – a proprietary name alone is not a named standard or tool. Element (d) is met only if the document additionally states either: (i) a recognised standard the proprietary methodology is based on or aligned with (e.g. 'aligned with the GHG Protocol Corporate Standard'), or (ii) enough methodological detail (calculation steps, system boundary logic, or formulae) that the auditor can see the basis for the figure without relying on the

	consultant's name alone. If neither is present, raise a minor NC for element (d) – the auditor does not seek clarification before deciding; the absence of (i) or (ii) is itself the FAIL condition.
Auditor Decision Summary – 2100002	
Step 1 – SME applicability check (apply before anything below)	**If the organisation is an SME:** the criterion is NOT assessed. No figure, no document, and no finding – stop here. Do not apply the PASS/FAIL table below to SMEs. **If the organisation is a non-SME:** proceed to the PASS/FAIL table below, which applies to non-SMEs only.

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- [Non-SMEs only] A numeric Scope 1 figure in Metric Tonnes CO2e is entered in the assessment.
- [Non-SMEs only] At least one document is present in the evidence section.
- [Non-SMEs only] The document names at least one specific emission factor source for each Scope 1 source category declared (element a).
- [Non-SMEs only] The document states a specific reporting period whose end-date falls within 36 months of the audit date (element b).
- [Non-SMEs only] The document contains a boundary statement identifying what is included (element c).
- [Non-SMEs only] The document names a specific calculation standard, methodology, or tool (element d).
- [Non-SMEs only] The disclosed figure matches the gross (pre-offset) Scope 1 value in the document.

FAIL (raise Minor NC) – any of the following applies:

- [Non-SMEs only] No numeric figure is entered in the assessment – regardless of document quality.
- [Non-SMEs only] No document is uploaded – regardless of figure quality.
- [Non-SMEs only] Any one of elements (a), (b), (c), or (d) is absent from the document.
- [Non-SMEs only] The reporting period end-date is more than 36 months before the audit date.
- [Non-SMEs only] The disclosed figure is the net figure (after offsets) rather than the gross figure.
- [Non-SMEs only] The figure is entered in a unit other than Metric Tonnes CO2e without a conversion note.
- [Non-SMEs only] The emission factor source is described generically without naming a specific publication, database, or tool.

MAJOR NON-CONFORMITY

A major non-conformity requires positive evidence of intentional falsification – for example: a methodology document altered to insert an emission factor source not actually used; a figure that cannot be derived from the stated methodology even approximately; a document that has been back-dated. Suspicion alone or inability to reconcile a figure does not constitute grounds for a major NC – in such cases raise a minor NC and request clarification.

MINOR NON-CONFORMITY

A minor non-conformity is raised for any FAIL condition above. The NC must identify the specific missing element(s) by letter (a, b, c, d) or the specific discrepancy (e.g. 'net figure entered instead of gross'). Closure must be confirmed within 12 months of the NC being raised, by the auditor verifying: (i) the element is now present, (ii) the element covers the period reviewed.

2100003 – Gross Scope 2 GHG Emissions

Assessment Criteria: "Company shall disclose its gross Scope 2 greenhouse gas emissions in Metric Tonnes CO2e and provide the calculation methodology, reporting boundary, emission factors and the market-based or location-based approach used as supporting evidence."

Note: Applicability: non-SMEs only – SMEs are NOT required to disclose Scope 2 figures or supporting evidence under this criterion; if an SME submits this criterion it is not assessed. Answer format: numeric value (text input). For non-SMEs, the numeric entry AND all supporting evidence elements required under Requirement 2 (methodology, reporting boundary, emission factors, market-based/location-based approach) are mandatory.

Criterion overview	This criterion applies to non-SMEs only. SMEs are exempt entirely – an absent submission from an SME is not a finding. For non-SMEs, the organisation must (1) enter a numeric Scope 2 figure in Metric Tonnes CO2e, and (2) provide supporting evidence covering the calculation methodology, reporting boundary, emission factors, and the market-based or location-based approach used. Scope 2 covers indirect GHG emissions from the generation of purchased energy consumed by the organisation – principally electricity, but also district heating, steam, and cooling. Evidence may be provided in one document or several ('the methodology document' means the uploads evidence taken as a whole) and the sources and standards listed are illustrative, not exhaustive. **'Gross' defined:** total Scope 2 emissions before deduction of renewable energy certificates, offsets, or compensation. If reporting both location-based and market-based, either or both may be entered, but both must be identified in the methodology document. **Accepted supporting evidence (examples, not exhaustive):** Greenhouse Gas (GHG) Protocol Scope 2 Guidance covering the market based and location based methods; GO (Guarantee of Origin), REC (Renewable Energy Certificate) or I-REC (International Renewable Energy Certificate) certificates; a green tariff contract or PPA (Power Purchase Agreement); RE100 technical criteria for renewable claims; CDP (Carbon Disclosure Project) Climate Change response; ESRS (European Sustainability Reporting Standards) E1 or IFRS (International Financial Reporting Standards) S2 disclosures. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable.
Compliance Requirements	**Prerequisite – SME exemption:** this criterion applies to non-SMEs only. If the organisation is an SME, the criterion is not assessed. The remainder of this section applies to non-SMEs. **Both requirements must be met for non-SMEs. Five mandatory elements required in the evidence documentation (elements a–e).** **Requirement 1 – Numeric figure:** a numeric value for gross Scope 2 emissions (Metric Tonnes CO2e) is entered in the assessment. **Requirement 2 – Methodology document:** one or more documents in the evidence section, together containing: (a) Emission factors and source (appropriate to the method used). (b) Reporting period – stated explicitly. (c) Organisational boundary. (d) Calculation method – location-based, market-based, or both – explicitly stated. (e) Calculation standard – named GHG accounting standard, methodology, or tool.
Indicators	**Binary checks – present or absent:** • Numeric Scope 2 figure (Metric Tonnes CO2e) in the assessment. • At least one document present in evidence section. • (a) Named emission factor source appropriate to the method. • (b) Explicit reporting period within 36 months of audit date. • (c) Boundary statement in the document. • (d) Calculation method explicitly stated and consistent with factors used. • (e) Named calculation standard, methodology, or tool.

Guidance – Elements (a), (b), (c), (e)

Cross-reference to 2100002	The rules for elements (a) emission factors, (b) reporting period, (c) boundary, and (e) calculation standard are identical to criterion 2100002. Apply those rules. Scope 2-specific additions: **Element (a) – location-based factor source:** name the national or regional grid factor source (e.g. 'Defra/BEIS 2024 UK Grid Emission Factor', 'IEA 2024 Electricity Emission Factors'). Factors stated as a number without a source → FAIL element (a). **Element (a) – market-based factor source:** name the contractual instrument and its factor (e.g. 'REGO-backed green tariff, supplier confirmation letter dated [date], residual mix factor 0 gCO2/kWh'). Where unbundled certificates are used, the certificate issuer and the applied factor must be named. Where no instrument exists, the residual mix factor for the relevant market must be used and its source named.
Guidance – Element (d): Calculation Method	
Location-based vs market-based – decision rules	**Definition – location-based:** uses average emission factors for the electricity grid(s) where consumption occurs. Produces a figure reflecting the actual carbon intensity of the local grid. **Definition – market-based:** uses emission factors derived from contractual instruments (green tariffs, renewable energy certificates, PPAs). Where valid instruments exist, these take precedence over grid averages; where no instrument exists, the supplier's residual mix factor applies, or a grid average factor where no residual mix is published for that market. **When each method applies:** location-based may always be used. Market-based is used where the organisation holds contractual instruments or wishes its figure to reflect procurement choices; any claim of renewable electricity procurement must be reported market-based. For organisations operating in multiple countries, a single market-based figure may combine instrument-based factors (markets where instruments are held), residual mix factors (markets where one is published), and grid-average factors (markets with neither) – this follows the GHG Protocol Scope 2 Guidance hierarchy and is not a method mismatch. Where another reporting obligation requires a particular method, the organisation may use that method here. **Both methods are acceptable; either one is sufficient for element (d). Where both are reported, element (d) is met.** The auditor checks that the method stated matches the emission factors used: • If document states 'location-based' but emission factor is a renewable certificate rate (e.g. 0 gCO2/kWh) → mismatch → FAIL element (d). • If document states 'market-based' but uses a grid average factor with no mention of contractual instruments → FAIL element (d) unless the organisation confirms it holds no instruments and is using the residual mix factor (or, where no residual mix factor is published for that market, the grid-average factor per the hierarchy above). • If document names a carbon accounting platform that handles method selection internally → PASS element (d), provided the document states which method output was used. **Boundary case – dual reporting:** an organisation reporting both figures satisfies element (d). Where only one figure is entered, the document must confirm which method produced the entered figure. If the entered figure matches neither the location-based nor market-based result in the document with no explanation → finding.
'Certified green tariff' – four-part test for market-based reporting	A green tariff qualifies as 'certified' if it passes all five parts: **Part 1 – Certificate type:** is the tariff backed by REGO (UK), GO (EU under AIB framework), or REC (US/international), or an equivalent nationally recognised certificate scheme (the scheme must be named)? Supplier self-declaration of 'renewable energy' without named certificate type → FAIL. **Part 2 – Independent issuance:** is the certificate issued by an independent body (Ofgem for REGOs; AIB-accredited issuer for GOs; certified REC registry; for an equivalent national scheme, its named national issuing body)? Supplier self-declaration without independent certificate → FAIL. **Part 3 – Period match:** do certificates correspond to the same period as electricity consumed? Annual bundles are acceptable. Certificates for a different period → FAIL. **Part 4 – Geographic match:** where a figures covers more than one market, this Part is applied market by market for market-based accounting, certificates must correspond to the same grid zone as consumption (e.g. UK organisations use UK REGOs). Cross-border use without specific contractual allocation → FAIL.

	Part 5 – Attribute transfer: the evidence must show the certificates were retired, cancelled or redeemed for the organisation, not just purchased. One of the following: a registry retirement, cancelled or redemption statement naming the organisation; a supplier letter or contract confirming certification were allocated to or retired for the organisation, with volume and period; or, for PPAs, the agreement with its certificate transfer schedule. A statement that the organisation is on a renewable tariff, without volume, period and allocation, does not meet this Part. 'Retirement', 'cancellation' and 'redemption' mean the same thing. **Auditor verification:** the auditor does not verify certificates themselves. If any Part is not evidenced, element (a) is not met for the market-based figure.
Auditor Decision Summary – 2100003	
Step 1 – SME applicability check (apply before anything below)	**If the organisation is an SME:** the criterion is NOT assessed. No figure, no document, and no finding – stop here. Do not apply the PASS/FAIL table below to SMEs. **If the organisation is a non-SME:** proceed to the PASS/FAIL table below, which applies to non-SMEs only.

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- [Non-SMEs only] A numeric Scope 2 figure in Metric Tonnes CO2e is entered in the assessment.
- [Non-SMEs only] At least one document is present in the evidence section.
- [Non-SMEs only] The document names a specific emission factor source appropriate to the method used (element a).
- [Non-SMEs only] The document states a specific reporting period within 36 months of the audit date (element b).
- [Non-SMEs only] The document contains a boundary statement (element c).
- [Non-SMEs only] The document explicitly states 'location-based', 'market-based', or both – and the stated method is consistent with the emission factors cited (element d).
- [Non-SMEs only] The document names a specific calculation standard, methodology, or tool (element e).
- [Non-SMEs only] The disclosed figure matches the gross Scope 2 value in the document.

FAIL (raise Minor NC) – any of the following applies:

- [Non-SMEs only] No numeric figure entered in the assessment.
- [Non-SMEs only] No document uploaded in the evidence section.
- [Non-SMEs only] Any one of elements (a)–(e) is absent or inconsistent with the method used.
- [Non-SMEs only] Reporting period end-date is more than 36 months before the audit date.
- [Non-SMEs only] For market-based reporting: green tariff fails any part of the four-part test.
- [Non-SMEs only] The disclosed figure is net (after RECs or offsets) presented as gross.
- [Non-SMEs only] Entered figure does not match either the location-based or market-based figure in the document with no explanation.
- [Non-SMEs only] For market-based reporting: green tariff or certificates fail any part of the five-part test (element a)

MAJOR NON-CONFORMITY

Same threshold as 2100002: positive evidence of deliberate falsification required. A method mismatch between the document and the entered figure is a minor NC, not major, unless the auditor can demonstrate the mismatch was intentional (e.g. organisation was previously informed and corrected the document without correcting the figure).

MINOR NON-CONFORMITY

A minor non-conformity is raised for any FAIL condition above, specifying which element(s) are missing or inconsistent. Where both element (a) and element (d) are affected by the same method mismatch, record these as a single finding. Closure requires: correct figure entered, document updated with missing/corrected elements, confirmed within 12 months of the NC being raised.

2100018 – Corrective Actions for Scope 1 GHG Emissions

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that demonstrably contribute to reducing its Scope 1 greenhouse gas emissions."

Note: Scoring threshold: both SMEs and non-SMEs → minimum 1 qualifying action (no differentiated threshold for this criterion). One point per qualifying action, up to the criterion maximum. Planned-only actions do not count.

Failure to meet this requirement is a minor non-conformity.

Answer Options	**Option 1:** Upgraded or replaced boilers, heating systems or other fuel-burning equipment with lower-emission alternatives (e.g. electric or higher-efficiency units) in directly owned facilities **Option 2:** Introduced hybrid or electric vehicles into directly owned fleet **Option 3:** Replaced fossil fuel HVAC system with electric system in directly owned facilities **Option 4:** Delivered employee training on reducing direct gas and fuel usage, with evidence of resulting change in fuel/gas use **Option 5:** Installed on-site renewable energy generation (e.g. solar PV, biomass boiler) **Option 6:** Reduced or eliminated company-paid business travel by directly owned/leased vehicles (documented in travel policy) **Option 7:** Replaced or downsized a directly owned facility to reduce operational footprint **Option 8:** Not applicable – see Not Applicable section below
Criterion overview	**Terminology:** in this criterion, a qualifying 'measure' (corrective action) is any implemented action that demonstrably contributes to reducing Scope 1 emissions from the organisation's declared sources. Actions remedying an identified performance gap and voluntary improvement initiatives both qualify, provided Requirements A–C are met. Future aspirations – actions planned, budgeted, or approved but not commenced – never qualify (see Requirement A). The criterion requires active implementation, not intent. For each selected option, the organisation must demonstrate the action has been completed or is actively in progress within the 3-year window ending on the audit date. Evidence of planning, budgeting, or board approval of a future action does not qualify unless physical implementation has also commenced. The threshold is applied at the criterion level (total qualifying actions) and is the same for SMEs and non-SMEs: minimum 1 qualifying action. An organisation demonstrating more than 1 qualifying action still only needs 1 to pass; additional qualifying actions do not change the PASS outcome for this criterion (the criterion is not scored on a sliding scale beyond the threshold). **Implementation and effectiveness:** for structural options (1, 2, 3, 5, 7), effectiveness is inherent in implementation – the fossil-fuel source is removed, displaced, or downsized – so the installation evidence required under Requirement C is also the evidence of effect. For behavioural options (4 and 6), implementation alone does not demonstrate effect, so Requirement C for those options includes evidence of a resulting change in consumption. **Good practice – prioritisation (not assessed):** organisations are encouraged to prioritise actions by emission-reduction potential, addressing their largest declared Scope 1 sources first. This is guidance only: the auditor assesses whether selected actions qualify under Requirements A–C, not whether the organisation chose the highest-impact actions available. **Accepted supporting evidence (examples, not exhaustive):** Emissions or energy reduction plan with before and after figures; ISO 14001 clause 10.2 corrective action and clause 10.3 continual improvement records; ESRS (European Sustainability Reporting Standards) E1 transition plan or actions evidence; fuel or refrigerant switch invoices and fleet records. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable.
Compliance Requirements (each selected option)	**All three requirements must be met for a selected option to qualify for a point:** **Requirement A – Implementation within 3 years:** the action was completed, or is actively in progress (commenced and evidenced), within the 36-month window ending on the audit date. **Requirement B – Relevance to the organisation's Scope 1 sources:** the action plausibly reduces direct GHG emissions from sources within the Scope 1 boundary declared under

	2100002. An organisation cannot claim an action addressing an emission source it does not have. **Requirement C – Evidence provided:** supporting evidence is uploaded. The minimum acceptable evidence for each option is specified below. A statement in the assessment text without any supporting document does not satisfy Requirement C.
Indicators	For each selected option, the auditor answers three questions: • Is there evidence in the uploaded documents? (No → Req. C fails → option does not qualify) • Does the evidence show a date of completion or commencement within 36 months of the audit date? (No → Req. A fails) • Does the organisation's Scope 1 disclosure (2100002) include the emission source addressed by this action? (No → Req. B fails) **Final step:** count qualifying options (meeting A, B, C) and compare against threshold.
Guidance – Requirement A: The 3-Year Window	
Defining the window and 'in progress'	The 3-year window is a rolling 36-month period ending on the audit date. Window start = audit date minus 36 months. Example (audit date 15 June 2026): window start = 15 June 2023. **'Actively in progress' defined:** physical, contractual, or operational steps have been taken beyond planning or approval. Examples of what crosses the line: • Fleet EV transition: first vehicle delivered and on the fleet register → in progress. • Boiler replacement: installation works commenced, contractor on-site → in progress. • Employee training: first training session delivered to at least one employee → in progress. • Solar PV: planning permission granted, contractor engaged, but panels not yet installed → NOT yet in progress (planned only). **Planned-only actions:** board approval, budget allocation, supplier quotations, feasibility studies alone do not constitute commencement → Req. A FAILS. **Pre-window actions:** an action completed before the window does not qualify as a new action. Ongoing programmes qualify if there has been a material extension, renewal, or in-window delivery: • A training programme established before the window with a session delivered in-window → PASS (ongoing, in-window delivery). • A fleet fully transitioned to EVs before the window, no additions since → FAIL (no in-window activity). • A renewable energy contract signed before the window but renewed in-window → use the renewal date.
Guidance – Requirement B: Relevance to Scope 1 Sources	
Relevance test per option	Cross-reference each selected option against the Scope 1 sources declared in 2100002. If the declared sources do not logically include the category addressed by the option, Req. B fails. **Option 1 (boiler replacement):** the organisation must have declared combustion from on-site heating in its Scope 1 boundary. If 2100002 shows Scope 1 = 0 or boundary excludes on-site combustion → Req. B FAILS. **Option 2 (EV/hybrid fleet):** only company-owned or long-term operationally-controlled vehicles qualify. Employees' personal vehicles, even where business travel is reimbursed, are Scope 3 not Scope 1. **Option 3 (HVAC transition):** the organisation must have declared fossil-fuel HVAC emissions (refrigerants or gas-fired HVAC) in its Scope 1 boundary. Switching from one fossil fuel to another does not qualify; the new system must be electric. **Option 4 (employee training):** the organisation must have at least one Scope 1 source for which employee behaviour can affect emissions. An organisation with genuinely zero Scope 1 cannot claim this option.

	Option 5 (on-site renewables): qualifies as Scope 1 action ONLY if the installation displaces on-site combustion (e.g. replacing a diesel generator). On-site solar that only offsets purchased grid electricity is a Scope 2 action – do not credit here; credit under 2100019 instead. **Option 6 (travel reduction):** only company-owned or operationally-controlled vehicles qualify. A policy reducing grey-fleet mileage (employee's own car, reimbursed) is Scope 3, not Scope 1. **Option 7 (facility change):** the former facility must have had Scope 1 emission sources. If the former facility had no on-site combustion and no company vehicles, there is no Scope 1 reduction to credit.
Guidance – Requirement C: Minimum Acceptable Evidence by Option	
Option 1 – Boiler replacement	**At least one of:** • Installation commissioning certificate from the engineer or contractor, showing old boiler type (gas/oil/LPG) and new system type (electric/heat pump or lower emission alternative), with installation date. • Contractor invoice specifying removal of the gas boiler and installation of the electric replacement, with facility address and date. • Decommissioning record for the old gas boiler, with date. **Auditor checks:** • Does evidence confirm the old system was fossil-fuel and the new system is electric/heat pump? • Does the installation address match a facility within the Scope 1 boundary? • Is at least one date within the 3-year window? **NOT acceptable:** a quote or planning document for a future replacement; a sustainability report statement without installation records.
Option 2 – EV/hybrid fleet	**At least one of:** • Fleet register or vehicle list showing make, model, fuel type, and registration date, with at least one EV or hybrid registered within the 3-year window. • Vehicle purchase invoice or lease agreement for an EV or hybrid, with vehicle details and delivery date. • V5C (or equivalent) for an EV or hybrid registered to the organisation within the 3-year window. **Auditor checks:** • Vehicle is registered to the organisation (not an employee's personal vehicle). • Fuel type confirmed as electric, plug-in hybrid, or hybrid. • At least one vehicle with an in-window registration date. **Boundary case – leased vehicles:** long-term lease (typically 12+ months) where the organisation pays fuel and maintenance costs qualifies as company-operated fleet. Short-term rental does not.
Option 3 – Fossil-fuel HVAC to electric	**At least one of:** • Installation commissioning certificate for the new electric HVAC system (heat pump, variable refrigerant flow, etc.), with system type and installation date. • Contractor invoice specifying removal of gas-fired unit and installation of electric system at a named address, with date. **Auditor checks:** • Old system used fossil fuel (gas, oil, LPG)? If old system was already electric – does not qualify. • New system runs on electricity (not a switch between fossil fuels)? **Partial transitions:** replacing one HVAC unit at one site qualifies even if other fossil-fuel units remain. The auditor credits the option based on at least one qualifying installation.
Option 4 – Employee training on	**All of the following required together:**

direct gas/fuel reduction	• Training records showing: (a) date of delivery within the 3-year window, (b) participant list or headcount, (c) training name or description. • Content description confirming the training addresses direct gas or fuel reduction (e.g. fuel-efficient driving, boiler controls, idle-time reduction). Generic sustainability training without specific Scope 1 focus does not qualify. • Evidence of a resulting change in fuel or gas use following the training (e.g. fuel card records, meter readings, or consumption data showing a reduction correlated with the training date). A training record alone, with no accompanying consumption data, does not satisfy this element. **Auditor checks:** • Is the training date within the 3-year window? • Does the content description confirm a specific Scope 1 focus? • Is attendance evidenced (names, IDs, or headcount from LMS (Learning Management System))? • Is there evidence of a resulting change in fuel/gas use following the training? **Boundary case – online LMS training:** a completion report from an LMS showing employee IDs and completion dates satisfies the attendance requirement. A module screenshot with no completion records does not. Boundary case – no consumption data available: where the organisation can show the training was delivered but cannot provide fuel/gas consumption data demonstrating a resulting change, the option does not qualify; the auditor does not infer a reduction from the training having occurred.
Option 5 – On-site renewable energy generation	**At least one of:** • Commissioning certificate or MCS certificate for the renewable installation, with installation address and date. • Grid connection or DNO approval documentation, with date. • Installation invoice from a certified installer, with system type, capacity, and address. **Auditor checks:** • What does the installation replace or offset? If it replaces on-site combustion (diesel generator, gas-fired CHP) → Scope 1 action → PASS Req. B. If it only adds renewable generation alongside existing grid-electricity use → Scope 2 action → FAIL Req. B for this criterion. • Is the installation at a facility within the Scope 1 boundary? **Biomass boilers:** a biomass boiler replacing a gas boiler qualifies as a Scope 1 fuel-switch action. The auditor notes that biomass combustion still appears in Scope 1; what qualifies is the reduction relative to the fossil-fuel baseline.
Option 6 – Business travel reduction (owned/leased vehicles)	**All of the following required together:** • A formal travel policy document, version-dated within the 3-year window, setting a specific restriction on company-vehicle business travel (e.g. maximum mileage cap, prohibition on journeys under a specified distance, mandatory video-conferencing for internal meetings below a set travel time). • Evidence the policy is in effect (management sign-off, distribution record to employees, HR policy library with version date). • Mileage, fuel-card records or evidence showing a reduction in company-vehicle travel or fuel use correlated with the policy's implementation date. **Auditor checks:** • Policy restricts company-owned or long-term leased vehicle travel specifically (not grey-fleet or rail/air, which are Scope 3)? • Policy version date is within the 3-year window (a pre-existing unchanged policy does not qualify)? • Policy has been communicated to employees (drafted but uncirculated → does not qualify)? • Is there evidence of resulting reduction in company-vehicle mileage or fuel use following the policy

	NOT acceptable: a general travel expenses policy that does not restrict vehicle travel; a verbal instruction with no documented evidence; a policy document alone with no mileage or fuel data demonstrating a resulting change (the auditor does not infer a reduction from the policy's existence).
Option 7 – Facility replacement or downsizing	**All of the following required together:** • Documentation confirming disposal, closure, or downsizing of the former facility within the 3-year window (e.g. lease termination notice, decommissioning record, utility account closure, Companies House change of address). • Written statement from the organisation (or evidence from the 2100002 methodology document) explaining which Scope 1 emission sources were associated with the former facility and are no longer present. **Auditor checks:** • Did the Scope 1 boundary in 2100002 reference the former facility? • Is the disposal/closure date within the 3-year window? • Is there a plausible Scope 1 connection? An organisation that vacated a serviced office with no owned vehicles or on-site combustion cannot claim a Scope 1 reduction. **NOT acceptable:** moving to a different location of equivalent or larger footprint without demonstrating which Scope 1 sources were eliminated.
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available and required evidence	'Not applicable' may be selected only where the organisation's Scope 1 emissions are zero or negligible, meaning no Scope 1 emission sources exist that could plausibly be reduced through the listed actions. Required evidence for 'Not applicable' – both elements required: • Element 1: The Scope 1 disclosure under 2100002 showing a zero figure with a supporting document confirming the organisation has no owned vehicles, no on-site combustion equipment, and no refrigeration systems with reportable refrigerant losses. • Element 2: A brief written statement from a Director or Head of Operations confirming the organisation does not operate: (a) company-owned or directly controlled vehicles; (b) on-site combustion equipment (gas boilers, kilns, generators, ovens); and (c) refrigeration or HVAC systems with controlled refrigerants for which fugitive emissions would be reportable under the GHG Protocol. The auditor must refuse 'Not applicable' if: • The Scope 1 figure under 2100002 is non-zero without an explanation that the non-zero amount derives entirely from sources not covered by any listed option. • Any of options 1–7 is selected alongside 'Not applicable' – these are mutually exclusive. **Boundary case – very small Scope 1:** an organisation with a non-zero but very small Scope 1 (e.g. <100 Kg CO2e from incidental fugitive losses) may select 'Not applicable' only if the Director's statement confirms no controllable Scope 1 sources exist. Where any plausible reduction action is available (even for a small source), at least one option must be selected.
Auditor Decision Summary – 2100018	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–7): evidence is uploaded, evidence shows implementation date within 36 months of audit date, and action is connected to a declared Scope 1 source category. • Total qualifying options ≥ 1 (applies equally to SMEs and non-SMEs). • OR 'Not applicable' is selected with: (a) zero Scope 1 figure under 2100002, and (b) Director's written statement confirming absence of all Scope 1 source types. **FAIL (raise Minor NC) – any of the following applies:** • Scope 1 figure under 2100002 is non-zero AND no option is selected (and 'Not applicable' is not validly supported).	

- Total qualifying options = 0 (no option meets all of Requirements A, B, and C) – applies equally to SMEs and non-SMEs.
- All selected options fail at least one of Requirements A, B, or C.
- Evidence is present but no date can be confirmed within the 36-month window.
- Selected action addresses a source category not present in the 2100002 Scope 1 boundary (Req. B fails).
- 'Not applicable' selected but Scope 1 figure is non-zero without acceptable explanation.
- 'Not applicable' selected but Director's written statement is absent.
- Options 1–7 and 'Not applicable' are both selected – mutually exclusive.

MAJOR NON-CONFORMITY

Positive evidence of falsification required – e.g. installation records showing a facility address not in the organisation's property portfolio; training records signed by non-employees; invoice dates that have been altered. Inability to fully reconcile a date or figure is a minor NC, not major.

MINOR NON-CONFORMITY

A minor NC will be raised if the FAIL conditions above are met. While the threshold (minimum of 1 qualifying option) is identical for both SMEs and non-SMEs, an SME's total inability to provide relevant evidence can be treated as a minor non-conformity.

NC must identify: (i) whether shortfall is in the count (below threshold) or in evidence for specific options; (ii) which options failed which requirement (A, B, or C) and specifically why. Organisation must provide missing evidence or implement qualifying actions, with closure confirmed within 12 months of the NC being raised .

2100019 – Corrective Actions for Scope 2 GHG Emissions

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that demonstrably contribute to reducing its Scope 2 greenhouse gas emissions, supported by objective evidence of implementation."

Note: Scoring threshold: both SMEs and non-SMEs → minimum 1 qualifying action (no differentiated threshold for this criterion). The 3-year window rule and evidence standard are identical to 2100018. Scope 2-specific content applies.

Failure to meet this requirement is a minor non-conformity.

Answer Options	**Option 1:** Delivered employee training on energy conservation and efficiency, with evidence of resulting change in energy use **Option 2:** Upgraded process and operational equipment to energy-efficient alternatives (e.g. high-efficiency motors, machinery, IT hardware) **Option 3:** Implemented energy efficiency measures in building fabric and systems (e.g. LED lighting, insulation, HVAC) **Option 4:** Secured renewable electricity through Power Purchase Agreements (PPAs) or certified green tariffs **Option 5:** Installed smart meters and energy management systems in directly owned facilities **Option 6:** Conducted an energy audit of directly owned facilities in the past 3 years (with documented findings) **Option 7:** Achieved an energy management certification (e.g. ISO 50001) for directly owned facilities **Option 8:** Not applicable – see Not Applicable section below
Criterion overview and compliance requirements	Same three requirements as 2100018 – (A) implementation within 3 years, (B) relevance to Scope 2 sources, (C) evidence provided. All three must be met for a selected option to qualify. The 3-year window, 'in progress' definition, and pre-window rules from 2100018 apply unchanged. The Terminology definition in 2100018 (corrective action / improvement initiative / future aspiration) also applies unchanged. The threshold is the same for SMEs and non-SMEs: minimum 1 qualifying option. **'Objective evidence of implementation':** this phrase in the assessment criteria wording means documentary evidence (invoices, commissioning certificates, contracts, records) rather than a narrative assertion alone – the same evidentiary standard already detailed for each option below; it does not introduce any additional requirement beyond Requirement C. **Requirement B – Scope 2 relevance:** the action must plausibly reduce emissions from purchased electricity, district heating, steam, or cooling. An action that only affects Scope 1 (e.g. gas boiler removal) does not qualify under this criterion. **Implementation, effectiveness and enabling measures:** for physical and contractual options (2, 3, 4), effectiveness is inherent in implementation – more efficient equipment, fabric measures, or renewable procurement reduce consumption or market-based emissions by their nature, so the implementation evidence required under Requirement C is also the evidence of effect. Behavioural Option 1 requires evidence of a resulting change in energy use. Options 5, 6 and 7 are enabling and management measures, credited because they establish the measurement and management capability from which reductions follow; their effect on the reported figure is verified through the Scope 2 disclosure (2100003) at each certification cycle, and Option 5 carries its own follow-up rule for older installations. **Accepted supporting evidence (examples, not exhaustive):** ISO 50001 energy management outputs or an energy audit report; Greenhouse Gas (GHG) Protocol Scope 2 figures with an energy intensity trend; PPA (Power Purchase Agreement) or green tariff contracts and smart meter data; ESRS (European Sustainability Reporting Standards) E1 energy metrics. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – ownership and post-implementation review (not assessed):** organisations are encouraged to assign a named role responsible for each implemented measure and its ongoing operation, and to review completed measures periodically – for example through

	consumption trends or Option 5 system data – to confirm they continue to deliver the intended saving. This is guidance only: the auditor assesses the option tests below, not ownership records or review practices.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Employee training on energy conservation	**All of the following required together:** • Training records: date within the 3-year window, participant list or headcount, training name or description. • Content description confirming training addresses purchased energy conservation or efficiency (e.g. 'reducing electricity use at workstations', 'HVAC controls for energy efficiency', 'energy-saving behaviours in the office'). Generic corporate sustainability training without specific energy focus does not qualify. • Evidence of a resulting change in energy use following the training (e.g. meter readings, utility bills, or energy consumption data showing a reduction correlated with the training date). A training record alone, with no accompanying consumption data, does not satisfy this element. In case of not having a resulting change following the training, company should reevaluate and set a corrective action and conduct a new training. **Auditor checks:** • Training date within window. • Content is specifically energy-conservation focused, not generic sustainability. • Attendance is evidenced (names, IDs, or minimum headcount from LMS). • Is there evidence of a resulting change in energy use following the training? • Corrective action plan in case training did not have a changing outcome **Boundary case:** training on 'sustainable travel and energy use' covering both Scope 1 (travel) and Scope 2 (energy) in equal parts: credit is given here since the Scope 2 content is present. Training need not be exclusively Scope 2 focused. Boundary case – no consumption data available: where the organisation can show the training was delivered but cannot provide energy consumption data demonstrating a resulting change, the option does not qualify; the auditor does not infer a reduction from the training having occurred.
Option 2 – Equipment upgrades to energy-efficient alternatives	**At least one of:** • Purchase invoices or asset register entries for specific equipment items, showing model/specification and acquisition date within the window. Specification must indicate higher efficiency than what was replaced (e.g. IE3 motor replacing IE1, LED luminaire replacing fluorescent, Energy Star-rated IT hardware). • Energy survey or assessment report identifying specific items replaced and their efficiency ratings, dated within the window. **Auditor checks:** • Are specific equipment items identified (make, model, or at minimum category and efficiency rating)? • Is there evidence the new equipment is more energy-efficient than what it replaced? 'We bought new equipment' without efficiency comparison → FAIL. • Is the acquisition date within the window? **NOT acceptable:** general capital expenditure schedule with line items such as 'IT equipment' without energy efficiency specification; 'all our equipment is energy-efficient' without purchasing records.
Option 3 – Building energy efficiency measures	**At least one of per specific measure claimed:** • Installation records or commissioning certificate for the measure (e.g. LED lighting installation certificate with site address and date, insulation contractor completion certificate, HVAC upgrade commissioning record). • Contractor invoice specifying the measure, facility address, and installation date. **Auditor checks:** • Is each claimed measure evidenced separately? Evidence for LED installation does not cover insulation; they are assessed independently.

	• Are measures at facilities within the Scope 2 boundary (i.e. where the organisation purchases electricity or heating)? • Is the installation date within the window? **HVAC note:** energy efficiency improvements to HVAC (zoning controls, BMS integration, variable speed drives) qualify as Scope 2 actions. Full replacement of fossil-fuel HVAC with electric HVAC may qualify both here (Scope 2 – reduced electricity from more efficient system) and under 2100018 Option 3 (Scope 1 – removed direct combustion). The auditor may credit both if criteria for both are met.
Option 4 – PPAs or certified green tariffs	**At least one of:** • Signed PPA agreement with contracting parties named, renewable energy source identified, term, and effective start date within the 3-year window. • Green tariff confirmation letter or certificate from electricity supplier, identifying tariff name, renewable certificate type (REGO, GO, REC), and supply period overlapping the 3-year window. • For voluntary RECs/GOs purchased separately: certificate issuance records from the issuing body showing serial numbers, vintage year, and energy source. **Certified green tariff – four-part test (all four must pass):** **Part 1 – Certificate type:** backed by REGO (UK), GO (EU under AIB framework), or REC (US/international)? Supplier self-declaration without named certificate type → FAIL. **Part 2 – Independent issuance:** issued by independent body (Ofgem for REGOs; AIB-accredited issuer for GOs; certified REC registry)? Self-declaration without independent certificate → FAIL. **Part 3 – Period match:** certificates correspond to same period as electricity consumed? Annual bundles acceptable. Certificates for a different period → FAIL. **Part 4 – Geographic match:** certificates correspond to same grid zone as consumption? (UK organisation must use UK REGOs.) Certified green tariff: apply the five-part test under 2100003 element (a). Period match is against the 3-year window → FAIL. **Boundary case – mid-year tariff switch:** where the organisation switched to a green tariff part-way through the year, credit is given for the period covered. The option qualifies even with less than full-year coverage.
Option 5 – Smart meters and energy management systems	**At least one of:** • Utility provider confirmation of smart meter installation at the facility, with installation date. • BMS commissioning certificate or contractor completion record, with facility address and commissioning date. • Energy management software subscription or installation record, with start date within the window. **Auditor checks:** • Meter/system installed at a facility within the Scope 2 boundary? • Installation or activation date within the window? • System is active (not just installed)? Decision rule: an installation, commissioning, or activation record dated within the window is sufficient on its own to evidence 'active' – the auditor does not require an additional current data report or meter reading as standard practice. The auditor requests a current data report only as a follow-up check if the installation date is more than 12 months before the audit date (to confirm the system has not since been decommissioned); for installations within the past 12 months, the activation record alone is sufficient. **NOT acceptable:** manual electricity meter readings self-recorded; estimated utility bills without a smart meter. These are monitoring practices, not smart meter installations.
Option 6 – Energy audit of directly owned facilities	**Minimum evidence:** • A formal energy audit report containing: (a) the facility or facilities audited named, (b) audit date within the window, (c) documented findings – at minimum a list of energy consumption areas reviewed and any identified savings opportunities or confirmed efficiencies. **Auditor checks:**

	• Is the audit date within the window? • Does the audit cover directly owned (or operationally controlled) facilities – not only supply chain sites? • Does the report contain documented findings? Decision rule: a report stating 'no findings' or 'no savings opportunities identified' PASSES this element only if it also states what was reviewed (the specific energy consumption areas, systems, or equipment examined) – i.e. the report must show the audit scope even where the conclusion is that no improvement was found. A report containing only a title page, or a single sentence with no description of what was examined, FAILS regardless of which conclusion it reaches. • Was the audit conducted by a qualified person (internal or external)? Internal auditors are acceptable provided their energy qualification is stated. **Boundary case – regulatory compliance audit:** an audit conducted for a legal obligation (e.g. UK ESOS, EU EED Article 8) satisfies this option provided the report covers facilities within the Scope 2 boundary and is within the window.
Option 7 – Energy management certification	**Minimum evidence:** • A current certification certificate (e.g. ISO 50001) covering at least one directly owned or operationally controlled facility, showing: (a) certified entity name, (b) certifying body name, (c) scope of certification (facilities covered), and (d) validity period confirming the certificate is current at assessment or was current within the 3-year window. **Auditor checks:** • Is the certifying body accredited? For ISO 50001, the certifying body should be accredited under the IAF Multilateral Recognition Arrangement (MLA). • Is at least one facility within the Scope 2 boundary covered by the certificate scope? • Is the certificate current, or was it issued/renewed within the 3-year window? **Surveillance audits:** evidence of the most recent surveillance audit (within the window) alongside an initial certificate satisfies this option even if the original certification date was before the window.
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation has zero Scope 2 emissions – e.g. entirely off-grid with 100% on-site renewable generation, or an organisation that does not occupy any space where electricity, heating, or cooling is consumed. Required evidence for 'Not applicable' – all three elements required: • The Scope 2 disclosure under 2100003 showing a zero figure with supporting documentation confirming the zero basis. • A written statement from a Director or Head of Operations confirming the organisation does not purchase grid electricity, district heating, steam, or cooling for any of its operations. • Where zero figure is due to 100% on-site renewable generation: installation records showing capacity and confirmation that annual generation equals or exceeds annual consumption (generation meter records). Auditor must refuse 'Not applicable' if: • Scope 2 figure under 2100003 is non-zero – even if 100% covered by RECs (RECs reduce market-based Scope 2 figure, but the organisation still has Scope 2 consumption and can take reduction actions). • The organisation occupies any premises where it receives electricity or heating bills.
Auditor Decision Summary – 2100019	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–7): evidence is uploaded, date is within 3-year window, and action is relevant to the Scope 2 sources in 2100003. • Total qualifying options ≥ 1 (applies equally to SMEs and non-SMEs).	

- OR 'Not applicable' with: zero Scope 2 figure (2100003), Director's statement, and (where applicable) generation records confirming zero net purchase.

FAIL (raise Minor NC) – any of the following applies:

- No option selected AND Scope 2 figure (2100003) is non-zero.
- Total qualifying options = 0 – applies equally to SMEs and non-SMEs.
- Option 4 selected but certified green tariff fails any part of the four-part test.
- Option 3 selected but measures are Scope 1 actions only (e.g. gas boiler removal) – these belong in 2100018.
- Evidence is undated or date cannot be confirmed within the window.
- 'Not applicable' selected but Scope 2 figure is non-zero.
- 'Not applicable' selected without Director's written statement.

MAJOR NON-CONFORMITY

Same standard as 2100018: positive evidence of deliberate falsification required for a major NC. A green tariff failing the four-part test is a minor NC unless there is evidence the certificate was fabricated.

MINOR NON-CONFORMITY

A minor NC will be raised if the FAIL conditions above are met. While the threshold (minimum of 1 qualifying option) is identical for both SMEs and non-SMEs, an SME's total inability to provide relevant evidence can be treated as a minor non-conformity.

NC must identify: (i) shortfall in qualifying count, or (ii) the specific option and the requirement (A, B, or C) that failed, and for Option 4, which part of the four-part test failed. Closure must be confirmed within 12 months of the NC being raised .

2100022 – Supplier Engagement on GHG Emissions Reduction

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that engage its suppliers in reducing greenhouse gas emissions in the supply chain, supported by documented supplier engagement or assessment records."

Note: Applicability: non-SMEs only. SMEs are exempt – if an SME submits this criterion it is not assessed. Non-SME threshold: minimum 1 qualifying option. One point per qualifying option, up to the criterion maximum. 'Supported by documented supplier engagement or assessment records' restates the existing 'concrete output' evidentiary standard defined below – it does not add a new requirement.

Answer Options	**Option 1:** Require Tier 1 suppliers to report their GHG emissions data annually, as set out in supplier contracts or a supplier code **Option 2:** Apply documented GHG screening criteria when onboarding new suppliers **Option 3:** Provided at least one Tier 1 supplier with tools, training, or funding to reduce GHG emissions **Option 4:** Conducted supplier GHG audits with corrective action plans for identified gaps **Option 5:** Included GHG reduction clauses or targets in supplier contracts **Option 6:** Completed a joint emissions reduction project with at least one supplier (e.g. shared logistics, material innovation) **Option 7:** Consolidated shipments to reduce transport frequency and fuel consumption **Option 8:** Not applicable – see Not Applicable section below
Criterion overview	The criterion requires active engagement that has produced at least one tangible output within the 3-year window. A supplier engagement policy not yet implemented, or engagement described in a sustainability report without evidence of having occurred, does not satisfy this criterion. **'Engagement' defined:** a specific bilateral or multilateral interaction between the organisation and one or more of its suppliers, resulting in a concrete output (data received, document issued, system deployed, project completed, action evidenced). A general reference to supplier

	sustainability in a code of conduct, without evidence of specific communication or action, does not constitute engagement. **Proportionality:** there is no minimum number or proportion of suppliers to engage – the threshold is one qualifying option, and most options require engagement with as few as one Tier 1 supplier. Organisations are expected to target engagement where they have most spend, influence, or emissions exposure. Expectations may reasonably differ by supplier: lighter-touch options (e.g. Options 1, 2, 7) suit smaller or lower-capability suppliers, while the deeper options (3–6) suit strategic suppliers. The auditor assesses the option tests below, not the breadth of supplier coverage or the sophistication of the suppliers engaged. **Accepted supporting evidence (examples, not exhaustive):** Greenhouse Gas (GHG) Protocol Corporate Value Chain (Scope 3) Standard; CDP (Carbon Disclosure Project) Supply Chain questionnaire and responses; Supplier Code of Conduct containing greenhouse gas clauses; OECD (Organisation for Economic Cooperation and Development) Due Diligence Guidance on supply chain engagement. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – progression across cycles (not assessed):** supplier engagement is expected to mature over time. Organisations are encouraged to progress across certification cycles – for example from data collection (Options 1, 2) towards targets and contractual commitments (Option 5) and collaborative reduction (Options 3, 4, 6). This is guidance only: each cycle is assessed against the same threshold, and no option is worth more than another.
Compliance Requirements (each selected option)	**Requirement A – Active implementation within 3 years:** the engagement has occurred (not merely been planned) within the 36-month window ending on the audit date. At least one concrete output must have been produced within the window. **Requirement B – Supply chain relevance:** the engagement is directed at Tier 1 suppliers of the organisation. Engagement with the organisation's own customers or internal teams does not qualify. **Requirement C – Evidence with concrete output:** evidence is uploaded showing (i) the nature of the engagement, (ii) which supplier(s) or supplier category is covered, and (iii) at least one concrete output produced within the 3-year window.
Guidance – Key Definitions	
'Tier 1 supplier' definition	A Tier 1 supplier is any legal entity from which the organisation directly purchases goods or services under a commercial agreement. The test is a direct purchase relationship. Tier 1 supplier examples: • Raw material or component suppliers from whom the organisation buys directly. • Contract manufacturers or co-packers engaged directly. • Service providers (logistics, IT, agencies, cleaning contractors) with a direct contract. NOT Tier 1 suppliers: • Suppliers of the organisation's suppliers (Tier 2) – unless the option extends to Tier 2. • Utility providers (electricity, water, gas) – generally excluded from 'supply chain' engagement in this context. • Distributors and resellers where the organisation is the seller (these are customers, not suppliers).
'Concrete output' – what counts	**At least one of the following constitutes a concrete output:** • A document or data set received from a supplier (e.g. supplier GHG data, completed questionnaire). • A document issued to a supplier and confirmed as received (e.g. questionnaire sent with delivery evidence, audit report issued to supplier with acknowledgement). • A system or tool deployed with a supplier (e.g. carbon accounting platform access credentials issued to supplier, training delivered to supplier employees with attendance records).

	• A project completion or milestone record for a joint project. • A contractual clause in an executed (signed) contract with at least one active supplier. • A minuted meeting or documented engagement session with at least one Tier 1 supplier on GHG reduction, where the minutes record the parties, the date, and at least one agreed action or commitment. **NOT concrete outputs:** • A policy or procedure describing planned supplier engagement. • A supplier code of conduct drafted but not yet sent to any supplier. • A sustainability report statement that 'we engage our suppliers' without any of the above. • An email describing plans to engage suppliers. • Minutes recording discussion only, with no agreed action or commitment.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Require suppliers to report GHG emissions annually	Both parts required: **Part A – Contractual/policy basis:** a supplier contract extract or supplier code containing a GHG reporting requirement, with document version date or contract execution date within the window, OR written communication to suppliers of the reporting requirement within the window. **Part B – At least one output:** evidence that at least one supplier has received and responded to the reporting requirement within the window. Acceptable: a supplier-submitted GHG data sheet, email thread showing request sent and acknowledged, or summary table of supplier GHG responses. **Auditor checks:** • Is there a documented requirement (contract clause, code clause, or formal data request) – or is reporting entirely voluntary and informal? • Is there at least one supplier response or acknowledgement within the window? • A code of conduct with a GHG clause adopted before the window satisfies Part A if the clause is still in force, but Part B still requires an in-window output (a data collection exercise, request sent, or response received in-window). **Boundary case – no supplier responses yet:** if a data request was sent within the window but no supplier has responded, Part B is not met → option does not qualify. The organisation may re-select once at least one supplier responds.
Option 2 – Apply GHG screening criteria when onboarding	Both parts required: **Part A – Documented criteria:** a document (supplier onboarding checklist, procurement policy, or screening tool) including specific GHG or environmental performance criteria for new suppliers. Criteria must be specific (e.g. 'supplier must complete our GHG questionnaire', 'supplier must have ISO 14001'). 'We consider sustainability' without specificity → FAIL. **Part B – At least one in-window application:** evidence the criteria were applied to at least one new supplier onboarded within the 3-year window. Acceptable: a completed screening form for a specific supplier (name may be redacted), a procurement scorecard showing GHG criteria applied. **Auditor checks:** • Criteria are GHG-specific (not merely generic ESG or quality criteria)? • At least one real onboarding assessment occurred within the window? **NOT acceptable:** a screening policy with no evidence of application; a checklist with a GHG line item never completed for any supplier.
Option 3 – Provide tools, training, or funding to suppliers	**Tools:** evidence of a specific tool or software provided to at least one Tier 1 supplier – tool name, supplier name (or anonymised reference), and date of provision within the window. Acceptable: access credentials sent, user account created for supplier, software licence transfer record. **Training:** training delivery records: date within window, supplier name or anonymised reference, topic (must be GHG/emissions-related), and attendance. Programme description alone without delivery records → FAIL.

	Funding: financial record (invoice, transfer record, grant letter, or project agreement) showing funds provided to a supplier for GHG reduction, with supplier identified and date within window. **Auditor checks:** • Is the recipient a Tier 1 supplier? • Is the provision GHG-specific (not generic business support)? • Does the evidence confirm actual provision (not just an offer or plan)? **Boundary case – industry programme participation:** for programmes like CDP Supply Chain: (a) the organisation must be a fee-paying member or active participant (not a free observer), and (b) at least one Tier 1 supplier must have participated in-window. Evidence: membership records and supplier participation confirmation.
Option 4 – Supplier GHG audits with corrective action plans	All three parts required: **Part A – Audit report:** formal audit report covering at least one Tier 1 supplier's GHG or energy performance, dated within the window, containing GHG or energy findings (social compliance audits alone do not qualify). Must name or reference the audited supplier. **Part B – Corrective action plan (CAP):** a CAP agreed with the supplier following the audit, identifying GHG/energy findings to be addressed. A CAP covering only social or quality findings → FAIL. **Part C – Follow-up:** at least one piece of evidence the organisation followed up on the CAP: a follow-up audit report, correspondence confirming CAP progress or closure, or a CAP status update signed by both parties. **Auditor checks:** • Does the audit report include GHG or energy-specific findings? Decision rule: a report concluding 'no findings' PASSES this specific check only if it states what was examined (the specific GHG/energy areas assessed at the supplier), in the same way as the energy audit test under 2100019 Option 6. A report with no findings AND no description of what was examined FAILS this check. Note: where the audit genuinely finds no issues, Part B (a CAP) cannot exist by definition – in that case Option 4 does not qualify on this audit alone (since Part B is mandatory), and the organisation should instead evidence this audit, if relevant, as supporting context elsewhere rather than as a complete Option 4 claim. • Is there a CAP with at least one GHG/energy action item? • Is there evidence of at least one follow-up communication or assessment? **NOT acceptable:** a self-assessment questionnaire completed by the supplier without independent verification (may qualify under Option 1, not Option 4); an audit with a CAP but no evidence the CAP was communicated to or agreed with the supplier.
Option 5 – GHG reduction clauses in supplier contracts	Both parts required: **Part A – Contract clause:** an extract from an executed (signed) supplier contract showing a GHG reduction clause or target that imposes a specific obligation on the supplier. Acceptable: 'Supplier shall report annual Scope 1 and 2 GHG emissions to [Org] by 31 March each year'; 'Supplier shall have an SBTi-validated target by [date]'. Not acceptable: 'Supplier acknowledges the importance of climate change' (acknowledgement, not obligation). **Part B – Executed with at least one active supplier:** contract must be with a current Tier 1 supplier or have been active within the 3-year window. Contract execution date need not be within the window if the contract is still in force. **Auditor checks:** • Is the clause specific (obligation or target, not general statement)? • Is the contract executed (both parties signed)? • Is the supplier a Tier 1 supplier, currently or recently active? **Boundary case – contract templates:** a template containing a GHG clause satisfies Part A only. At least one executed contract using the template is also required. Auditor requests at least one example of an executed contract (redacted if needed).
Option 6 – Joint emissions reduction project	All three parts required:

	Part A – Project documentation: a project brief, terms of reference, or project agreement identifying: (a) the organisation and at least one Tier 1 supplier as joint parties, (b) the GHG/emissions objective, and (c) project start date within the window. **Part B – Joint contribution:** evidence both parties contributed to the project (not a project managed entirely by the organisation at the supplier's site). Acceptable: joint meeting records, mutual contribution correspondence, shared workplans, invoices in both directions. **Part C – Measurable output:** a documented result from the project. Acceptable: a recorded GHG reduction (Kg CO2e), a logistical efficiency saving (km reduced, shipments consolidated), a material change (lower-carbon material adopted), or a completion report showing the objective was met. Project still in scoping with no results → does not yet qualify. Auditor checks: • Is the project genuinely 'joint' – both parties active contributors? • Is there a measurable output (not just a project plan)? • Is the output GHG-related? **Boundary case – project started in-window but not completed:** Part C is not met if no output has been produced. The auditor may note the in-progress project as context but does not credit it. The organisation may re-claim at the next cycle once an output is produced.
Option 7 – Consolidated shipments	Both parts required: **Part A – Policy or instruction:** a documented logistics policy, purchasing instruction, or carrier contract clause requiring or incentivising shipment consolidation, with version/effective date within the window, OR a carrier agreement specifying consolidation arrangements. **Part B – Operational evidence:** shipping records or logistics reports demonstrating consolidation occurred within the window. Acceptable: comparison of shipment frequency before/after consolidation, a logistics report showing multi-supplier loads, or a bill of lading showing multiple origins consolidated into one delivery. Auditor checks: • Is there a documented instruction or agreement (not just informal practice)? • Are there shipping records confirming consolidation occurred? • Is consolidation for the purpose of reducing transport frequency/fuel consumption? Decision rule: the option qualifies regardless of whether the organisation's STATED motivation was cost, service quality, or emissions – the test is the physical outcome (fewer, fuller shipments), not the organisation's stated intent. The auditor does not need the organisation to confirm a 'GHG rationale' in writing. It is sufficient that Part A (policy/agreement) and Part B (operational evidence) both show consolidation occurred; the auditor does not request a motivation statement and does not treat a purely cost-framed policy as a lesser or marginal case. **NOT acceptable:** 'we consolidate shipments where possible' without evidence; a logistics policy mentioning consolidation in passing without implementation records.
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available and required evidence	'Not applicable' may be selected only where the organisation's business model genuinely does not involve a supply chain of goods or services from external suppliers. This is a very narrow category – virtually all organisations have at least some Tier 1 suppliers. Required evidence – both elements required: • Element 1: A written statement from a Director or Head of Sustainability explaining why there is no material Tier 1 supply chain. The statement must describe the business model, nature of revenues, and confirm that no physical goods are purchased, no contract manufacturing is used, and no logistics providers are engaged. • Element 2: A supporting financial document (Annual Report, audited accounts, or Companies House filing) from which the auditor can verify the absence of material cost-of-goods-sold, inventory, or supplier expenditure on physical goods. The auditor must refuse 'Not applicable' if: • The organisation purchases any physical goods from external suppliers (including packaging, raw materials, components, or goods for resale).

	• The organisation engages any external contract manufacturer or co-packer. • The organisation has a logistics provider managing physical product flows. **Boundary case – purely digital organisations:** a SaaS company with no physical product and no logistics operations may legitimately select 'Not applicable'. Decision rule: the auditor checks the financial document's cost-of-goods-sold or purchases line. If that line is zero, or consists only of incidental items each individually and in aggregate under 1% of total operating costs (e.g. office supplies, occasional branded merchandise), 'Not applicable' is confirmed – PASS. If the line shows purchases of physical goods, components, or manufacturing/logistics services exceeding 1% of total operating costs, 'Not applicable' is refused and the organisation must select from Options 1–7 instead – FAIL if none is selected. The auditor does not request clarification before deciding; the 1% threshold against the organisation's own filed accounts is the decision rule.
Auditor Decision Summary – 2100022	
Step 1 – SME applicability check (apply before anything below)	**If the organisation is an SME:** the criterion is NOT assessed – stop here. Do not apply the PASS/FAIL table below to SMEs. **If the organisation is a non-SME:** proceed to the PASS/FAIL table below.

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- For each selected option (1–7): evidence is uploaded, engagement occurred within 3 years, involves Tier 1 suppliers, and a concrete output is evidenced.
- Total qualifying options ≥ 1.
- OR 'Not applicable' is selected with both required elements: Director's statement AND financial document confirming no material supply chain.

FAIL (raise Minor NC) – any of the following applies:

- No option is selected (and 'Not applicable' not validly supported).
- Total qualifying options = 0 (all selected options fail at least one of Requirements A, B, or C).
- Option 1: no supplier response or acknowledgement produced within the window (Part B missing).
- Option 2: no evidence of criteria applied to at least one real onboarding decision within the window.
- Option 3: provision is industry-programme-based but organisation is only a free observer with no active participation.
- Option 4: audit covers only social/quality findings with no GHG component; or no CAP exists; or no follow-up evidence.
- Option 5: clause is a general sustainability statement (not a specific obligation or target); or contract is a template not yet executed with any supplier.
- Option 6: project has not produced a measurable output – still in scoping or planning phase.
- Option 7: consolidation is described but no operational shipping records confirm it occurred within the window.
- 'Not applicable' claimed but financial document shows material supplier expenditure on physical goods.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. audit report referencing a supplier site visit that travel and sign-in records show did not occur; joint project agreement back-dated post-audit; supplier GHG data submitted in the organisation's handwriting. Unverifiable claims are minor NCs.

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above. NC must identify: (i) whether shortfall is in total qualifying count or in specific options; (ii) for each failing option, which of Requirements A, B, or C was not met and specifically why (e.g. 'Option 4 – no corrective action plan uploaded; audit report only'). Closure must be confirmed within 12 months of the NC being raised: missing elements provided and at least 1 qualifying option confirmed.

2100126 – Circular Economy Measures

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that promote circular economy principles, supported by documented evidence of implementation."

Note: Scoring threshold: SMEs → minimum 1 qualifying option. Non-SMEs → minimum 2. One point per qualifying option, up to the criterion maximum. The 3-year implementation window and the implemented-vs-planned distinction follow the same rules as the Scope 1/2 corrective action criteria (2100018/2100019).

Answer Options	**Option 1:** Provide a published product warranty of at least 2 years (or beyond legal minimum) demonstrating product durability **Option 2:** Designed products for ease of repair (e.g. available spare parts, repair manuals) **Option 3:** Designed products for disassembly or with materials labelled for recycling (e.g. resin codes, material composition disclosure) **Option 4:** Use recycled, upcycled, or bio-based input materials with a documented minimum content (% by weight) in at least one product line **Option 5:** Operate a product take-back, resale, or refurbishment scheme **Option 6:** Offer repair services for products sold (in-house or via partners) **Option 7:** Operate a rental, refill, leasing, or sharing business model for products **Option 8:** Conducted a lifecycle analysis (LCA) of at least one core product in the past 3 years, with documented findings **Option 9:** Switched to reusable or refillable packaging for products **Option 10:** Not applicable – see Not Applicable section below
Criterion overview	This criterion addresses product-level design and business model measures that extend product life, reduce material use, or enable end-of-life recovery. It is distinct from criterion 2100022 (Supplier Engagement on GHG Emissions Reduction), which addresses supply chain partner collaboration on emissions, not product circularity. **Distinguishing from 2100022:** an action qualifies under 2100126 where it concerns the design, materials, or end-of-life pathway of the organisation's own products. An action concerning supplier collaboration on GHG specifically (e.g. requiring a supplier to report emissions) belongs under 2100022, even if it has a circularity dimension. Where an action genuinely serves both (e.g. a material substitution programme with a supplier that both reduces GHG and improves recyclability), it may be claimed under both criteria provided the respective evidence and relevance tests are met independently for each. **Circularity, not waste management:** the options deliberately exclude general waste management. Circularity in this criterion means prevention, reuse, repair, refurbishment, durability, and resource optimisation at product level – which is why no option credits waste segregation, recycling collection, or bin provision. Such activities do not qualify under any option, however well evidenced. **Proportionality:** the differentiated threshold (minimum 1 option for SMEs, 2 for non-SMEs) and the breadth of the option set – from a published warranty or repair guide to a full LCA or take-back scheme – are the criterion's scalability mechanism. Organisations select measures appropriate to their size, products, and infrastructure; no option is worth more than another. **Accepted supporting evidence (examples, not exhaustive):** ESRS (European Sustainability Reporting Standards) E5 Resource Use and Circular Economy; GRI (Global Reporting Initiative) 306 Waste 2020; Ellen MacArthur Foundation circularity indicators; LCA (life cycle assessment) report to ISO 14040 and ISO 14044; product warranty and repair manuals. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – measuring circularity (not assessed):** organisations are encouraged to track the performance of their circularity measures over time – for example recycled or bio-based content trends (Option 4), items repaired, refurbished, resold, or processed through take-back (Options 5–6), reuse or refill rates (Options 7, 9), and reductions in virgin material use informed by LCA findings (Option 8). This is guidance only: the auditor assesses the option tests below, not performance trends.

Compliance Requirements (each selected option)	**Requirement A – Implementation within 3 years:** the measure was completed, or is actively in progress (commenced and evidenced), within the 36-month window ending on the audit date. The 'actively in progress' test is identical to that applied under 2100018: physical, contractual, or operational steps beyond planning or approval. **Requirement B – Product/business model relevance:** the measure applies to a product or product line that the organisation designs, manufactures, or sells. An organisation with no physical products (a pure service business) cannot claim options that presuppose a product (Options 1–4, 6, 8, 9). **Requirement C – Evidence provided:** supporting evidence is uploaded. Minimum acceptable evidence per option is specified below.
Indicators	For each selected option, the auditor verifies: • Evidence is present in the uploaded documents. • The date falls within the applicable window (36-months window generally; 12 months for Option 6's most recent training). • The measure relates to a product line the organisation actually offers. Count qualifying options and compare against the threshold.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Published warranty ≥2 years	**Minimum evidence:** • A current published warranty document, terms and conditions page, or product packaging/labelling showing the warranty period in months or years for at least one product line. **Decision rule – which benchmark applies:** • Step 1: identify the statutory minimum warranty period for that product category in the organisation's primary market (e.g. consumer goods sold in the EU/UK typically carry a 2-year statutory minimum under the Consumer Rights Directive / Consumer Rights Act). • Step 2: the option is met if the published warranty period exceeds whichever is LONGER of (a) 2 years, or (b) the statutory minimum identified in Step 1. Example: statutory minimum is 2 years → published warranty must be more than 2 years (a warranty of exactly 2 years that simply restates the legal minimum does not qualify, since the option requires durability 'beyond legal minimum' demonstrated, not merely meeting it). Example: statutory minimum is 1 year → published warranty must be at least 2 years. • Where the organisation does not state which jurisdiction's statutory minimum applies, the auditor uses the statutory minimum of the organisation's registered country. **Auditor checks:** • Is the warranty period explicitly stated in months or years (not 'extended' or 'enhanced' with no figure)? • Does it exceed the benchmark per the decision rule above? • Is the warranty currently published/in effect (not a discontinued or superseded policy)? **Boundary case – different warranty by product line:** where warranty periods vary across the organisation's product range, the option qualifies if at least one product line carries a qualifying warranty, and the documentation identifies which line(s) are covered.
Option 2 – Designed for ease of repair	**At least one of:** • A published repair manual or guide for at least one product line. • Evidence that spare parts are made available for purchase (e.g. spare parts catalogue, webpage, or distributor price list) for at least one product line. • Design documentation (e.g. design-for-repair specification, modular design drawings) demonstrating that repairability was a design criterion. **Auditor checks:** • Is the evidence specific to an actual product the organisation sells (not a generic statement of design philosophy)? • Is the spare parts catalogue or repair manual current and accessible (not a discontinued product line)?

Option 3 – Designed for disassembly / recyclability labelling	**At least one of:** • Product or packaging labelling showing resin identification codes or material composition disclosure for at least one product line. • Design documentation demonstrating disassembly features (e.g. snap-fit rather than glued/welded joints, single-material components, labelled fasteners) for at least one product line. **Auditor checks:** • Does the evidence relate to an actual current product (photograph of label, packaging spec, or design drawing)? • Is the labelling/design feature genuinely intended to facilitate recycling or disassembly (not an unrelated regulatory marking)?
Option 4 – Recycled/upcycled/bio-based input materials with documented minimum content	**Minimum evidence (both required):** • A documented minimum content percentage (by weight) of recycled, upcycled, or bio-based material for at least one product line, stated in a specification sheet, supplier certificate, or product label. • Supporting verification of the stated percentage – a supplier certificate of recycled content, a third-party certification (e.g. GRS – Global Recycled Standard, OCS – Organic Content Standard), or a documented internal calculation methodology. **Auditor checks:** • Is a specific percentage stated (a vague claim such as 'contains recycled materials' without a percentage does not qualify)? • Is there verification beyond the organisation's own unsupported claim? **NOT acceptable:** marketing copy stating a product is 'eco-friendly' or 'made with recycled content' without a percentage and without supplier or certification backing.
Option 5 – Take-back, resale, or refurbishment scheme	**Minimum evidence:** • Scheme documentation (programme description, terms of participation, or marketing material) describing how customers return, resell, or have products refurbished, with a launch or operation date within the 3-year window. • Evidence the scheme is operational – at least one record of a product processed through the scheme (a returns log entry, a refurbishment record, or a resale listing). **Auditor checks:** • Is the scheme for the organisation's own products (not a generic recycling bin or unrelated third-party scheme)? • Is there evidence of at least one actual transaction or processed item, not just a published scheme description with no usage? In case of not having record of refurbishments due to no client requests, a signed and dated statement of a relevant director stating this.
Option 6 – Repair services offered	**At least one of:** • Evidence of an in-house repair service (service booking page, repair price list, workshop records). • A partnership agreement with an authorised repair provider, with the agreement dated or active within the 3-year window. • At least one record of a repair carried out (work order, invoice, or customer service log) within the window. **Auditor checks:** • Is the repair service for the organisation's own products? • Is there evidence the service has actually been used (not only advertised)?
Option 7 – Rental, refill, leasing, or sharing model	**Minimum evidence:** • Documentation of the rental/refill/leasing/sharing offering (programme terms, pricing page, lease agreement template) showing the model is operational within the 3-year window.

	• Evidence of at least one transaction under the model (a lease agreement, rental booking record, or refill transaction record). **Auditor checks:** • Is the model genuinely circular (designed to extend product use or reduce single-use consumption), as opposed to a standard sales financing arrangement with no circularity intent? • Is there evidence of actual usage, not just an advertised but unused offering?
Option 8 – Lifecycle analysis (LCA) of a core product	**Minimum evidence:** • An LCA report covering at least one core product line, dated within the 3-year window, with documented findings (e.g. hotspot identification across lifecycle stages, comparative results, or recommendations). **Auditor checks:** • Is the LCA dated within the window? • Does the product covered constitute a 'core product' – i.e. a product material to the organisation's revenue or brand identity, not an incidental or discontinued item? • Does the report contain documented findings (not merely a methodology description with no results)? **Boundary case – third-party or industry-average LCA:** an LCA conducted by an industry body or trade association covering a generic product category (not the organisation's specific product) does NOT qualify on its own. The organisation must demonstrate the LCA was conducted for, or specifically adapted to, its own product.
Option 9 – Reusable or refillable packaging	**Minimum evidence:** • Packaging specification or product photography showing the reusable or refillable packaging format, for at least one product line. • Evidence of the switch having occurred within the 3-year window (e.g. packaging design change record, supplier packaging order, or a 'before and after' comparison with dates). **Auditor checks:** • Is the packaging genuinely designed for reuse or refill (not merely recyclable, which is credited under Option 3, not this option)? • Is the switch within the 3-year window (a packaging format already reusable/refillable before the window, with no change made in-window, does not qualify as a new measure)?
Guidance – 'Not Applicable' (Option 10)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation has no physical products to which circular economy measures could apply – for example, a purely digital or professional service business. **Required evidence:** • A written statement from a Director confirming the organisation does not design, manufacture, or sell physical products, and does not use physical packaging for any deliverable. The auditor must refuse 'Not applicable' if: • The organisation sells or distributes any physical product or uses physical packaging. • Any of Options 1–9 is also selected – mutually exclusive with 'Not applicable'.
Auditor Decision Summary – 2100126	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–9): evidence is uploaded, dated within the 36-month window, and relates to an actual product or packaging the organisation offers. • Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME). • OR 'Not applicable' selected with a Director's statement confirming no physical products or packaging.	

FAIL (raise Minor NC) – any of the following applies:

- Total qualifying options below the threshold.
- Selected options have no supporting evidence, or evidence shows only a planned/future measure with no implementation.
- Option 4 selected without a stated minimum content percentage or without verification.
- Option 8 selected with only a generic industry LCA not specific to the organisation's own product.
- 'Not applicable' selected but the organisation sells physical products or uses physical packaging.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a recycled-content percentage claim contradicted by the cited supplier certificate; an LCA report for a product the organisation does not sell.

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above, specifying the shortfall in count or the specific option/requirement that failed. Closure must be confirmed within 12 months of the NC being raised .

2100193 – Water Conservation Strategies

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that actively reduce water consumption at its directly owned and operated facilities, supported by objective evidence of implementation."

Note: Scoring threshold: both SMEs and non-SMEs → minimum 1 qualifying option (no differentiated threshold for this criterion). One point per qualifying option, up to the criterion maximum. 'Objective evidence of implementation' means documentary evidence (invoices, commissioning records, contracts) rather than a narrative assertion alone – this is the same evidentiary standard already detailed per option below, not an additional requirement.

Answer Options	**Option 1:** Operate grey-water recycling systems in directly owned facilities (e.g. for urinal flushing, cooling, irrigation) **Option 2:** Installed low-volume or drip irrigation for landscaping at directly owned facilities **Option 3:** Installed rainwater harvesting systems for non-potable use at directly owned facilities **Option 4:** Operate a documented leak detection and repair programme on water systems (at least annually) **Option 5:** Installed water-efficient process equipment (e.g. closed-loop cooling or water recycling units) **Option 6:** Delivered staff awareness or training on water conservation in the past 12 months **Option 7:** Installed water-efficient appliances with a recognised efficiency rating (e.g. dishwashers, washing machines) **Option 8:** Not applicable – see Not Applicable section below
Criterion overview	The criterion requires active implementation of water conservation measures at facilities directly owned and operated by the organisation. 'Directly owned and operated' excludes facilities the organisation occupies as a tenant with no control over water fixtures or systems – see the relevance and 'Not applicable' guidance below. Unlike the Scope 1/2 corrective action criteria, this criterion applies the same minimum threshold (1 qualifying option) to both SMEs and non-SMEs. **Implementation and effectiveness:** for installation options (1, 2, 3, 5, 7), the water saving is inherent in the installed technology – grey-water recycling, drip irrigation, rainwater harvesting, closed-loop equipment, and rated appliances reduce consumption by design – so the installation evidence required under Requirement C is also the evidence of effect. The two programme and behaviour options (4 and 6) carry their own 12-month recency tests, ensuring the measure is in

	continued operation rather than a historic exercise. Accepted supporting evidence (examples, not exhaustive): CEO Water Mandate or CDP (Carbon Disclosure Project) Water Security disclosure; IFC (International Finance Corporation) Performance Standard 3 on Resource Efficiency and Pollution Prevention; GRI (Global Reporting Initiative) 303 Water and Effluents 2018; ESRS (European Sustainability Reporting Standards) E3 Water; meter or invoice data and a leak detection log. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – water risk, measurement, and business planning (not assessed):** organisations are encouraged to (i) set conservation ambition proportionate to local water risk – particularly at facilities in water-stressed locations, identifiable through recognised tools such as WRI Aqueduct or the WWF Water Risk Filter; (ii) track measurable outcomes over time, such as metered consumption, efficiency per unit of activity, leakage rates, or reuse volumes; and (iii) integrate water conservation into operational planning, asset management, and investment decisions. This is guidance only: the auditor assesses the option tests below, not water-risk analysis, performance trends, or planning maturity.
Compliance Requirements (each selected option)	**Requirement A – Implementation within 3 years:** the measure was completed, or is actively in progress, within the 36-month window ending on the audit date. For Option 4 (leak detection programme) and Option 6 (training), see the specific recency rules below, which differ slightly from the general 3-year rule. **Requirement B – Facility control relevance:** the measure applies to a facility directly owned or operated by the organisation, meaning the organisation has the legal or contractual right to install, modify, or maintain the relevant water fixtures or systems. A tenant with no control over plumbing fixtures cannot claim Options 1, 3, or 5 for that facility. **Requirement C – Evidence provided:** supporting evidence is uploaded. Minimum acceptable evidence per option is specified below.
Indicators	For each selected option, the auditor verifies: • Evidence of installation, operation, or delivery is present. • The date falls within the applicable window (36 months generally; 12 months for Option 6's most recent training). • The facility is one the organisation owns or has operational/contractual control over. Count qualifying options and compare against the threshold (≥1 for all organisation sizes).
Guidance – Facility Control Test (applies across all options)	
'Directly owned and operated' – decision rule	The auditor applies the following test to determine whether a facility counts for this criterion: • Freehold ownership of the building → facility counts. • Leasehold where the organisation has contractual responsibility for, or unrestricted right to modify, water fixtures and systems → facility counts. • Leasehold/tenancy where the landlord controls and maintains water fixtures (e.g. a standard commercial office tenancy in a multi-tenant building) and the organisation has no contractual right to install or modify fixtures → facility does NOT count for fixture-installation options (1, 3, 5,), but MAY still count for behavioural/operational options not requiring fixture modification (2, 4, 6, 7) organisation can demonstrate it has implemented the measure within its tenancy (e.g. organising leak inspections of its own equipment, delivering staff training). **Boundary case – service charge responsibility:** where the lease places water system maintenance responsibility on the tenant via the service charge but does not grant the right to install new fixtures, Options 1, 3, and 5 (which require installation) still do not count, but Option 4 (leak detection/repair) may count if the tenant's maintenance obligation includes this and it is evidenced.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Grey-water	**Minimum evidence:**

recycling systems	• Installation commissioning record or contractor completion certificate for the grey-water system, with facility address, system description (e.g. source of grey water, end use such as urinal flushing/cooling/irrigation), and installation date within the window. **Auditor checks:** • Is the system operational (commissioned), not merely specified in a design that was never built? • Is the facility one the organisation directly owns or operates (per the facility control test above)?
Option 2 – Low-volume or drip irrigation	**At least one of:** • Installation invoice or contractor record for drip or low-volume irrigation systems, with facility address and date. • Landscaping contract or maintenance specification referencing the irrigation system type, with date. **Auditor checks:** • Is the system specifically low-volume/drip (not a standard sprinkler system described loosely as 'efficient')? • Is the landscaping at a facility the organisation owns or operates?
Option 3 – Rainwater harvesting	**Minimum evidence:** • Installation commissioning record, planning permission documentation (where applicable), or contractor invoice for the rainwater harvesting system, with facility address, system capacity, intended non-potable use, and installation date within the window. **Auditor checks:** • Is the system installed and operational (not just planned)? • Is the intended use non-potable (e.g. irrigation, toilet flushing, cleaning) as required by the option wording? Decision rule: if the documentation states or implies the harvested water is treated and used for drinking, food preparation, or other potable purposes, the option does NOT qualify as written – non-potable use is a stated requirement of this specific option. The auditor does not request clarification or assess water-treatment compliance; a potable-use system simply does not satisfy this option (the organisation may still claim Option 3 if it can show a non-potable use component, such as a portion of harvested water used for irrigation, evidenced separately from the potable-use portion).
Option 4 – Leak detection and repair programme (at least annually)	**Minimum evidence (both required):** • A documented programme or procedure describing the leak detection and repair process (scope of systems covered, frequency, responsible role). • Evidence that at least one inspection cycle has been completed within the past 12 months before the audit date (inspection report, maintenance log, or contractor visit record). **Auditor checks:** • Is the frequency at least annual, and has the most recent cycle occurred within 12 months of the audit date? Note: this option uses a 12-month recency test, not the general 36-month window, because the option explicitly requires 'at least annually'. • Does the inspection record show findings or a clean result (both are acceptable – the requirement is that the inspection occurred, not that a leak was necessarily found)? **Boundary case – programme exists but last inspection is 13 months ago:** this fails the 'at least annually' test as worded. The auditor raises a finding for this specific option (other options remain unaffected).
Option 5 – Water-efficient process equipment	**At least one of:** • Purchase invoice or installation record for closed-loop cooling systems, water recycling units, or other process equipment, with a specification confirming reduced water consumption relative to standard equipment, and installation date within the window. • Equipment specification sheet showing a water recirculation or recycling rate, cross-referenced to an installation record. **Auditor checks:**

	• Is the equipment used in the organisation's own production or operational process (not a generic building service)? • Is there evidence of a specific water-saving feature (closed-loop, recycling), not a general claim of 'modern equipment'?
Option 6 – Staff awareness or training on water conservation (past 12 months)	**Minimum evidence (all required together):** • Training or awareness materials specifically addressing water conservation (not generic environmental awareness). • Delivery date within the past 12 months before the audit date – this option uses a 12-month recency test (not 36 months), consistent with its 'in the past 12 months' wording. • Evidence of delivery – participant list, headcount, or completion record. **Auditor checks:** • Is the most recent delivery within 12 months of the audit date? Training delivered 14 months ago with none since → FAIL, even if the organisation has a long-standing training programme. • Does content specifically address water conservation (e.g. reporting leaks, efficient fixture use, irrigation practices) rather than general sustainability?
Option 7 – Water-efficient appliances with recognised rating	**Minimum evidence:** • Purchase invoice or asset record for the appliance(s), showing make/model, with a recognised water efficiency rating (e.g. EU Water Label, WaterSense, Energy Star water-efficiency criteria for applicable appliance categories) or the water consumption figure in litres per cycle stated on the EU energy label) and acquisition date within the window. **Auditor checks:** • Is a recognised rating or certification scheme named and applicable to the appliance category? • Is the appliance installed/in use at a facility the organisation owns or operates? **NOT acceptable:** a general statement that appliances are 'water-efficient' without a named rating scheme or certification.
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation has no directly owned or operated facilities with control over water systems – for example, a fully remote organisation with no offices, or a tenant in a fully-serviced building with zero contractual control over any water-related fixture, system, or maintenance obligation. Required evidence: • A written statement from a Director or Head of Operations describing the organisation's facility arrangements and confirming the absence of any owned or controlled water systems. The auditor must refuse 'Not applicable' if: • The organisation owns or leases any facility with even partial control over water fixtures, irrigation, or process equipment. • Any of Options 1–7 is also selected.
Auditor Decision Summary – 2100193	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–7): evidence is uploaded, dated within the applicable window (36 months generally; 12 months for Options 4 and 6), and the facility is within the organisation's ownership/operational control. • Total qualifying options ≥ 1 (applies to both SMEs and non-SMEs). • OR 'Not applicable' selected with a Director's/Head of Operations' statement confirming no controlled water systems. **FAIL (raise Minor NC) – any of the following applies:**	

- No qualifying option (0 of 8 options meet all three requirements).
- Option 4 selected but the most recent inspection is more than 12 months before the audit date.
- Option 6 selected but the most recent training delivery is more than 12 months before the audit date.
- Options 1, 3, or 5 selected for a facility where the organisation has no contractual right to install or modify fixtures.
- 'Not applicable' selected but the organisation owns or has some control over water systems at any facility.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. an installation invoice for a facility the organisation does not occupy; a training attendance record listing individuals not employed by the organisation.

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above, specifying the option and the requirement (A, B, or C) that failed. For Options 4 and 6, the NC explicitly notes the 12-month (not 36-month) recency failure where applicable. Closure must be confirmed within 12 months of the NC being raised .

SOCIAL PILLAR

2300097 – Employee Wellbeing Strategies

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that actively promote employee wellbeing within its direct operations, and can demonstrate employee access to, or participation in, those measures."

Note: Scoring threshold: SMEs → minimum 1 qualifying option. Non-SMEs → minimum 2. One point per qualifying option, up to the criterion maximum. 'Direct operations' means the organisation's own direct employees, not supply chain workers. 'Can demonstrate employee access to, or participation in' restates the existing Requirement B (direct employee scope) and the per-option evidence standard below – it is the same test, not an additional one.

Answer Options	**Option 1:** Operate a confidential support mechanism for direct employees (e.g. Employee Assistance Programme) **Option 2:** Provide direct employees with access to in-person or virtual counselling sessions (separate from or in addition to an Employee Assistance Programme) **Option 3:** Delivered mental health awareness training to direct employees, with records of delivery and participation **Option 4:** Provide a funded or subsidised physical activity benefit to direct employees (e.g. gym membership, fitness classes) **Option 5:** Offer paid volunteering day(s) to direct employees, set out in HR policy **Option 6:** Have a documented policy on rest and work breaks (e.g. screen breaks, lunch breaks) **Option 7:** Conduct employee wellbeing surveys at least annually with documented follow-up actions **Option 8:** Not applicable – see Not Applicable section below
Criterion overview	The criterion requires active, evidenced implementation of wellbeing measures for direct employees. As with the environmental corrective action criteria, intent or policy alone without evidence of operation/delivery does not qualify. **'Direct employees' defined:** individuals employed directly by the organisation under a contract of employment, including full-time, part-time, and fixed-term staff. Agency workers and contractors engaged via a third-party agency are not 'direct employees' for this criterion unless the organisation extends the benefit to them as a matter of policy, in which case the extension itself does not disqualify the option (the organisation may go beyond the minimum). This is the canonical 'direct employees' definition for this guide: every other criterion using the term (2300118, 2300124, 2300140, 2300005, 2300017, 2300020, and 2200064) applies this same definition, so the same individual is in or out of scope consistently from one criterion to the next. **Proportionality:** the differentiated threshold (minimum 1 option for SMEs, 2 for non-SMEs) and the breadth of the option set – including no-cost, policy-based measures (Options 5 and 6) alongside funded benefits – are the criterion's proportionality mechanism. Organisations select measures feasible for their size, locations, and employment model; no option is worth more than another, and the auditor assesses the option tests below, not the cost or sophistication of the measures chosen. **Accepted supporting evidence (examples, not exhaustive):** ISO 45001 occupational health and safety and ISO 45003 psychological health at work; GRI (Global Reporting Initiative) 403 Occupational Health and Safety; ESRS (European Sustainability Reporting Standards) S1; EAP (Employee Assistance Programme) contract; wellbeing survey report with the resulting actions; training records and attendance registers. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – evaluating wellbeing outcomes (not assessed):** organisations are encouraged to evaluate the effectiveness of significant wellbeing initiatives using measurable indicators (e.g. EAP utilisation, survey scores over time, participation rates) or documented management reviews. This is guidance only: the auditor assesses the option tests below, not outcome measurement.

Compliance Requirements (each selected option)	**Requirement A – Active and current:** the measure is currently operating (Options 1, 2, 4, 5, 6) or was delivered within the applicable recency window (Options 3 and 7 – see specific rules below). A discontinued benefit does not qualify even if it operated within the past 3 years; the auditor checks current operation for ongoing-benefit options. **Requirement B – Direct employee scope:** the measure is available to and used by the organisation's direct employees (not exclusively offered to a narrow subset such as only senior management, unless the organisation's total direct workforce consists only of that group). **Requirement C – Evidence provided:** supporting evidence is uploaded as specified per option below.
Indicators	For each selected option, the auditor verifies: • Evidence of the benefit, programme, or policy is present. • The benefit is current/active (for ongoing benefits) or delivered within the recency window (for one-off/periodic actions). • The benefit is available to the general direct employee population, not an unrepresentative minority.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Confidential support mechanism (e.g. EAP)	**Minimum evidence:** • A current contract or subscription record with an Employee Assistance Programme provider, or equivalent confidential support service, showing the service is active at the time of assessment. • Evidence the service has been communicated to employees (e.g. intranet page, employee handbook reference, induction material). **Auditor checks:** • Is the contract current (not expired)? • Is the service genuinely confidential (i.e. accessible without manager involvement or approval)? **Boundary case – informal arrangement with no contract:** an ad hoc arrangement (e.g. 'employees can speak to HR') without a confidential third-party mechanism does not satisfy this option; it may be considered under general HR support but not as an EAP-equivalent. The auditor requires evidence of a structured, confidential channel.
Option 2 – Counselling sessions	**Minimum evidence:** • A contract, voucher scheme, or programme record showing employees have access to in-person or virtual counselling, with the access being current. • Where this is distinct from an EAP claimed under Option 1, evidence should show the additional/separate nature of the provision (e.g. a dedicated counselling allowance, a different provider, or an enhanced number of sessions beyond a standard EAP). **Auditor checks:** • Is the counselling access current and not merely a past pilot that has since ended? • Where claimed alongside Option 1, is there a genuine distinction (not the same EAP contract counted twice)?
Option 3 – Mental health awareness training	**Minimum evidence (all required together):** • Training records showing both: (a) delivery – the training date within the 3-year window and the training name or description; and (b) participation – a participant list or attendee headcount for that specific session. A record showing only that a session was scheduled or delivered, with no participation record, does not satisfy this element. • Content description confirming the training addresses mental health awareness specifically (e.g. recognising signs of stress, mental health first aid, manager training on supporting team mental health). **Auditor checks:** • Is the training date within the 3-year window?

	• Is the content specifically mental-health focused (not generic wellbeing or generic HR induction content)? • Is there a participation record for the session (not only a record that the session was delivered or scheduled)?
Option 4 – Funded or subsidised physical activity benefit	**Minimum evidence:** • Evidence of a current benefit providing full or partial funding towards physical activity (e.g. gym membership scheme contract, corporate fitness discount agreement, on-site fitness class schedule with cost coverage confirmed). **'Funded or subsidised' – decision rule:** the organisation must bear some or all of the direct cost. The following qualify: • The organisation pays the full cost of memberships. • The organisation pays a fixed monthly allowance towards membership costs. • The organisation has negotiated a discounted corporate rate and communicates this as an employee benefit, where the discount itself constitutes a measurable saving to the employee. **The following do NOT qualify:** • A general mention that 'staff are encouraged to stay active' with no financial contribution. • A list of nearby gyms shared with employees with no negotiated rate or organisational funding.
Option 5 – Paid volunteering day(s)	**Minimum evidence (both required):** • An HR policy document stating the entitlement to paid volunteering day(s), with the number of days specified, version-dated and currently in effect. • Evidence that the entitlement has been used by at least one employee within the past 12 months (e.g. HR leave records showing volunteering day usage, or an internal communication confirming uptake). **Auditor checks:** • Is the entitlement formally documented in HR policy (not an informal manager discretion)? • Is there evidence of actual uptake, not only the existence of the policy? **Decision rule – what date governs:** the test applies to the date of the most recent evidenced uptake, not the age of the policy. A policy that has existed for 3 years with evidenced uptake 18 months ago and none since does NOT qualify – the 12-month test looks at when someone last used the entitlement, exactly as for a long-standing policy with no recent use. A policy is allowed to be old; the uptake evidence is not. **Boundary case – newly introduced policy with no uptake yet:** where the policy was introduced within the past 12 months and the assessment window has not yet allowed for uptake (e.g. policy introduced 2 months before audit), the auditor may accept the policy alone as evidence of an active benefit, provided the policy is unambiguous and communicated to staff. This is the ONLY circumstance in which the absence of uptake evidence does not cause a FAIL. Re-verification of uptake is expected at the next audit cycle.
Option 6 – Documented rest and work breaks policy	**Minimum evidence:** • A written policy (in an employee handbook, HR policy library, or standalone document) specifying rest and work break entitlements (e.g. lunch break duration, screen break guidance for display-screen-equipment users), currently in effect. **Auditor checks:** • Is the policy specific (stating durations or guidance), not a generic statement that 'employees are entitled to breaks in line with the law' with no further detail? • Is the policy accessible to employees (in a handbook or policy library, not solely in an unpublished internal management document)?
Option 7 – Annual wellbeing surveys with	**Minimum evidence (all required together):** • A survey report or results summary from a wellbeing or engagement survey, dated within the past 12 months before the audit date – this option uses a 12-month recency test consistent with the 'at least annually' wording.

documented follow-up	• Documented follow-up actions arising from the survey results (an action plan, management response document, or communicated next steps). **Auditor checks:** • Is the survey specifically about wellbeing (or does it include a clear wellbeing component within a broader engagement survey)? • Is the most recent survey within 12 months of the audit date? • Are follow-up actions documented (a survey with no action plan does not meet this requirement, even if the survey itself was conducted on time)?
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available	'Not applicable' is expected to be used rarely for this criterion, since virtually all organisations with employees can implement at least one wellbeing measure. It may be considered only where the organisation has no direct employees at all (e.g. a holding company with all staff employed through a separate operating subsidiary that is assessed independently). **Required evidence:** • A written statement from a Director confirming the organisation has no direct employees, with supporting evidence (e.g. payroll records showing zero direct headcount, or the corporate structure document identifying the employing entity). The auditor must refuse 'Not applicable' if the organisation has any direct employees, regardless of headcount size.
Auditor Decision Summary – 2300097	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–7): evidence is uploaded, the benefit/measure is current or within the applicable recency window, and it is available to the general direct employee population. • Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME). • OR 'Not applicable' selected with a Director's statement confirming zero direct employees. **FAIL (raise Minor NC) – any of the following applies:** • Total qualifying options below the threshold. • Option 3 or 7 selected but the most recent delivery/survey is more than 12 months (Option 7) or 3 years (Option 3) before the audit date. • Option 4 selected but there is no organisational financial contribution (a list of nearby gyms with no funding does not qualify). • Option 5 selected but the most recent evidenced uptake is more than 12 months before the audit date, AND the policy itself was not introduced within the past 12 months (i.e. the new-policy boundary case does not apply). • 'Not applicable' selected but the organisation has any direct employees.	
MAJOR NON-CONFORMITY Positive evidence of fabrication required – e.g. a survey report with results that do not match raw data the organisation also holds; training records listing individuals confirmed not to be employees. **MINOR NON-CONFORMITY** Minor NC raised for any FAIL condition above, specifying the shortfall in count or the specific option/requirement that failed. Closure must be confirmed within 12 months of the NC being raised .	

2300118 – Modern Slavery Statement Content

Assessment Criteria: "Company shall maintain a Modern Slavery Statement, approved at board or director level, dated within the past 12 months and publicly available where legally required, that includes the listed elements."

Note: Applicability: non-SMEs only. SMEs are exempt. Threshold: non-SMEs → minimum 2 qualifying elements (raised from minimum 1). One point per qualifying element, up to the criterion maximum.

Answer Options	**Option 1:** A description of the company's modern slavery and human trafficking policies (e.g. employee code of conduct, supplier code, recruitment policy) **Option 2:** A description of due diligence processes for modern slavery across direct operations and supply chain **Option 3:** A risk assessment and management procedure specific to modern slavery (e.g. high-risk geographies, sectors) **Option 4:** A description of the modern slavery training provided to relevant staff **Option 5:** A description of remediation steps taken in response to identified risks or incidents **Option 6:** Not applicable – see Not Applicable section below
Criterion overview and distinction from 2300124	This criterion assesses the content of the organisation's published Modern Slavery Statement – what the Statement describes. It does not independently verify that the underlying risk assessment process was rigorous; that is assessed separately under criterion 2300124 (Human Rights Risk Assessment). **Key distinction:** 2300118 asks 'does the published Statement describe X?' – the auditor checks the Statement document itself for the presence of each described element. 2300124 asks 'did the organisation actually conduct a risk assessment covering specific risk areas, and is there a risk assessment document (not just a public Statement)?' – the auditor reviews the underlying risk assessment artefact, which may be more detailed and is not necessarily public. An organisation could in principle pass 2300118 (a Statement describing a risk assessment process exists) while failing 2300124 (the underlying risk assessment document itself, when requested, is absent or inadequate) – these are independent checks and the auditor does not assume one implies the other. **Equivalent legislation and terminology:** a statement produced under an equivalent national regime – for example the Australian Modern Slavery Act 2018, the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, the Norwegian Transparency Act, or the California Transparency in Supply Chains Act – or produced voluntarily under a recognised international framework, satisfies this criterion whatever the document's title, provided it meets the same prerequisite tests (board/director-level approval, dated within 12 months, publicly available where legally required) and its content is assessed against Options 1–5 in the same way. Differing national terminology (e.g. 'forced labour statement', 'transparency statement') does not affect eligibility. **Accepted supporting evidence (examples, not exhaustive):** the Modern Slavery Statement itself, signed and dated by a named director in post at the date of approval; the webpage where it is published; the policies the Statement names; training records for the staff group the Statement describes; any remediation or escalation procedure it refers to. The Statement is assessed against the UK Modern Slavery Act section 54 where that applies. Where the organisation applies the UNGP (United Nations Guiding Principles on Business and Human Rights), the OECD (Organisation for Economic Cooperation and Development) Due Diligence Guidance, IFC (International Finance Corporation) Performance Standard 2 or GRI (Global Reporting Initiative) 409, that material is accepted in support. Evidence, standards or methodologies that are technically equivalent are equally acceptable. This paragraph is guidance on acceptable evidence; the option tests and the Auditor Decision Table below are unchanged.
Compliance Requirements (threshold and prerequisite)	**Prerequisite – Statement exists, approved, current, and (where required) public:** before any option can be assessed, the organisation must produce a Modern Slavery Statement that is (i) approved at board or director level (a named signature block with title, e.g. 'Director' or 'Board Member', is required – an unsigned draft does not qualify), (ii) dated within the past 12 months of the audit date, and (iii) publicly available where the organisation's jurisdiction legally requires publication (see the dedicated guidance below for what 'legally required' and 'publicly available'

	mean). If any part of the prerequisite is not met, no option can be awarded a point regardless of content, and the criterion fails in full. **Requirement for each selected option:** the named element is described in the Statement with sufficient specificity that the auditor can identify what the organisation actually does – not merely that the topic is mentioned in passing.
Indicators	The auditor first verifies the prerequisite, then checks each selected option: • Is the Statement approved at board/director level with a named signatory and title? • Is the Statement dated within 12 months of the audit date? • Where publication is legally required in the organisation's jurisdiction, is the Statement actually publicly available (e.g. published on the company website)? • For each selected option, does the Statement contain a substantive description of that element (not a single passing sentence with no detail)?
Guidance – Prerequisite: Signature and Date	
What satisfies 'signed at board or director level'	**Acceptable:** • A named individual with the title 'Director', 'CEO', 'Board Member', 'Chairperson', or equivalent senior governance title held on date of approval, with a signature (physical or digital) or, for statements published online, a statement that it was 'approved by the board on [date]' alongside the named approving individual. **Not acceptable:** • A Statement signed only by a 'Sustainability Manager', 'Compliance Officer', or similar role without board/director-level authority, unless that individual is also confirmed to be a company director. • An unsigned Statement, even if otherwise complete in content. **Boundary case – sole director / small board:** for a small organisation with a single director, that director's signature is sufficient; no additional board ratification is required beyond what is legally required for the organisation's structure. Who counts as 'a Director' elsewhere in this guide: many other criteria require 'a Director's (written) statement' for Not Applicable determinations or similar evidentiary purposes, without repeating this signatory standard. Unless a specific criterion states a stricter requirement, the same standard set out above governs every such reference throughout this guide – i.e. a named individual holding the title Director, CEO, Board Member, Chairperson, Owner, Managing Partner, or an equivalent senior governance title for the organisation's legal structure, signed (physically or digitally). A statement signed only by a non-governance role (e.g. Sustainability Manager, Compliance Officer, Operations Manager) does not satisfy any 'Director's statement' requirement in this guide unless that individual also holds one of the qualifying titles.
12-month currency test	The Statement date (the date it was signed/approved, not the financial year it covers) must be within 12 months of the audit date. Example (audit date 15 June 2026): a Statement dated 1 July 2025 → 11.5 months ago → PASS. A Statement dated 1 May 2025 → 13.5 months ago → FAIL. **Boundary case – Statement covers an older financial year but was recently signed:** this is acceptable. The test applies to the signature/approval date, not the reporting period covered by the Statement's substantive content.
Guidance – Prerequisite: Public Availability Where Legally Required	
Decision rule – is publication legally required	**Step 1:** the auditor identifies whether the organisation's jurisdiction imposes a statutory duty to publish a Modern Slavery Statement, and whether the organisation meets the turnover or equivalent threshold that triggers that duty. Examples: • UK Modern Slavery Act 2015, s.54: applies to commercial organisations with total annual turnover of £36 million or more carrying on business in the UK – publication on the organisation's website, with a link from the homepage, is required. • Australian Modern Slavery Act 2018: applies to entities with annual consolidated revenue of AUD $100 million or more – the Statement must be submitted to the government's online register (which is itself a form of public availability).

	• Where no such statutory duty applies to the organisation (e.g. turnover below the relevant threshold, or no statutory regime in its jurisdiction), publication is not legally required and this element of the prerequisite is automatically satisfied regardless of whether the organisation chooses to publish voluntarily. **Step 2:** where a statutory duty does apply, the auditor checks that the Statement is actually publicly accessible – for the UK test, this means locating the Statement on the organisation's public website via a working link, not merely confirming the organisation says it is published. **Decision rule:** (a) no statutory publication duty applies → prerequisite element automatically met, regardless of voluntary publication; (b) a statutory duty applies AND the Statement is publicly accessible as required → prerequisite element met; (c) a statutory duty applies AND the Statement is not publicly accessible (no website link found, link broken, or only available on request) → prerequisite element FAILS, and the criterion fails in full regardless of content quality.
Guidance – Minimum Specificity by Option	
Option 1 – Modern slavery and human trafficking policies	**Minimum specificity:** the Statement names at least one specific policy (e.g. 'Supplier Code of Conduct', 'Recruitment and Right to Work Policy', 'Whistleblowing Policy') and briefly describes its relevance to modern slavery prevention. **NOT sufficient:** a single sentence stating 'we have policies in place to prevent modern slavery' with no policy named or described.
Option 2 – Due diligence processes	**Minimum specificity:** the Statement describes at least one concrete due diligence activity covering direct operations or the supply chain – for example, supplier onboarding checks, contractual clauses, supplier audits, or worker interviews. **NOT sufficient:** a statement that 'we conduct due diligence on our supply chain' without describing what that due diligence consists of.
Option 3 – Risk assessment and management procedure	**Minimum specificity:** the Statement identifies at least one specific risk factor relevant to the organisation (e.g. a named high-risk sourcing country, a named high-risk sector such as agency labour, seasonal labour, or low-skilled manufacturing) and describes how that risk is managed. **Cross-reference note:** where the organisation's separate risk assessment document (assessed under 2300124) exists and is referenced or summarised in the Statement, this strengthens the evidence for this option, but the Statement itself must still contain a description, not merely a reference such as 'see our risk assessment' with no summary content.
Option 4 – Modern slavery training	**Minimum specificity:** the Statement describes the training provided – at minimum, who receives it (e.g. 'procurement staff', 'all new starters') and what it covers (e.g. 'recognising indicators of forced labour'). 'Relevant staff' in the option wording is not a fixed population the auditor pre-defines; it is satisfied by whichever audience the Statement itself names, provided an audience is actually named – an unnamed, generic 'staff' reference does not meet this minimum specificity test. **NOT sufficient:** 'staff receive training on modern slavery' with no indication of audience or content.
Option 5 – Remediation steps	**Minimum specificity:** the Statement describes the organisation's approach to remediation if a modern slavery risk or incident were identified – for example, a stated remediation process, victim support commitment, or escalation procedure. Where no incidents have occurred, a description of the remediation process the organisation would follow (a contingency description) is sufficient; an actual incident is not required for this option to qualify. **NOT sufficient:** no mention of remediation at all, or a statement that 'we would take appropriate action' with no description of what that action would involve.
Guidance – 'Not Applicable' (Option 6)	
When 'Not applicable' is available	'Not applicable' may be selected where the organisation falls below the legal turnover (or equivalent) threshold that would otherwise require a statutory Modern Slavery Statement in its jurisdiction, AND the organisation has chosen not to voluntarily produce one. **Required evidence:**

	• A written statement from a Director confirming the organisation's turnover is below the applicable statutory threshold (with the threshold and jurisdiction named), and that no Modern Slavery Statement has been voluntarily produced. The auditor must refuse 'Not applicable' if a Modern Slavery Statement has in fact been produced (voluntarily or otherwise) – in that case, the Statement is assessed on its content per Options 1–5.
Auditor Decision Summary – 2300118	
Step 1 – SME applicability check (apply before anything below)	**If the organisation is an SME:** the criterion is NOT assessed – no Statement or content is required, and an absent submission is not a finding. Stop here. **If the organisation is a non-SME:** proceed to the PASS/FAIL table below.

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- A Modern Slavery Statement exists, is approved at board/director level with a named signatory, and is dated within 12 months of the audit date (prerequisite).
- Where a statutory publication duty applies to the organisation, the Statement is publicly accessible as required (prerequisite).
- For each selected option (1–5): the Statement contains a substantive, specific description of that element (not a passing mention).
- Total qualifying options ≥ 2 (raised from minimum 1).
- OR 'Not applicable' selected with a Director's statement confirming the organisation is below the statutory threshold and has not voluntarily produced a Statement.

FAIL (raise Minor NC) – any of the following applies:

- No Statement exists, or the Statement is unapproved, or approved by someone without board/director authority – criterion fails in full regardless of content.
- Statement is dated more than 12 months before the audit date.
- A statutory publication duty applies but the Statement is not publicly accessible (no working website link, or available only on request).
- All selected options contain only passing mentions without substantive description.
- Total qualifying options < 2.
- 'Not applicable' selected despite a Statement having been produced (voluntarily or otherwise).

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a signature block naming a director who has confirmed they did not approve the Statement; content describing training that training records show was never delivered.

MINOR NON-CONFORMITY

Minor NC raised where the prerequisite fails (no Statement, unapproved, stale, or – where legally required – not publicly accessible) or where fewer than 2 qualifying options are identified. The NC specifies which failure applies. Closure must be confirmed within 12 months of the NC being raised .

2300124 – Human Rights Risk Assessment

Assessment Criteria: "Company shall conduct and document a human rights risk assessment of its direct operations, conducted or reviewed within the past 24 months and supported by a defined methodology, that examines the listed risk areas."

Note: Applicability: non-SMEs only. SMEs are exempt. Threshold: non-SMEs → minimum 2 qualifying risk areas (raised from minimum 1). One point per qualifying risk area, up to the criterion maximum.

Answer Options	**Option 1:** Forced labour, modern slavery, and human trafficking risks **Option 2:** Child labour risks **Option 3:** Discrimination and harassment risks in the workplace **Option 4:** Freedom of association and collective bargaining risks **Option 5:** Wage and working hours violations (below minimum wage, excessive overtime, unpaid wages) **Option 6:** Health & safety risks in the workplace (working environment, equipment, injuries) **Option 7:** Living conditions and treatment of migrant workers **Option 8:** Land rights and impacts on local communities **Option 9:** Not applicable – see Not Applicable section below
Criterion overview and distinction from 2300118 / 2300140	This criterion assesses the underlying risk assessment artefact itself – an internal document examining specific risk areas relevant to the organisation's direct operations. It is distinct from 2300118 (which assesses a public-facing Statement describing policies and processes) and from 2300140 (which assesses concrete actions taken in the supply chain, not direct operations). **Scope – 'direct operations' only:** this criterion covers risks within the organisation's own workforce and worksites. Supply chain risk assessment is addressed separately under criterion 2300140. Where a single combined risk assessment document covers both direct operations and supply chain, the auditor extracts and assesses only the direct-operations content for this criterion. **Accepted supporting evidence (examples, not exhaustive):** UNGP (United Nations Guiding Principles on Business and Human Rights) and OECD (Organisation for Economic Cooperation and Development) Due Diligence Guidance for the risk methodology; IFC (International Finance Corporation) Performance Standard 1 on environmental and social risk management and Performance Standard 2; ESRS (European Sustainability Reporting Standards) S1 to S4 impact and risk assessment; a human rights saliency or risk assessment report. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – event-triggered review (not assessed):** organisations are encouraged to review the risk assessment not only on the periodic cycle but promptly following significant changes – for example acquisitions or mergers, expansion into new geographies, material changes to workforce models (e.g. new agency or seasonal labour), or material supply chain restructuring. An event-triggered review evidenced with a review date also restarts the 24-month clock under the currency test below. This is guidance only: the binding requirement remains the 24-month conduct-or-review test.
Compliance Requirements (prerequisite and per-option)	**Prerequisite – assessment document exists, is current, and uses a defined methodology:** a risk assessment document exists, covering the organisation's direct operations, conducted or last reviewed within 24 months of the audit date, and using a defined methodology. 'Defined methodology' means the document applies a consistent, stated approach to assessing each risk area – at minimum, the same four sub-elements (likelihood, severity, controls, planned actions) applied consistently across all selected risk areas, as set out in the per-option requirement below. A document that uses this structured four-part approach automatically satisfies 'defined methodology' – no separate, additional methodology statement is required on top of it. A document that addresses risk areas in an ad hoc, inconsistent way (e.g. some risk areas analysed in detail, others given a single unstructured sentence, with no consistent framework applied) does NOT satisfy 'defined methodology', even if individual risk areas happen to contain the required sub-elements. The minimum acceptable form remains a brief internal risk register or memo (1–3 pages) – a substantial, lengthy report is not required.

	Per-option requirement: for each selected risk area, the document addresses, at minimum: (i) the likelihood of the risk occurring in the organisation's context, (ii) the severity if it occurred, (iii) existing controls or mitigations already in place, and (iv) planned actions (if any) to further address the risk. All four sub-elements must be present for that risk area to qualify – a risk area merely listed with no analysis does not qualify.
Indicators	The auditor first verifies the prerequisite, then checks each selected risk area for the four sub-elements: • Document exists, covers direct operations, dated/reviewed within 24 months, and after any disclosed material organisational changes, and applies the same four-part structure consistently across all selected risk areas (defined methodology). • For each selected risk area: likelihood stated, severity stated, existing controls described, planned actions stated (or explicitly stated as 'none required' with a brief justification, which is acceptable where the existing controls are assessed as adequate).
Guidance – Prerequisite: 24-Month Currency Test	
Applying the 24-month rule	The relevant date is either the date the assessment was first conducted or, where reviewed/updated since, the most recent review date – whichever is later. Example (audit date 15 June 2026): an assessment conducted in 2022 but reviewed and re-confirmed in August 2024 → review date is 22 months before audit → PASS. The same assessment with no review since 2022 → 4 years before audit → FAIL. **What counts as a 'review':** a documented re-confirmation that the assessment remains accurate, or an update incorporating new information (e.g. new operating locations, new risk factors identified). A review must be evidenced – a document with no version history or review date stated does not benefit from the 'reviewed' extension, and the original conduct date is used instead. **Event-triggered review:** where a material organisational change occurred more than 6 months before the audit date and since the assessment was conducted or last reviews, the assessment must have been reviewed after that change; the 24-month test then runs from the later review date. Material organisational change means; an acquisition, merger or divestment; operations commencing in a new country; a new category or worker in direct operations (e.g. agency, seasonal or migrant labour); a worksite opening or closing; or a restructuring materially changing the size or composition of the direct workforce. The auditor applies this test only where the change is identified in the submission or evidence, and is not required to investigate undisclosed changes.
Minimum acceptable document format	The guide explicitly sets a low bar for documentation: a 1–3 page internal risk register or memo is sufficient. The auditor does not require: • External consultant involvement (though acceptable if used). • A lengthy narrative report – a structured table format (risk area / likelihood / severity / controls / planned actions) is fully acceptable and, in fact, the clearest way to demonstrate the four sub-elements per risk area. • Quantitative risk scoring – qualitative descriptions (e.g. 'likelihood: low', 'severity: high') are sufficient; numeric risk matrices are not required but may be used.
Guidance – Per-Option Sub-Element Test	
Applying the four-part test to each selected risk area	For each selected risk area (Options 1–8), the auditor checks all four sub-elements are present in the document: **(i) Likelihood:** a stated assessment of how likely the risk is to occur in the organisation's specific context (e.g. 'low – predominantly office-based workforce in the UK with no agency labour' or 'moderate – seasonal warehouse staff sourced via agency during peak periods'). **(ii) Severity:** a stated assessment of the potential impact if the risk occurred (e.g. 'high – could result in serious harm to vulnerable workers'). **(iii) Existing controls:** a description of what the organisation currently does to mitigate the risk (e.g. 'all agency contracts include right-to-work verification clauses', 'annual reference checks for agency suppliers').

	(iv) Planned actions: either a description of further action planned to address residual risk, or an explicit statement that no further action is currently planned because existing controls are assessed as adequate. A risk area with no mention of planned actions or adequacy at all → this sub-element fails. **Good practice – affected stakeholder groups (not assessed):** identifying the affected group(s) for each risk area (e.g. agency staff, seasonal or migrant workers, young workers, workers at a specific site) strengthens the likelihood and severity analysis and helps target controls. The worked example below models this ('agency-supplied warehouse staff'). This is guidance only; it is not a fifth mandatory sub-element. **Worked example – Option 1 (Forced labour, modern slavery, human trafficking):** • Likelihood: 'Low for direct employees (UK-based, direct contracts); moderate for agency-supplied warehouse staff during peak season.' • Severity: 'High – could involve serious exploitation of vulnerable workers.' • Existing controls: 'Agency suppliers vetted against Stronger Together accreditation; right-to-work checks conducted for all agency staff; whistleblowing line available to all workers including agency staff.' • Planned actions: 'Annual audit of agency supplier compliance to be introduced in Q3 2026.' This worked example PASSES all four sub-elements.
What does NOT qualify per risk area	• A risk area simply named in a list (e.g. 'Child labour – N/A') with no likelihood, severity, controls, or planned action analysis. • A generic statement applied identically across all eight risk areas with no organisation-specific content (e.g. the same sentence 'we comply with all applicable laws' repeated for every risk area) – this suggests the assessment is not genuinely tailored to the organisation's context, and the auditor should treat this as not meeting sub-elements (i) and (iii) at minimum.
Guidance – 'Not Applicable' (Option 9)	
When 'Not applicable' is available	'Not applicable' is expected to be used rarely. It is not generally available simply because the organisation believes its risk is low – low risk is recorded as 'low likelihood' within the assessment (Option 1–8 framework), not as 'not applicable'. 'Not applicable' to the criterion as a whole is only appropriate where the organisation has no employees and no operations to assess (a dormant or pre-operational entity). **Required evidence:** • A written statement from a Director confirming the organisation has no operational workforce or activity to assess. The auditor must refuse 'Not applicable' for any operating organisation with employees, regardless of how low the organisation believes its human rights risk to be.
Auditor Decision Summary – 2300124	
Step 1 – SME applicability check (apply before anything below)	**If the organisation is an SME:** the criterion is NOT assessed – no risk assessment document is required, and an absent submission is not a finding. Stop here. **If the organisation is a non-SME:** proceed to the PASS/FAIL table below.
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • A risk assessment document exists covering direct operations, conducted or reviewed within 24 months of the audit date, and applies a consistent four-part structure across all selected risk areas (defined methodology) (prerequisite). • For each selected risk area: all four sub-elements (likelihood, severity, existing controls, planned actions or adequacy statement) are present. • Total qualifying risk areas ≥ 2 (raised from minimum 1).	

- OR 'Not applicable' selected with a Director's statement confirming no operational workforce.

FAIL (raise Minor NC) – any of the following applies:

- No risk assessment document exists, or it does not cover direct operations, or it is more than 24 months old with no evidenced review, or a material organisational change identified in the submission or evidence occurred more than 6 months before the audit date with no review since – criterion fails in full.
- The document addresses risk areas inconsistently with no defined methodology (e.g. some risk areas analysed in full, others given only a single unstructured sentence, with no consistent framework applied) – criterion fails in full regardless of how many individual risk areas happen to contain the required sub-elements.
- Selected risk areas are listed with no likelihood/severity/controls/planned-action analysis.
- Generic, non-organisation-specific content repeated identically across all risk areas with no tailored analysis.
- Total qualifying risk areas < 2.
- 'Not applicable' selected despite the organisation having an operational workforce.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a risk assessment referencing controls (such as a named accreditation scheme for agency suppliers) that the organisation's actual supplier contracts show were never implemented.

MINOR NON-CONFORMITY

Minor NC raised where the prerequisite fails (no document, wrong scope, stale, or no defined methodology) or where fewer than 2 qualifying risk areas are identified. The NC specifies the missing sub-element(s) per risk area where relevant. Closure must be confirmed within 12 months of the NC being raised.

2300140 – Supply Chain Human Rights Measures

Assessment Criteria: "Company shall have implemented measure(s) within the past 3 years that uphold human rights throughout its supply chain, supported by objective evidence of implementation."

Note: Applicability: both SMEs and non-SMEs (changed from non-SME-only). Threshold: SMEs → minimum 1 qualifying option. Non-SMEs → minimum 2. One point per qualifying option, up to the criterion maximum.

Answer Options	**Option 1:** Prioritise sourcing from suppliers in countries with strong labour rights frameworks where feasible **Option 2:** Require suppliers to sign and uphold the company's Supplier Code of Conduct, covering prohibition of child and forced labour, fair wages, working hours, and safe working conditions **Option 3:** Set realistic production lead times with suppliers **Option 4:** Apply fair payment terms to suppliers (no unilateral deductions or retrospective changes) **Option 5:** Conduct ethical audits of suppliers (internal or third-party) and require corrective action plans for any findings **Option 6:** Provide suppliers with training and resources on human rights and Modern Slavery prevention **Option 7:** Operate a confidential grievance mechanism accessible to supplier workers **Option 8:** Not applicable – see Not Applicable section below
Criterion overview	This criterion addresses concrete, evidenced measures in the organisation's supply chain – distinct from 2300124 (direct operations risk assessment) and from 2300118 (the content of a published Statement). The same active-implementation standard used in the environmental corrective action criteria applies: a policy or commitment without evidence of operation does not qualify. This criterion applies to both SMEs and non-SMEs, at different thresholds (SME minimum 1, non-SME minimum 2) – there is no SME exemption for this criterion. **'Objective evidence of implementation':** this phrase means documentary evidence of actual application (the Requirement C standard below), not merely a stated policy – it does not add any requirement beyond what is already detailed per option below.

	'Supplier' for this criterion has the same Tier 1 definition used under criterion 2100022 (direct purchase relationship), unless an option explicitly extends further (none of these options extend beyond Tier 1 explicitly, so Tier 1 is the applicable scope throughout). **Accepted supporting evidence (examples, not exhaustive):** OECD (Organisation for Economic Cooperation and Development) Due Diligence Guidance for Responsible Supply Chains; IFC (International Finance Corporation) Performance Standard 2 and the ILO (International Labour Organization) core conventions; ETI (Ethical Trading Initiative) Base Code or RBA (Responsible Business Alliance) Code of Conduct; SMETA (Sedex Members Ethical Trade Audit) reports; signed Supplier Code with corrective action plans. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – risk-based targeting and improvement over time (not assessed):** organisations are encouraged to direct these measures at the suppliers presenting the highest human rights risk – prioritised by geographical location (e.g. using a recognised index such as the ITUC Global Rights Index), sector risk, purchasing significance, or previous compliance performance – and to evaluate supplier performance trends across certification cycles, including the effectiveness of corrective actions agreed under Option 5. This is guidance only: the auditor assesses the option tests below, not the organisation's targeting choices or trend analysis.
Compliance Requirements (each selected option)	**Requirement A – Active implementation within 3 years:** the measure is in operation, or was completed/applied within the 36-month window. For ongoing measures (e.g. Option 4's payment terms practice), current operation is required, not merely a historical instance. **Requirement B – Supply chain relevance:** the measure concerns the organisation's suppliers (not its own direct employees, which are covered under other criteria such as 2300005, 2300017, 2300020, or 2300097). **Requirement C – Evidence with concrete application:** evidence shows not only a policy/commitment but at least one instance of application or operation.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Prioritise sourcing from strong labour-rights-framework countries	**Minimum evidence (both required):** • A documented sourcing policy or procurement guideline stating a preference for suppliers in countries with recognised labour rights protections (the policy may reference a recognised index, such as the ITUC Global Rights Index, or describe the organisation's own assessment criteria). • Evidence the policy has influenced at least one actual sourcing decision (e.g. a procurement record, supplier selection rationale, or a sourcing mix report showing geographic distribution consistent with the stated preference). **Auditor checks:** • Is the policy specific about what 'strong labour rights framework' means (a named index or defined criteria), not just an unsubstantiated aspiration? • Is 'where feasible' interpreted reasonably? The auditor does not require the organisation to have sourced exclusively from top-rated countries – the option requires a genuine prioritisation policy in effect, with at least one example of its application, not a 100% compliant sourcing footprint.
Option 2 – Supplier Code of Conduct signed by suppliers	**Minimum evidence (both required):** • The Supplier Code of Conduct document, covering all five named sub-topics: (i) prohibition of child labour, (ii) prohibition of forced labour, (iii) fair wages, (iv) working hours, and (v) safe working conditions. All five must be present in the Code for this part to be met – partial coverage does not qualify. • Evidence that at least one current Tier 1 supplier has signed or formally accepted the Code (a signed acknowledgement, a contract clause incorporating the Code by reference with supplier acceptance, or an e-signature platform record). **Auditor checks:** • Does the Code cover all the named sub-topics? A Code that addresses only child labour and forced labour but omits fair wages or working hours conditions does not meet the full requirement – note the deficiency specifically.

	• Is there evidence of actual supplier sign-up (a code that exists but has never been circulated for signature does not qualify)?
Option 3 – Realistic production lead times	**Minimum evidence (both required):** • A documented internal policy, planning guideline, or procurement standard specifying minimum lead times for production orders, with the rationale linking realistic lead times to preventing excessive overtime or rushed/unsafe production at supplier sites. • Evidence the policy is applied – e.g. purchase order records showing lead times consistent with the policy, or a planning calendar/critical path document used in order placement. **Auditor checks:** • Is there a stated minimum lead time standard (a specific number of days/weeks, or a stated planning process), not just a general aspiration to 'work collaboratively with suppliers on timing'? • Is there evidence of at least one order following the standard?
Option 4 – Fair payment terms (no unilateral deductions or retrospective changes)	**Minimum evidence (both required):** • A documented payment terms policy or standard supplier contract clause prohibiting unilateral deductions from agreed prices and retrospective changes to payment terms after an order is placed. • Evidence of actual payment practice consistent with the policy – e.g. a sample of recent supplier invoices and corresponding payments showing no unexplained deductions, or a procurement/finance attestation confirming adherence. **Auditor checks:** • Is the policy specific about prohibiting both unilateral deductions and retrospective changes (the option names both)? A policy addressing only one of the two does not fully meet the option as worded – note the partial deficiency. • Is there evidence of consistent practice, not just a stated policy with no operational confirmation?
Option 5 – Ethical audits with corrective action plans	**Minimum evidence (all three parts required, parallel to 2100022 Option 4):** **Part A – Audit report:** a formal ethical/social compliance audit report covering at least one Tier 1 supplier, dated within the 3-year window, addressing human rights / labour conditions (e.g. SMETA, SA8000, BSCI, or an equivalent internal audit covering labour standards). **Part B – Corrective action plan:** a CAP agreed with the supplier addressing identified findings. **Part C – Follow-up:** evidence the organisation followed up on the CAP (a re-audit, correspondence confirming progress, or a status update signed by both parties). **Auditor checks:** identical structure to criterion 2100022 Option 4 – the auditor cross-checks that the audit is genuinely an ethical/labour audit (not solely a quality or GHG audit, which belong to different criteria).
Option 6 – Training and resources on human rights / Modern Slavery for suppliers	**Minimum evidence (parallel structure to 2100022 Option 3):** **Training:** delivery records showing date within the 3-year window, supplier name or anonymised reference, and content specifically addressing human rights or modern slavery prevention. **Resources:** evidence of materials, tools, or guidance documents provided to at least one Tier 1 supplier, with the date of provision and confirmation of receipt. **Auditor checks:** • Is the content specific to human rights / modern slavery (not generic supplier business development support)? • Is there evidence of actual delivery/provision to a real supplier within the window?
Option 7 – Confidential grievance mechanism for supplier workers	**Minimum evidence (both required):** • Documentation of a grievance mechanism accessible to supplier (not only the organisation's own) workers – e.g. a worker hotline, a third-party ethics line extended to supply chain workers, or a grievance procedure specified in the Supplier Code of Conduct with contact details for supplier workers to use directly.

	• Evidence the mechanism is genuinely accessible to supplier workers (not solely to the organisation's own staff) – for example, communication materials distributed at supplier sites, multi-language hotline signage, or confirmation from the mechanism provider that supplier-site workers are in scope. **Auditor checks:** • Is the mechanism explicitly available to workers at supplier sites (an internal whistleblowing line for the organisation's own staff does not, on its own, satisfy this option unless its scope has been extended to cover supplier workers)? • Is confidentiality genuinely assured (anonymous reporting option, or a third-party-operated channel)?
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation's business model genuinely does not involve a supply chain – the same narrow test applied under criterion 2100022. Required evidence: the same two elements required under 2100022 – a Director's/Head of Sustainability written statement and a supporting financial document confirming the absence of material supplier expenditure on goods or services with associated labour risk. The auditor must refuse 'Not applicable' under the same conditions as 2100022 (any physical goods purchases, contract manufacturing, or logistics providers engaged).

Auditor Decision Summary – 2300140

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- For each selected option (1–7): evidence shows both a documented standard/policy AND at least one instance of actual application within the 3-year window.
- Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME).
- OR 'Not applicable' selected with both required elements (Director's statement and financial document).

FAIL (raise Minor NC) – any of the following applies:

- Total qualifying options below the threshold (selected options show policy only, with no evidence of application, or insufficient count).
- Option 2 selected but the Code of Conduct omits one or more of the named sub-topics (child labour, forced labour, fair wages, working hours, safe working conditions).
- Option 4 selected but the policy addresses only unilateral deductions or only retrospective changes, not both.
- Option 5 selected but the audit addresses only quality/commercial criteria with no labour rights component.
- Option 7 selected but the grievance mechanism is scoped only to the organisation's own employees, not supplier workers.
- 'Not applicable' claimed but the financial document shows material supplier expenditure with associated labour risk.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. an audit report referencing a supplier site visit that travel/access records show did not occur; a grievance mechanism claimed as supplier-accessible where the provider confirms supplier workers were never in scope.

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above, specifying the option and the specific deficiency (e.g. 'Option 2 – Code omits working hours provisions'). This applies equally to SMEs falling short of their Min. 1 threshold and non-SMEs falling short of their Min. 2 threshold. Closure must be confirmed within 12 months of the NC being raised .

2300005 – Employee Handbook Content

Assessment Criteria: "Company shall maintain a written employee handbook that documents its employment policies and worker protections, as listed below, and make it available to relevant employees."

Note: Scoring threshold: SMEs → minimum 1 qualifying element. Non-SMEs → minimum 2. One point per qualifying element, up to the criterion maximum. 'Make it available to relevant employees' is the same accessibility test already detailed in this criterion's guidance below – it is not an additional requirement. Here, 'relevant employees' carries the general, workforce-wide meaning set out in the 'Relevant employees / staff / personnel' guidance below, not the narrower risk-based meaning used in some other criteria.

Answer Options	**Option 1:** Non-discrimination and anti-harassment policies, including reporting mechanisms, investigation processes, and disciplinary procedures **Option 2:** Working hours and rest periods **Option 3:** Pay and performance management **Option 4:** Benefits, training, and leave entitlements **Option 5:** Grievance resolution process accessible to all employees **Option 6:** Disciplinary procedures with defined sanctions **Option 7:** Neutrality statement regarding workers' right to collective bargaining and freedom of association **Option 8:** Explicit prohibition of child labour and forced or compulsory labour **Option 9:** Not applicable – see Not Applicable section below
Criterion overview and prerequisite	**Prerequisite – handbook exists and is accessible:** before any option is assessed, a written employee handbook (or equivalent consolidated policy document, however titled) must exist and be 'easily accessible' to employees – meaning published on an intranet, provided at induction, or otherwise readily available without requiring a special request. A handbook that exists only in draft, or that has not been distributed/made available to staff, does not satisfy the prerequisite, and the criterion fails in full regardless of content. The handbook itself is the evidence for every option – there is no separate evidentiary document required beyond the handbook (and, where relevant, confirmation of its accessibility). **Accepted supporting evidence (examples, not exhaustive):** ILO (International Labour Organization) core labour conventions checklist; ESRS (European Sustainability Reporting Standards) S1 own workforce policies; GRI (Global Reporting Initiative) 2-23 and 2-24 policy commitments; employee handbook with signed acknowledgement or induction records. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – acknowledgement, understanding and currency (not assessed):** organisations are encouraged to (i) obtain and retain periodic employee acknowledgement of the handbook (e.g. at induction and after material updates), (ii) provide versions in the languages their workforce actually uses, where relevant, (iii) re-communicate the handbook when materially updated, and (iv) review handbook content at least every 24 months and upon material legislative or policy change, recording the review date. This is guidance only: the binding requirement remains the accessibility prerequisite and the content tests below.
Compliance Requirements (each selected option)	**Requirement – Substantive coverage:** the handbook contains a section or provision addressing the named topic with sufficient detail that an employee reading the handbook would understand their rights or the applicable process. A topic mentioned only in a single vague sentence with no procedural detail does not qualify where the option specifically requires a 'process' or 'procedure' (Options 1, 5, 6).
Indicators	For each selected option, the auditor locates the relevant handbook section and checks for the specific sub-elements listed in the guidance below.

Guidance – Accessibility Test

What 'easily accessible' means	**Acceptable evidence of accessibility:** • The handbook is published on a staff intranet or HR portal accessible to all employees. • The handbook is provided to all new starters as part of induction (evidenced by an induction checklist or onboarding record referencing the handbook). • The handbook is available in a shared physical location (e.g. staff room) where a digital version is impractical, with confirmation this is communicated to staff. **Not acceptable:** • A handbook that exists only as a document held by HR and provided only on individual request (this is not 'easily accessible' as intended by the criterion). • A handbook in draft or under review with no current published version in effect. **'Relevant employees / staff / personnel'** – how this guide uses the term: this accessibility test is also what 2200100 and 2200101 mean by 'relevant staff' (and, for suppliers, the equivalent population at 2200127 is the Tier 1 suppliers defined under criterion 2100022). Unless a specific option expressly names a narrower group, 'relevant employees / staff / personnel' means the general direct employee population this accessibility test is applied to – not a narrower subset – and the organisation cannot satisfy the test by reaching only part of the workforce. This default is displaced only where an option expressly names a narrower group (for example, 2200101 Option 4's training for 'relevant employees (e.g. procurement, finance, sales)'); there, 'relevant' takes its narrower, risk-based meaning solely for that option, scoped to the role(s) or function(s) actually exposed to the risk addressed. **Multiple handbooks (multi-country or multi-entity organisations):** where the direct workforce is governed by more than one handbook version (e.g. country-specific editions), the accessibility prerequisite applies to every version in force – each part of the workforce must have an accessible handbook. For each selected content option, the organisation identifies where the required content sits in each version, or confirms it forms part of a common core shared by all versions; local supplements need not repeat common-core content. The auditor verifies the claimed content in the version covering the largest share of direct employees, plus at least one further version of the auditor's choosing – not every version in full. An option qualifies only if the required content is present in all versions in force; where a sampled version omits it, the option does not qualify and the NC identifies the affected version(s).
Guidance – Minimum Content per Option	
Where more than one handbook version is in force, each selected option below is assessed per the 'Multiple handbooks' rule above: the required content must be present in all versions (or in a common core shared by all versions), verified by sampling.	
Option 1 – Non-discrimination and anti-harassment (all four sub-elements required)	The handbook must address all four named sub-elements for this option to qualify (this option is more demanding than the others, which require only the named topic): • A non-discrimination/anti-harassment policy statement (protected characteristics or equivalent scope stated). • A reporting mechanism (how an employee raises a concern – to whom, and by what channel). • An investigation process (what happens after a report is made – who investigates, expected timeframe or process steps). • Disciplinary procedures specific to substantiated discrimination/harassment findings. **Partial coverage:** if the handbook addresses non-discrimination and reporting but does not describe an investigation process or disciplinary consequence, this option does NOT qualify – all four sub-elements are required together.
Option 2 – Working hours and rest periods	The handbook states standard working hours (or a reference to contracts where hours vary by role) and rest period entitlements (breaks, daily/weekly rest). **NOT sufficient:** a statement that 'working hours are as set out in your contract' with the handbook itself providing no general framework or rest period information at all.

Option 3 – Pay and performance management	The handbook describes the pay review process (e.g. frequency, criteria) and the performance management approach (e.g. appraisal cycle, performance improvement process). **Partial coverage:** a handbook addressing only pay (e.g. pay date, payslip information) with no mention of performance management does not qualify – both pay and performance management are named together in this option.
Option 4 – Benefits, training, and leave entitlements	The handbook describes the benefits offered (e.g. pension, healthcare), training/development opportunities, and leave entitlements (annual leave, sick leave, family leave) – substantive description of at least the leave entitlements is required as a minimum, with benefits and training also addressed. **Minimum acceptable:** leave entitlements must be addressed in detail (statutory and any enhanced entitlements); benefits and training may be addressed at a summary level (e.g. 'see Benefits Policy for full details') provided the handbook at least names what is available.
Option 5 – Grievance resolution process accessible to all employees	The handbook describes a grievance process: how to raise a grievance, to whom, and the steps that follow (e.g. informal resolution attempt, formal hearing, appeal stage). **'Accessible to all employees':** the process must not be limited to certain employee categories (e.g. excluding part-time or fixed-term staff) without justification.
Option 6 – Disciplinary procedures with defined sanctions	The handbook describes the disciplinary process (stages, e.g. verbal warning / written warning / final warning / dismissal) with the sanctions at each stage defined, not merely a statement that 'disciplinary action may be taken'. **NOT sufficient:** 'breaches of policy may result in disciplinary action up to and including dismissal' with no description of intermediate stages or process.
Option 7 – Neutrality statement on collective bargaining / freedom of association	The handbook contains an explicit statement that the organisation respects employees' right to join a trade union or other collective body and does not discriminate against employees for doing so (or, where applicable, confirms the existence of a recognised collective bargaining arrangement). **NOT sufficient:** no mention of collective bargaining or union rights anywhere in the handbook.
Option 8 – Explicit prohibition of child labour and forced/compulsory labour	The handbook contains an explicit statement prohibiting child labour and forced or compulsory labour within the organisation's own direct operations. Both child labour AND forced/compulsory labour must be addressed (the option names both). **Boundary case – low apparent relevance:** even where the organisation operates in a jurisdiction where these risks are perceived as low, an explicit statement is still required for this option to qualify – the absence of a statement is not excused by low perceived risk; perceived low risk is a reason the statement is easy to include, not a reason to omit it.
Guidance – 'Not Applicable' (Option 9)	
When 'Not applicable' is available	'Not applicable' is expected to be used very rarely for this criterion. It is appropriate only where the organisation has no employees at all (see the equivalent test under criterion 2300097). **Required evidence:** a Director's written statement confirming zero direct employees.
Auditor Decision Summary – 2300005	

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- A written, accessible employee handbook exists (prerequisite).
- For each selected option: the relevant content is present with the specific sub-elements required for that option (see guidance – Option 1 requires all four sub-elements; Option 4 requires leave detail at minimum).
- Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME).
- OR 'Not applicable' selected with a Director's statement confirming zero direct employees.

FAIL (raise Minor NC) – any of the following applies:

- No handbook exists, or it exists only in draft, or it is not accessible to employees – criterion fails in full.
- Option 1 selected but one or more of the four sub-elements (policy / reporting / investigation / disciplinary) is missing.
- Option 3 selected but only pay (not performance management) is addressed, or vice versa.
- Option 8 selected but only one of child labour or forced labour is explicitly addressed, not both.
- Total qualifying options below the threshold.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a handbook page altered post-audit-notice to insert a previously absent clause, where prior dated versions on the organisation's own systems show the clause was not present at the time of the reporting period under review.

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above, specifying which option(s) and sub-element(s) are deficient. Closure must be confirmed within 12 months of the NC being raised .

2300017 – Living Wage for Direct Employees

Assessment Criteria: "Company shall benchmark the pay of its direct employees, including part-time and full-time staff, against a recognised living wage benchmark or methodology for their location, and take documented steps towards paying all direct employees at or above that benchmark. All direct employees shall be paid at or above the applicable statutory minimum wage. This applies to both SMEs and non-SMEs."

Note: Applies to both SMEs and non-SMES, Scoring threshold: SMEs – minimum 1 qualifying option, rising to minimum 2 from first recertification. Non-SMEs – minimum 2 qualifying options, rising to minimum 3 from first recertification. One point per qualifying options, up to the criterion maximum. The statutory minimum wage floor is a pre-requisite, not an option: it is assessed before any option and applies at every threshold level.

Answer Options	1. Identified a recognised living wage benchmark or methodology for each location in which the company has direct employees (for example the Anker Methodology [Global Living Wage Coalition], the Wage Indicator Foundation, the Living Wage Foundation, or the Fair Wage Network), or calculated an estimate using a recognised methodology where no published benchmark exists 2. Compared the pay of the lowest-paid direct role in each location against the benchmark rate current at the assessment date, and documented the gap 3. Documented a living wage commitment and a time bound plan to close the gap, approved at Director level and with a named owner 4. Reduced the gap since the previous assessment (shortfall reduced, or the proportion of direct employees at or above the benchmark increased) 5. Pay all direct employees at or above the applicable benchmark in at least one location 6. Pay all direct employees, including part-time and fixed-term, at or above the applicable benchmark in every location 7. Not applicable – see Not Applicable section below
Criterion overview	This criterion assesses the organisation's progress towards paying a living wage, not a single pass/fail state. The options for a progression: identifying a benchmark (Option 1), measuring the gap against it (Option 2), committing to close it (Option 3), demonstrating movement (Option 4, and achieving the benchmark in one location (Option 5) or in every location (Option 6). An organisation that does not yet pay a living wage everywhere can still meet this criterion by evidence the earlier steps. **Statutory minimum wage is separate and absolute**. The progression above concerns the living wage. Payment at or above the applicable statutory minimum wage is a legal floor, is not one of the options, and is assessed as a prerequisite. No combination of qualifying options can offset a shortfall against the statutory minimum.

	'Living wage' defined: an hourly or equivalent rate of pay, calculated independently of the statutory minimum wage, intended to reflect the cost of a basic but decent standard of living in a specific location. This is distinct from the statutory minimum wage, which is a legal floor and not necessarily a living wage. **'Direct employee'** takes the same definition used under criterion 2300097. Agency and third-party contracted workers are excluded from the tests below unless the organisation has chosen to pay them on the same basis in which case the auditor applies the same tests to them. **Accepted supporting evidence (examples, not exhaustive):** Global Living Wage Coalition/Anker Methodology benchmark reports; WageIndicator Foundation living wage estimates; Living Wage Foundation accreditation or rate schedules; Fair Wage Network data; payroll extracts or pay-audit reports; a board-approved living wage commitment and implementation plan. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – maintaining compliance between audits (not assessed):** living wage benchmarks are updated periodically. Organisations are encouraged to adopt the benchmark provider's update cycle – implementing new rates within the provider's stated implementation window (e.g. the Living Wage Foundation's annual announcement and implementation period) – and to re-verify all direct employee pay after each benchmark update, retaining the verification record. Compliance is expected to be maintained throughout the certification cycle; the audit verifies it against the rates current at each audit date.
Compliance Requirements (prerequisite and per-option)	**Prerequisite – statutory minimum wage:** all direct employees are paid at or above the applicable statutory minimum wage for their location. Where payroll or pay-audit evidence shows any direct employee paid below the applicable statutory minimum, the criterion fails in full regardless of how many options are otherwise satisfied, and the auditor records the affected role category and location. **Requirement A – Currency:** the evidence for each selected option is current as at the audit date. Benchmark rates, pay comparisons and payroll evidence related to the rates current at the audit date, not to a superseded rate, in effect when pay was last reviewed. Where a provider has announced a new rate with a stated implementation window that has not yet expired at the audit date, pay meeting the outgoing rate remains conforming until that window closes. **Requirement B – Direct employee scope:** the evidence covers the organisation's direct employees, including part-time and fixed-term staff. A test applied only to full-time permanent staff does not satisfy any option. **Requirement C – Evidence provided:** supporting evidence is uploaded. Minimum acceptable evidence per option is specified below. **Dependency rule:** Options 2, 5 and 6 require Option 1 to also qualify – an organisation cannot compare against or evidence payment at, a benchmark it has not identified. Where Option 2, 5 or 6 is selected without a qualifying Option 1, the audior treats the dependent option as not qualifying, even if they pay evidence itself is satisfactory in isolation. Options 3 and 4 are not subject to the dependency rule, since a commitment or a documented reduction may reference an externally supplied benchmark. Stacking: an organisation meeting the benchmark in every location will typically qualify for Options 1, 2, 5 and 6 together. This is intended and is not double-counting; full achievement is expected to clear the threshold comfortably.
Indicators	The auditor first verifies the prerequisite, then checks each selected option: • No direct employee is paid below the applicable statutory minimum wage for their location (prerequisite) • For each selected option, the minimum evidence set out below is present and covers the direct employee population, including part-time and fixed-term staff • Evidence relates to benchmark rates current at the audit date • Where Options 2, 5 or 6 are selected, Option 1 also qualifies (dependency rule) Count qualifying options and compare against the applicable threshold (see Note above: the threshold rises at first recertification)

Guidance – Recognised Benchmarks	
Named acceptable benchmarks	The following are recognised living wage benchmarks the auditor accepts without further scrutiny of their methodology: • The Global Living Wage Coalition / Anker Methodology (covers many countries with location-specific calculations). • The Wage Indicator Foundation's living wage estimates. • UK-specific: the Living Wage Foundation's 'Real Living Wage' (UK and London rates). • Other nationally recognised living wage calculation bodies, where the organisation can demonstrate the body is independently calculated and methodologically transparent (the auditor uses judgement only to confirm the body is a genuine independent living wage calculator, not a self-defined or marketing-only figure). **NOT acceptable as a 'recognised benchmark':** the statutory national minimum wage on its own, presented as if it were a living wage (these are conceptually different, and the criterion specifically requires a living wage benchmark, not the legal minimum).
Where no published benchmark exists	Where the organisation operates in a location with no recognised published living wage benchmark, it must document its own estimation, including: • The data sources used to estimate basic living costs in that location (e.g. national statistics office cost-of-living data, recognised international cost-of-living indices). • The assumptions applied (e.g. household size assumed, basket of goods and services considered). • The resulting estimated living wage figure. **NOT acceptable:** a statement that 'we believe we pay fairly' or 'we pay above the local minimum wage' without any documented estimation methodology. The local statutory minimum wage is not a substitute for a living wage estimate.
Multi-location organisations	Where the organisation has employees in multiple locations (different countries, or different regions where a regional rate applies, e.g. London vs UK rest-of-country under the Living Wage Foundation framework), the applicable benchmark must be matched to the employee's actual work location, not a single blended company-wide rate. **Boundary case – remote and hybrid employees:** for employees working remotely from a location different from the registered office, the applicable benchmark is based on the employee's actual residence or working location, not the office address, since living costs are location-specific.
Guidance- Minimum Acceptable Evidence by Option	
Option 1 – Recognised benchmark identified	**Minimum evidence:** • A named recognised benchmark, with the rate and the location it applies to, for each location in which the organisation has direct employees; or, for a location with no published benchmark, the documented estimation methodology described above. **Auditor checks:** • Is a benchmark (or documented estimate) identified for every location, not only the principal one? The option requires coverage of each location; partial coverage does not qualify. • Is the benchmark a genuine living wage benchmark rather than the statutory minimum wage relabelled?
Option 2 – Lowest-paid role compared, gap documented	**Minimum evidence (all required together):** • Identification of the lowest-paid direct role in each location. • The applicable benchmark rate current at the assessment date for that location. • The documented comparison, stating the gap in currency terms, as a percentage, or as the proportion of direct employees below the benchmark. **Decision rule – a nil or positive gap still qualifies:** where the comparison shows no shortfall, or shows the lowest-paid role already paid above the benchmark, the option qualifies. The test is

	that the comparison was carried out and documented, not that a gap was found. An auditor must not refuse this option because the organisation has nothing to close. **Auditor checks:** • Does the comparison use the rate current at the assessment date, not a superseded rate? • Does it cover each location, and does it include part-time and fixed-term roles where these are the lowest paid?
Option 3 – Commitment and time-bound plan	**Minimum evidence (all four required together):** • A documented living wage commitment. • A plan to close the gap with stated dates or milestones – a commitment with no timeline does not qualify. • Evidence of approval at Director level, applying the signatory standard set out under criterion 2300118 (a named individual holding a qualifying senior governance title). • A named owner, by individual or by role. **Decision rule – where no gap exists:** where Option 2 shows no shortfall in any location, a documented commitment to maintain payment at or above the benchmark, with a named owner and a stated review point, satisfies this option. The absence of a gap does not remove the option. **NOT sufficient:** a general statement of intent to 'pay fairly' or to 'review pay annually' with no reference to a living wage benchmark, no dates, no approval, and no owner.
Option 4 – Gap reduced since the previous assessment	**Minimum evidence (both required):** • The comparable figure from the previous assessment (shortfall, or proportion of direct employees at or above the benchmark). • The current figure, calculated on the same basis. **Either test satisfies the option:** the monetary or percentage shortfall has reduced, OR the proportion of direct employees at or above the benchmark has increased. The organisation is not required to demonstrate both. **Decision rule – first assessment:** this option is not available at an organisation's first assessment under this criterion, since no previous assessment exists to compare against. Selection of Option 4 at first assessment is treated as not qualifying; it is not a finding in itself, and the auditor notes that the option was unavailable rather than failed. **Boundary case – material change in workforce or locations:** where the direct workforce or the set of locations has changed materially since the previous assessment, a headline comparison may not be like-for-like. The option still qualifies where the organisation identifies the change and presents the comparison on a consistent basis (e.g. excluding a newly acquired entity or comparing the same locations). An uncontextualised improvement driven solely by a change in workforce composition does not qualify.
Option 5 – Benchmark met in at least one location	**Minimum evidence (both required):** • Identification of the location claimed. • Payroll or pay-audit evidence for all direct employees at that location, including part-time and fixed-term staff, cross-referenced against the applicable benchmark rate. **Sampling:** the auditor does not accept a sample showing that 'most' employees at the location meet the rate. Acceptable verification is either a full payroll extract for the location for the most recent pay period, or a written confirmation from the organisation's payroll or HR system administrator (or payroll provider) that all direct employees at that location are paid at or above the specified benchmark, supported by an extract sufficient for the auditor to verify the lowest-paid roles specifically. **Auditor focus – lowest-paid roles:** rather than reviewing every payslip, the auditor requests and verifies the pay rates of the location's lowest-paid role categories (e.g. entry-level, part-time, or seasonal roles), since these present the highest risk of falling below the benchmark. If the lowest-paid roles at that location clear the benchmark, the option qualifies.

Option 6 – Benchmark met in every location	**Minimum evidence:** as for Option 5, applied to every location in which the organisation has direct employees. **Decision rule – all-or-nothing at option level:** if even one direct employee in any location is paid below the applicable benchmark for that location, this option does not qualify. This is a test of the option, not of the criterion: the organisation may still meet the criterion through Options 1 to 5. **Auditor checks:** • Does the evidence cover every location identified under Option 1? • Does it include part-time and fixed-term staff explicitly?
Guidance – 'Not Applicable' (Option 27	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation has no direct employees (the same test applied under criteria 2300005 and 2300097). Required evidence: a Director's written statement confirming the organisation has no direct employees, applying the signatory standard set out under criterion 2300118 The auditor must refuse 'Not applicable' for any organisation with direct employees, regardless of how few and where any of Options 1 to 6 is also selected.
Auditor Decision Summary – 2300017	

AUDITOR DECISION TABLE
Step 1 – Statutory minimum wage prerequisite (apply before anything below). If payroll or pay-audit evidence shoes any direct employee paid below the applicable statutory minimum wage for their location, the criterion FAILS in full. Do not proceed to option counting. If no such shortfall is identified, proceed.

PASS – all of the following must apply:
- No direct employee is paid below the applicable statutory minimum wage (prerequisite).
- For each selected option: the minimum evidence set out in guidance is present, covers direct employees including part-time and fixed-term staff, and uses benchmark rates current at the audit date.
- Where Options 2, 5 or 6 are selected, Option 1 also qualifies (dependency rule).
- Total qualifying options meet the applicable threshold: at first certification, 1 (SME) or 2 (non-SME); from first recertification onwards, 2 (SME) or 3 (non-SME).
- OR 'Not applicable' selected with a Director's statement confirming no direct employees.

FAIL (raise Minor NC) – any of the following applies:
- Any direct employee is paid below the applicable statutory minimum wage – criterion fails in full regardless of options.
- Total qualifying options below the applicable threshold for the organisation's size and certification stage.
- Option 1 selected but a benchmark or documented estimate is absent for one or more employee locations.
- Option 2, 5 or 6 selected without a qualifying Option 1 (dependency rule).
- Option 3 selected but the plan has no dates, no Director-level approval, or no named owner.
- Option 5 or 6 selected but verification covers only a partial sample with no specific attention to the lowest-paid roles, and the auditor cannot confirm full coverage.
- The organisation presents the statutory minimum wage as if it were a living wage benchmark, with no genuine living wage calculation.
- 'Not applicable' selected but the organisation has direct employees.

MAJOR NON-CONFORMITY
Positive evidence of fabrication required – e.g. payroll data submitted for audit that has been altered to show rates different from the organisation's actual payroll system records (detectable where the auditor can cross-check against bank payment records or payroll software exports); or a living wage commitment presented as Director-approved which the named Director confirms they did not approve.

MINOR NON-CONFORMITY
Minor NC raised for any FAIL condition above. The NC specifies whether the failure is the statutory minimum wage prerequisite or an option shortfall, and in the latter case which option(s) and which element is missing, together with

the affected role category and location. Closure must be confirmed within 12 months of the NC being raised. Where the failure is the statutory minimum wage prerequisite, closure requires re-verification of the affected role category.

2300020 – Employee Satisfaction and Engagement Monitoring

Assessment Criteria: "Company shall actively monitor and evaluate its direct employees' satisfaction and engagement through defined processes, and retain evidence of results and follow-up actions."

Note: Scoring threshold: SMEs → minimum 1 qualifying option. Non-SMEs → minimum 2. One point per qualifying option, up to the criterion maximum. 'Through defined processes, and retain evidence of results and follow-up actions' restates the per-option evidence standard already detailed below – it is not an additional requirement.

Answer Options	**Option 1:** Calculate and track employee attrition rate annually **Option 2:** Benchmark employee attrition rate against a recognised external benchmark (e.g. industry survey, sector report) **Option 3:** Conduct employee satisfaction or engagement surveys at least once per year **Option 4:** Benchmark employee satisfaction results against a recognised external benchmark (e.g. Great Place to Work, Glassdoor, industry survey) **Option 5:** Hold regular one-to-one or appraisal meetings with documented feedback **Option 6:** Operate a structured employee feedback channel (e.g. suggestion scheme, town halls, pulse surveys) **Option 7:** Track and review employee absence or sickness rates **Option 8:** Not applicable – see Not Applicable section below
Criterion overview	This criterion has a layered structure: Options 2 and 4 are benchmarking extensions of Options 1 and 3 respectively. An organisation can claim Option 1 alone, or Options 1 and 2 together (both points available), but cannot claim Option 2 without also having a qualifying Option 1 in place (the same logic applies to Options 3 and 4). **Dependency rule:** Option 2 (attrition benchmarking) requires Option 1 (attrition tracking) to also be in place – an organisation cannot benchmark a metric it does not track. Option 4 (satisfaction benchmarking) requires Option 3 (satisfaction surveys) to also be in place. If Option 2 or 4 is selected without its prerequisite option also qualifying, the auditor treats the dependent option as not qualifying, even if the benchmarking evidence itself looks satisfactory in isolation. **Accepted supporting evidence (examples, not exhaustive):** GRI (Global Reporting Initiative) 401 Employment; ESRS (European Sustainability Reporting Standards) S1; Great Place to Work or Glassdoor benchmark reports; engagement or pulse survey results with the resulting actions; attrition and absence dashboards. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – trends across cycles (not assessed):** organisations are encouraged to review survey results, attrition, and absence data as trends across successive periods – identifying whether satisfaction and engagement are improving, stable, or declining – and to record management's reading of the trend. This is guidance only: the binding trend requirement remains Option 1's two-period minimum; trend analysis elsewhere is encouraged, not assessed.
Compliance Requirements (each selected option)	**Requirement A – Currency:** the measure has been conducted within the applicable recency window. For Options 1, 2, 3, 4, and 7 (which use 'annually' or similar periodic language), the most recent cycle must be within 12 months of the audit date. For Options 5 and 6 (continuous/regular practices), the practice must be demonstrably current and active. **Requirement B – Direct employee scope:** the measure covers the organisation's direct employees generally, not a narrow unrepresentative subset. ‘Direct employees’ takes the same definition used under criterion 2300097.

	Requirement C – Evidence provided: data, reports, or records evidencing the measure, as specified per option below.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Attrition rate calculated and tracked annually	**Minimum evidence:** • An attrition rate calculation for the most recently completed 12-month period (or financial/calendar year), with the calculation method stated (e.g. number of voluntary and involuntary leavers divided by average headcount over the period). • Evidence the rate has been tracked over time (at least two periods of data, to demonstrate 'tracking' rather than a single one-off calculation). **Decision rule – organisations with less than 24 months of trading history:** where the organisation's own operating history (from incorporation or first hire, whichever is later) is under 24 months as at the audit date, a single completed 12-month attrition calculation is acceptable, since a second period genuinely could not yet exist. The auditor checks the incorporation/first-hire date to confirm this exception applies – it is not available simply because the organisation chose not to track attrition in earlier years it was actually operating. For any organisation operating 24 months or longer, at least two periods of data are required regardless of when internal tracking began. **Auditor checks:** is the calculation method stated and consistent period-on-period? Is the most recent period within 12 months of the audit date?
Option 2 – Attrition benchmarked against external source	**Minimum evidence (in addition to Option 1's prerequisite being met):** • A named external benchmark source (a specific industry survey, sector report, or recognised data provider) with a stated comparator figure. • A comparison showing the organisation's own attrition rate against the named benchmark. **Auditor checks:** • Does Option 1 also qualify (see dependency rule)? If not, Option 2 cannot qualify even if a benchmark comparison document exists. • Is the benchmark source named and identifiable (not a vague reference to 'industry standards')?
Option 3 – Satisfaction/engagement surveys at least annually	**Minimum evidence:** • A survey report or results summary, with the most recent survey dated within 12 months of the audit date. • Documented follow-up arising from the most recent survey – a management response, action list, or communicated next steps. A survey report alone, with no evidence the results were reviewed and responded to, does not satisfy this option. **Auditor checks:** is the survey genuinely about satisfaction or engagement (not solely a different-purpose survey, such as a customer satisfaction survey mistakenly substituted)? Is the most recent cycle within 12 months? Is follow-up from the most recent survey documented? Relationship to 2300097 Option 7 (employee wellbeing surveys): the two options assess different criteria and may be evidenced by the same underlying survey document where the organisation runs a single combined wellbeing/engagement survey. The auditor credits both options independently provided each criterion's own specificity test is met on its own terms – here, that the survey is genuinely about satisfaction or engagement; under 2300097 Option 7, that it is genuinely about wellbeing (or has a clear wellbeing component) with documented follow-up actions. The organisation is not required to run two separate surveys, and a single qualifying survey is not double-counted as a deficiency or treated as evidence of inflated reporting.
Option 4 – Satisfaction benchmarked against external source	**Minimum evidence (in addition to Option 3's prerequisite being met):** • A named external benchmark (e.g. Great Place to Work certification/survey results, Glassdoor aggregate ratings, a named industry engagement survey) with a stated comparator figure or rating.

	• A comparison showing the organisation's own result against the named benchmark. **Auditor checks:** same dependency check as Option 2 – does Option 3 also qualify? Is the benchmark source named and specific?
Option 5 – Regular one-to-ones or appraisals with documented feedback	**Minimum evidence:** • A documented appraisal or one-to-one process (frequency stated, e.g. quarterly or annual appraisal cycle) AND evidence that the process has actually been completed for a representative sample of employees within the past 12 months (completed appraisal forms, one-to-one logs, or an HR system completion-rate report). **Auditor checks:** is there a defined frequency, and is there evidence of completion (not just a process description with no completion evidence)? A policy stating appraisals 'should' happen annually with no completion records does not qualify.
Option 6 – Structured employee feedback channel	**Minimum evidence:** • Evidence of an established feedback channel (e.g. a suggestion scheme platform, a recurring town hall meeting series, a pulse survey tool) AND evidence of recent use within the past 12 months (e.g. a record of at least one town hall held, a suggestion scheme submission log, or pulse survey response data). **Auditor checks:** is the channel structured and recurring (not a one-off event), and is there evidence of recent activity?
Option 7 – Absence/sickness rate tracking	**Minimum evidence:** • Absence or sickness rate data for the most recently completed 12-month period, with the calculation method stated, and evidence the data is reviewed (e.g. by HR or management, with a record of the review such as meeting minutes or a management report referencing the data). **'Tracked and reviewed':** data collection alone (e.g. raw HR system absence logs with no evidence anyone reviews them) does not fully satisfy this option – there must be some evidence the data informs a review process, even if no specific action resulted.
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation has no direct employees (the same test applied under 2300005, 2300017, and 2300097). The auditor must refuse 'Not applicable' for any organisation with direct employees.
Auditor Decision Summary – 2300020	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–7): evidence is uploaded, the most recent cycle/activity is within the applicable recency window, and the scope covers direct employees generally. • For Option 2: Option 1 also qualifies. For Option 4: Option 3 also qualifies (dependency rule). • Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME). • OR 'Not applicable' selected with confirmation of zero direct employees. **FAIL (raise Minor NC) – any of the following applies:** • Total qualifying options below the threshold. • Option 2 selected but Option 1 does not independently qualify (e.g. no consistent attrition tracking exists) – Option 2 is treated as not qualifying regardless of the benchmark document's quality. • Option 4 selected but Option 3 does not independently qualify. • Option 1, 2, 3, 4, or 7 selected but the most recent cycle is more than 12 months before the audit date. • Option 5 or 6 selected with a described process but no evidence of actual completion/use.	
MAJOR NON-CONFORMITY Positive evidence of fabrication required – e.g. a survey results summary with figures inconsistent with the organisation's own raw survey export data, where both are available for cross-check.	

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above, specifying the shortfall in count, the specific option, or the dependency failure (e.g. 'Option 2 claimed but Option 1 attrition tracking is not evidenced as current'). Closure must be confirmed within 12 months of the NC being raised.

GOVERNANCE PILLAR

2200064 – Sustainability Culture

Assessment Criteria: "Company shall have implemented measure(s) that embed a culture of sustainability throughout its organisation, and can demonstrate employee awareness, participation or engagement."

Note: Scoring threshold: SMEs → minimum 1 qualifying option, increasing to 2 qualifying options for recertification. Non-SMEs → minimum 2, increasing to 3 qualifying options for recertification. One point per qualifying option, up to the criterion maximum. 'Can demonstrate employee awareness, participation or engagement' restates the existing Requirement B (organisation-wide scope) below – it is not an additional requirement. Note: this criterion's wording does not specify a 3-year window as explicitly as the corrective-action criteria; the auditor applies a 'currently in effect' test as set out below rather than a fixed historical window for most options.

Answer Options	**Option 1:** The organisation's published vision, mission, or purpose statement makes explicit reference to sustainability or environmental/social responsibility **Option 2:** Communicate sustainability progress to internal and external stakeholders at least annually (e.g. sustainability report, website, internal updates) **Option 3:** Clearly defined roles and responsibilities for sustainability leadership across the organisation **Option 4:** Provide sustainability training and education programmes to direct employees, including paid learning time **Option 5:** Operate volunteering initiatives and/or mentoring programmes on sustainable development topics **Option 6:** Not applicable – see Not Applicable section below
Criterion overview	This criterion is distinct from criterion 2200053 (Sustainability Purpose), which separately assesses the content of the organisation's purpose statement against four named value categories. Where Option 1 here and criterion 2200053 both rely on the same published purpose statement, the auditor may use the same source document for both, but assesses each against its own specific test (this criterion: does it 'make explicit reference to sustainability'; 2200053: does it explicitly reference at least one of four named value categories). **Accepted supporting evidence (examples, not exhaustive):** GRI (Global Reporting Initiative) 2 General Disclosures on governance; ESRS (European Sustainability Reporting Standards) G1 and ESRS 2; ISO 26000 guidance on social responsibility; UN (United Nations) Global Compact Communication on Progress; sustainability report; training records and defined sustainability roles. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – evidencing lived culture and its development (not assessed):** organisations are encouraged to retain supplementary evidence that sustainability is embedded in everyday behaviour – for example participation and uptake rates for the measures claimed, management review outcomes, or examples of sustainability considerations influencing operational decisions (the latter is assessed as binding evidence under 2200053 Requirement B) – and to evaluate the development of their sustainability culture periodically, for example through the annual engagement and wellbeing survey cycles under 2300020 and 2300097. This is guidance only: the auditor assesses the option tests below.
Compliance Requirements (each selected option)	**Requirement A – Current and in effect:** the measure is currently active/published (Options 1, 3) or was delivered/communicated within the applicable recency window (Options 2, 4, 5 – see specifics below). **Requirement B – Organisation-wide scope:** the measure applies across the organisation (or is intended to reach the general employee population), not a narrow subset such as only the sustainability team itself. ‘General employee population’ here

	means the organisation's direct employees, taking the same 'Direct employees' definition used under criterion 2300097. **Requirement C – Evidence provided:** supporting evidence as specified per option below.
Guidance – Minimum Acceptable Evidence by Option	
Option 1 – Purpose/vision/mission statement explicitly referencing sustainability	**Minimum evidence:** the current published vision, mission, or purpose statement, with the relevant sustainability/responsibility reference identified. **'Explicit reference' – decision rule:** the statement must use language directly naming sustainability, environmental responsibility, or social responsibility (or close synonyms such as 'responsible business', 'positive impact on people and planet'). A statement that only discusses commercial growth, innovation, or customer focus with no sustainability-related language does not qualify, even if the organisation has separate sustainability activities elsewhere.
Option 2 – Annual sustainability communication to stakeholders	**Minimum evidence:** at least one example of sustainability communication (a sustainability report, website sustainability page with an update date, or internal newsletter/update) dated within the past 12 months before the audit date – this option's 'at least annually' wording triggers a 12-month recency test. **Internal AND external:** the option names communication to 'internal and external stakeholders' – the auditor checks for at least one example reaching each audience type (e.g. a public sustainability report for external stakeholders, and an internal staff update or intranet post for internal stakeholders). Evidence of only one audience type being reached is a partial finding; the auditor notes which audience is missing.
Option 3 – Defined sustainability leadership roles and responsibilities	**Minimum evidence:** an organisational chart, job description, or governance document identifying at least one named role (or role title) with defined sustainability responsibilities, and confirming the role's scope/mandate (e.g. 'Head of Sustainability – accountable for ESG strategy and reporting across all business units'). **NOT sufficient:** a statement that 'sustainability is everyone's responsibility' with no specific role or accountability defined.
Option 4 – Sustainability training with paid learning time	**Minimum evidence (both required):** • Training records showing sustainability-related content delivered to direct employees, with delivery date within the past 3 years. • Confirmation that the training time was paid (e.g. delivered during working hours, or with a stated paid learning time allowance used for this purpose) – training undertaken entirely on employees' own unpaid time does not meet the 'paid learning time' element specified in the option. **Auditor checks:** is the training specifically sustainability-focused (not generic corporate training with an incidental ESG slide)? Is there confirmation of paid time (not merely that training occurred, with no indication of whether it was on company time)?
Option 5 – Volunteering or mentoring on sustainable development topics	**Minimum evidence:** a documented volunteering or mentoring programme with a sustainable-development focus (e.g. environmental conservation volunteering, mentoring on social impact projects), with evidence of at least one instance of participation within the past 3 years. **Distinguishing from generic volunteering:** the programme or activity must have a sustainable development topic focus (environmental or social). General charitable volunteering with no sustainable development connection (e.g. a one-off fundraising bake sale for an unrelated cause) does not qualify under this option, though it may be relevant evidence elsewhere if the organisation frames it accordingly.
Guidance – 'Not Applicable' (Option 6)	
When 'Not applicable' is available	'Not applicable' is available ONLY where the organisation has no employees and no operations at all (a dormant or pre-operational entity) – the same narrow test applied under criterion 2300124. It is NOT available on the basis that the organisation is small,

	new, or has not yet prioritised sustainability culture-building: any organisation with at least one employee and any active operations can implement Option 1 (a purpose statement referencing sustainability) at minimal cost, so the absence of all five measures is not, on its own, a valid basis for 'Not applicable'. **Required evidence:** a written statement from a Director confirming the organisation has no employees and no active operations.

Auditor Decision Summary – 2200064

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- For each selected option (1–5): evidence is current/within the applicable recency window and reaches an organisation-wide (not narrow) audience.
- Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME).
- OR 'Not applicable' selected with a Director's statement confirming no employees and no active operations.

FAIL (raise Minor NC) – any of the following applies:

- Total qualifying options below the threshold.
- Option 1 selected but the purpose statement contains no sustainability-related language.
- Option 2 selected but evidence only reaches internal OR external stakeholders, not both (partial finding – note which is missing).
- Option 4 selected but there is no confirmation the training time was paid.
- 'Not applicable' selected but the organisation has any employees or active operations.

MAJOR NON-CONFORMITY
Positive evidence of fabrication required – e.g. a sustainability report presented as published externally that the organisation's own website shows was never made public.

MINOR NON-CONFORMITY
Minor NC raised for any FAIL condition above, specifying the shortfall and which option/sub-element is deficient. Closure must be confirmed within 12 months of the NC being raised .

2200100 – Business Code of Conduct

Assessment Criteria: "Company shall maintain a business Code of Conduct that addresses the listed topics, and demonstrate that it has been communicated to relevant personnel."

Note: Scoring threshold: SMEs → minimum 1 qualifying topic. Non-SMEs → minimum 2. One point per qualifying topic, up to the criterion maximum. 'Demonstrate that it has been communicated to relevant personnel' restates the existing accessibility prerequisite below (published/distributed, not held only on request) – it is not an additional requirement.

Answer Options	**Option 1:** Anti-corruption, bribery, and fraud prevention **Option 2:** Anti-competitive practices: collusion, coercion, and antitrust violations **Option 3:** Whistleblowing channels for reporting ethical concerns **Option 4:** Protection of intellectual property and confidential information **Option 5:** Conflicts of interest disclosure and management **Option 6:** Anti-money laundering and prohibition of insider trading/dealing **Option 7:** Compliance with data protection legislation (e.g. GDPR) **Option 8:** Not applicable – see Not Applicable section below
Criterion overview and prerequisite	**Prerequisite – Code exists, is current, and is accessible:** a Code of Conduct document exists, is currently in effect (not a superseded draft), and is accessible to relevant staff (the same

	accessibility test applied under criterion 2300005 – published/distributed, not held only on request; see the 'Relevant employees / staff / personnel' guidance under criterion 2300005). **Distinction from 2200101:** this criterion (2200100) assesses whether the Code of Conduct addresses anti-corruption at a general, high level alongside other topics (Option 1 here requires only that anti-corruption/bribery/fraud is addressed within the Code). Criterion 2200101 separately assesses a dedicated, detailed anti-corruption and bribery policy with specific named elements (prohibition forms, disclosure requirements, disciplinary consequences, and training). An organisation may have a Code of Conduct that touches on anti-corruption at a summary level (sufficient for Option 1 here) while still needing a separate, more detailed policy to satisfy 2200101 – these are independent, non-substitutable checks. **Accepted supporting evidence (examples, not exhaustive):** OECD (Organisation for Economic Cooperation and Development) Guidelines for Multinational Enterprises; ISO 37301 compliance management systems; UN (United Nations) Global Compact; ESRS (European Sustainability Reporting Standards) G1 Business Conduct; Code of Conduct with induction or training acknowledgement. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – active governance and currency (not assessed):** organisations are encouraged to (i) obtain employee acknowledgement of the Code at induction and after material updates, (ii) reinforce it periodically (e.g. refresher communications or training), (iii) support it with management oversight (e.g. a named owner and periodic reporting on Code matters), and (iv) review the Code at least every 24 months and upon material legislative or regulatory change, recording the review date. This is guidance only: the binding requirements remain the accessibility prerequisite and the topic tests below.
Compliance Requirements (each selected option)	**Requirement – Substantive coverage:** the Code contains a section or provision addressing the named topic with enough specificity that an employee reading it would understand what is expected of them or what mechanism exists, as detailed per option below.
Guidance – Minimum Content per Option	
Option 1 – Anti-corruption, bribery, and fraud prevention	The Code states a clear prohibition on corruption, bribery, and fraud, applicable to employees (at minimum). Detailed sub-elements (disclosure requirements, specific disciplinary procedures, training) are not required here – that level of detail is assessed under 2200101. A summary-level prohibition statement is sufficient for this option.
Option 2 – Anti-competitive practices: collusion, coercion, antitrust	The Code states a prohibition on anti-competitive behaviour, naming or describing at least the general categories listed (collusion with competitors, coercive practices, antitrust/competition law violations). **NOT sufficient:** a single sentence stating 'we comply with all applicable laws' with no specific reference to competition or antitrust matters.
Option 3 – Whistleblowing channels	**Minimum content (both required):** • A described channel for reporting ethical concerns (e.g. a named hotline, an email address, a third-party-operated reporting platform). • Confirmation the channel allows confidential or anonymous reporting, and a statement of non-retaliation/protection for those who report in good faith. **NOT sufficient:** a statement that employees 'should report concerns to their manager' with no dedicated whistleblowing channel and no anonymity/confidentiality or non-retaliation assurance.
Option 4 – Protection of IP and confidential information	The Code addresses employee obligations regarding confidentiality of company information and respect for intellectual property (the organisation's own IP, and/or third-party IP), with at least a general statement of expected conduct.

Option 5 – Conflicts of interest disclosure and management	**Minimum content (both required):** • A definition or description of what constitutes a conflict of interest in the organisation's context. • A described disclosure process (how and to whom a conflict should be disclosed) and a description of how disclosed conflicts are managed (e.g. recusal from decisions, management review). **NOT sufficient:** a single sentence stating 'employees must avoid conflicts of interest' with no disclosure mechanism described.
Option 6 – Anti-money laundering and insider trading/dealing prohibition	The Code addresses both anti-money laundering and insider trading/dealing as named topics (the option lists both together). Coverage of only one of the two does not fully meet this option – note the partial deficiency if only one is present. **Boundary case – non-listed/private companies:** insider trading/dealing provisions are most directly relevant to listed companies, but the option does not exempt private companies. A private company Code may address this briefly (e.g. confirming the principle applies should the company's status change, or addressing trading in any group-related listed securities) – the auditor accepts a proportionate but present reference rather than requiring the same depth as a listed-company Code.
Option 7 – Data protection legislation compliance (e.g. GDPR)	The Code states the organisation's commitment to compliance with applicable data protection legislation and describes, at a summary level, employee responsibilities regarding personal data handling. **Cross-reference acceptable:** the Code may reference a separate, more detailed Data Protection Policy rather than reproducing full content, provided the Code itself confirms the commitment and names the referenced policy.
Guidance – 'Not Applicable' (Option 8)	
When 'Not applicable' is available	'Not applicable' is available ONLY where the organisation has no employees and no active operations at all (the same narrow test applied under criterion 2200064). It is NOT available on the basis that the organisation considers itself low-risk or too small – a basic Code of Conduct addressing at least one topic at summary level is achievable for any operating organisation regardless of size. Required evidence: a Director's written statement confirming the organisation has no employees and no active operations.
Auditor Decision Summary – 2200100	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • A Code of Conduct exists, is current, and is accessible to staff (prerequisite). • For each selected topic (1–7): the Code contains substantive coverage meeting the specific sub-elements detailed in guidance for that option. • Total qualifying topics ≥ 1 (SME) or ≥ 2 (non-SME). • OR 'Not applicable' selected with a Director's statement confirming no employees and no active operations. **FAIL (raise Minor NC) – any of the following applies:** • No Code exists, or it is a superseded draft, or it is not accessible to staff – criterion fails in full. • Option 3 selected but the Code describes a reporting channel with no confidentiality/anonymity or non-retaliation assurance. • Option 5 selected but no disclosure process is described, only a general avoidance statement. • Option 6 selected but only one of anti-money laundering or insider trading/dealing is addressed. • Total qualifying topics below the threshold. • 'Not applicable' selected but the organisation has any employees or active operations.	
MAJOR NON-CONFORMITY Positive evidence of fabrication required – e.g. a Code section on whistleblowing describing a hotline that, when tested or cross-checked against the named provider, does not exist or was never commissioned.	

MINOR NON-CONFORMITY
Minor NC raised for any FAIL condition above, specifying the deficient option/sub-element. Closure must be confirmed within 12 months of the NC being raised.

2200101 – Anti-Corruption and Bribery Policy

Assessment Criteria "Company shall maintain a policy on anti-corruption and bribery that addresses the listed elements, and demonstrate its communication and implementation within the organisation."

Note: Scoring threshold: SMEs → minimum 1 qualifying element. Non-SMEs → minimum 2. One point per qualifying element, up to the criterion maximum. 'Demonstrate its communication and implementation' restates the existing accessibility prerequisite and per-option evidence standard below – it is not an additional requirement.

Answer Options	**Option 1:** Prohibition of bribes in any form – including kickbacks, gifts, hospitality, contract payments, or soft dollar practices **Option 2:** Disclosure requirements for political contributions, charitable donations, and gifts (whether given by the company or received by employees) **Option 3:** Defined consequences and disciplinary procedures for breaches of the policy **Option 4:** Mandatory anti-corruption training for relevant employees (e.g. procurement, finance, sales) delivered in the past 12 months **Option 5:** Not applicable – see Not Applicable section below
Criterion overview and prerequisite	**Prerequisite – policy exists, is current, and is accessible:** a dedicated anti-corruption and bribery policy document exists (this may be a standalone policy, or a clearly identifiable, sufficiently detailed section within a broader policy document), is currently in effect, and is accessible to relevant staff – this is the general, workforce-wide meaning (see the 'Relevant employees / staff / personnel' guidance under criterion 2300005), distinct from the narrower, risk-based meaning of 'relevant employees' used in Option 4 below. **Relationship to 2200100:** this criterion requires a more detailed, dedicated treatment than the general Code of Conduct reference assessed under 2200100 Option 1. The same document may serve both purposes if it is sufficiently detailed for this criterion's specific named elements – but a brief Code of Conduct mention that satisfies 2200100 Option 1 will often NOT contain the depth (e.g. specific disclosure requirements, defined disciplinary consequences) required for the options under this criterion. The auditor assesses each criterion's document independently against its own specific requirements. **Accepted supporting evidence (examples, not exhaustive):** ISO 37001 anti bribery management systems; UK Bribery Act 2010 adequate procedures guidance; Transparency International guidance; ESRS (European Sustainability Reporting Standards) G1 on corruption and bribery; anti-corruption policy with training records. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Proportionality and risk (not assessed):** the criterion's tests already scale with organisational risk: training is scoped to the higher-risk functions (Option 4), the small-organisation boundary case redirects it to whoever holds payment authority, and the Option 1 decision rule does not demand all five bribery forms verbatim. Organisations facing higher corruption risk – through geography, procurement intensity, agent or intermediary use, or business model – are encouraged to go further: for example, third-party due diligence, a corruption risk register, and periodic management evaluation of the policy's operation, drawing on records from the whistleblowing channel (2200100 Option 3) and any breach or disciplinary cases. This is guidance only: the auditor assesses the option tests below.
Compliance Requirements (each selected option)	**Requirement – Substantive coverage with named specificity:** unlike the general Code of Conduct criterion, the options here require more specific content (named forms of bribery, named disclosure types, defined consequences, or evidenced training), as detailed below.
Guidance – Minimum Content per Option	
Option 1 – Prohibition of bribes in any	The policy must name, or clearly encompass through specific examples, the forms of bribery listed in the option: kickbacks, gifts, hospitality, contract payments, and soft dollar practices (or equivalent terminology covering the same concepts). **Decision rule:** a policy stating only 'employees must not offer or accept bribes' with no further elaboration of forms does NOT meet the full specificity implied by this option, since the option

form (named forms)	explicitly names five forms. A policy addressing at least gifts and hospitality (the two most common forms in practice) with a general catch-all for 'other forms of improper payment or benefit' is acceptable – the auditor does not require all five forms to be individually named verbatim, but the policy should demonstrate awareness of multiple forms beyond a single generic statement.
Option 2 – Disclosure requirements (political contributions, charitable donations, gifts)	The policy must address disclosure requirements for all three named categories: political contributions, charitable donations, and gifts – and must cover both directions (given by the company AND received by employees). **Decision rule:** if the policy addresses gift disclosure (received by employees) but is silent on political contributions or charitable donations made by the company, this is a partial finding – the option as worded requires all three categories. The auditor notes which category is missing if only partial coverage exists; this option does not qualify on partial coverage.
Option 3 – Defined consequences and disciplinary procedures	The policy states specific consequences for breaches – not merely 'breaches may result in disciplinary action' but some indication of the range of consequences (e.g. from formal warning to dismissal, and potential referral to law enforcement for serious breaches). **NOT sufficient:** a single generic sentence with no indication of a disciplinary process or range of consequences specific to corruption/bribery breaches.
Option 4 – Mandatory training in the past 12 months for relevant employees	**Minimum evidence (all required together):** • Training records showing delivery within the past 12 months before the audit date – this option's explicit '(delivered in the past 12 months)' wording sets a 12-month recency test, not the general 3-year window used elsewhere in this guide. • Evidence the training reached the relevant employee population specifically named in the option (procurement, finance, sales, or equivalent higher-risk functions) – training delivered only to the sustainability team or to an unrepresentative group does not satisfy this option. 'Relevant employees' in this option is the narrower, risk-based meaning – an exception to the general workforce-wide meaning set out in the 'Relevant employees / staff / personnel' guidance under criterion 2300005 – so the auditor scopes evidence to the named higher-risk functions, not the whole workforce. • Confirmation the training was mandatory (e.g. completion tracking with a compliance deadline, not an optional session with low or unmeasured uptake). **Boundary case – small organisation with no distinct procurement/finance/sales functions:** where the organisation is small enough that these functions are not separately structured, the auditor accepts training delivered to whichever employees hold financial decision-making or external payment authority, since these are the functionally equivalent higher-risk roles.
Guidance – 'Not Applicable' (Option 5)	
When 'Not applicable' is available	'Not applicable' is available ONLY where the organisation has no employees and no active operations at all (the same narrow test applied under criteria 2200064 and 2200100). Required evidence: a Director's written statement confirming the organisation has no employees and no active operations.
Auditor Decision Summary – 2200101	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • A dedicated anti-corruption and bribery policy exists, is current, and is accessible (prerequisite). • For each selected option (1–4): the policy/evidence meets the specific named-element test detailed in guidance. • Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME). • OR 'Not applicable' selected with a Director's statement confirming no employees and no active operations. **FAIL (raise Minor NC) – any of the following applies:** • No dedicated policy exists, or it is not current/accessible – criterion fails in full.	

• Option 1 selected but the policy contains only a single generic prohibition statement with no indication of multiple bribery forms. • Option 2 selected but one or more of the three named disclosure categories (political contributions, charitable donations, gifts) is not addressed. • Option 4 selected but the most recent training delivery is more than 12 months before the audit date, or did not reach the relevant higher-risk functions. • 'Not applicable' selected but the organisation has any employees or active operations.
MAJOR NON-CONFORMITY Positive evidence of fabrication required – e.g. training completion records listing employees who, per HR records, were not employed in the relevant function at the stated training date. **MINOR NON-CONFORMITY** Minor NC raised for any FAIL condition above, specifying the deficient option/sub-element. Closure must be confirmed within 12 months of the NC being raised .

2200076 – Material Sustainability Priorities

Assessment Criteria: "Company shall identify its most material sustainability priorities and document the methodology, inputs and rationale used to determine them."

Note: Applies equally to SMEs and non-SMEs. Both must select EXACTLY three topics from the list of 20 – not fewer, not more. This criterion is unusual: the auditor does NOT judge whether the correct three topics were chosen, only whether exactly three are selected and whether supporting documentation exists. Failure to meet this requirement is a minor non-conformity.

Answer Options (select exactly three)	**Option 1: Climate** **Option 2: Water Management** **Option 3: Waste Management** **Option 4: Packaging** **Option 5: Circularity** **Option 6: Hazardous Materials** **Option 7: Animal Welfare** **Option 8: Biodiversity** **Option 9: People Management** **Option 10: DEI** **Option 11: Health, Safety and Wellbeing** **Option 12: Community Involvement** **Option 13: Human Rights and Modern Slavery** **Option 14: Sustainability Purpose** **Option 15: Organisational Governance** **Option 16: Sustainable Procurement** **Option 17: Information Security** **Option 18: Ethics and Fair Operating Practices** **Option 19: Memberships and Accreditations** **Option 20: Innovation**
Criterion overview – critical auditor principle	**THE AUDITOR DOES NOT EVALUATE WHETHER THE CORRECT THREE TOPICS WERE CHOSEN.** This criterion exists to confirm that the organisation has gone through a deliberate materiality identification exercise and selected a focused set of priorities, not to second-guess the organisation's strategic judgement about which topics matter most to its specific business. The

	auditor's role is limited to two checks: (1) exactly three topics are selected, and (2) credible supporting documentation exists showing how the selection was determined. Provided both checks pass, the criterion is met regardless of which three topics were chosen – even if the auditor personally believes a different set of three would be more appropriate for the organisation's sector. **Accepted supporting evidence (examples, not exhaustive):** GRI (Global Reporting Initiative) 3 Material Topics 2021; ESRS (European Sustainability Reporting Standards) 1 double materiality and ESRS 2 IRO-1; IFRS (International Financial Reporting Standards) S1 material information; SASB (Sustainability Accounting Standards Board) materiality map; materiality assessment report with stakeholder inputs. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – keeping materiality current and stakeholder-informed (not assessed):** material priorities evolve. Organisations are encouraged to reassess their materiality analysis at least every 24 months and upon material change – for example entry into new markets, acquisitions, significant regulatory developments, or marked shifts in stakeholder expectations – recording the reassessment date; to include at least one stakeholder input (e.g. customer, employee, investor, or community feedback) among the documented inputs; and to communicate the chosen priorities and their rationale to stakeholders. This is guidance only: the binding requirements remain the exactly-three count and the documented methodology, inputs and rationale. Note that the three-topic selection is in any case re-submitted and re-assessed at every certification cycle.
Compliance Requirements	**Requirement 1 – Exactly three selected:** the assessment submission shows exactly three topics selected from the list of 20. Two selected, or four or more selected, both fail this requirement – there is no partial credit and no flexibility on the count. This applies equally to SMEs and non-SMEs. **Requirement 2 – Methodology, inputs and rationale documented:** a document evidencing the methodology used (how the prioritisation exercise was conducted), the inputs considered (e.g. stakeholder feedback, risk data, sector benchmarks), and the rationale for the three topics selected – for example, a materiality assessment report, stakeholder engagement summary, board discussion record, or risk/opportunity mapping exercise that led to the selection of these three topics. This applies equally to SMEs and non-SMEs; there is no reduced documentation standard for SMEs.
Indicators	• Count of selected topics in the submission equals exactly 3 – checked identically for SMEs and non-SMEs. • A document is present that describes the methodology used, the inputs considered, and the rationale for the selection. • The document's content is connected to the three topics actually selected (i.e. the document discusses these or closely related topics, not an entirely unconnected analysis).
Guidance – Acceptable Supporting Documentation	
Documentation types that qualify	Any of the following, provided the document shows some form of structured process rather than an arbitrary or undocumented choice: • A formal materiality assessment report (single or double materiality, financial materiality, or impact materiality methodology), however brief. • A stakeholder engagement summary (e.g. survey results, interview notes, workshop outputs) used to inform the prioritisation. • Board or senior management meeting minutes recording a discussion and decision on sustainability priorities. • A risk and opportunity mapping document (e.g. a simple matrix plotting topics by business relevance and stakeholder concern) that results in the three selected topics standing out. **Minimum bar – proportionate to organisation size:** for a small organisation, a one-page internal memo summarising why these three topics were chosen, referencing at least one input (e.g. 'based on customer feedback and sector benchmarking, we have prioritised X, Y, Z') is sufficient. A lengthy, externally facilitated materiality assessment is not required.

What does NOT qualify as supporting documentation	• No document at all – three topics selected with nothing uploaded to substantiate the basis. • A document that is entirely unconnected to the three selected topics (e.g. a financial audit report with no reference to sustainability priorities at all). • A document that merely restates the list of 20 topics without explaining why these three were chosen over the others.

Guidance – The Count Test (Requirement 1)

Applying the exactly-three rule	This is a strict numeric test with no discretion: • 2 topics selected → FAIL (insufficient – the assessment criteria requires three). • 3 topics selected → PASS the count test (proceed to check Requirement 2). • 4 or more topics selected → FAIL (the organisation has not narrowed to a focused top-three; this is treated the same as too few – the requirement is for precision, not a minimum-of-three floor).

Auditor Decision Summary – 2200076

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- Exactly three topics are selected from the list of 20 (no more, no fewer) – applies equally to SMEs and non-SMEs.
- Documentation exists showing the methodology used, the inputs considered, and the rationale for the three topics selected.
- The documentation's content is connected to the three topics actually selected.

FAIL (raise Minor NC) – any of the following applies:

- Fewer than three, or more than three, topics are selected – by either an SME or a non-SME.
- No documentation of methodology, inputs, or rationale is provided.
- The documentation is entirely unconnected to the three selected topics, or merely lists all 20 topics with no rationale for the chosen three.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a materiality assessment document that has been altered post-audit-notice to retrospectively justify topics not actually discussed in the original board minutes it claims to summarise.

MINOR NON-CONFORMITY

Minor NC raised where the count is incorrect (not exactly three) or where documentation of methodology, inputs, or rationale is absent or unconnected to the selection. This applies equally to SMEs and non-SMEs – there is no SME exemption or reduced documentation standard for this criterion, so an SME's shortfall is raised as a minor NC on exactly the same basis as a non-SME's.

The NC specifies which requirement failed. The auditor explicitly does NOT raise a finding on the basis that the auditor disagrees with which three topics were chosen – this is outside the scope of this criterion. Closure must be confirmed within 12 months of the NC being raised .

2200053 – Sustainability Purpose Statement

Assessment Criteria: "Company shall maintain a purpose statement that explicitly references the listed values and demonstrates alignment with organisational activities or decision-making."

Note: Applies equally to SMEs and non-SMEs. At least one value shall be referenced – this is a minimum-1 threshold for both organisation sizes, with no differentiation. Demonstrates alignment with organisational activities or decision-making' is a new evidentiary element beyond the bare textual-presence test – see the dedicated guidance below for the concrete decision rule.

Answer Options	**Option 1:** Social Impact (people, communities, equity) **Option 2:** Environmental responsibility (climate, nature, resource use) **Option 3:** Innovation and long-term value creation **Option 4:** Ethical conduct and governance (transparency, accountability, integrity) **Option 5:** Not applicable – see Not Applicable section below
Criterion overview and distinction from 2200064	**Distinction from 2200064 Option 1:** criterion 2200064 Option 1 asks only whether the purpose statement makes 'explicit reference to sustainability or environmental/social responsibility' generally – a single broad test. This criterion (2200053) is more granular: it requires the auditor to check the SAME (or an equivalent) purpose statement against four SPECIFIC named value categories and award a point for each one explicitly referenced. An organisation's purpose statement could pass 2200064 Option 1 (general sustainability reference present) while only qualifying for one or two of the four specific categories here, or vice versa in unusual cases. The auditor assesses both criteria independently using the same source document but different, more granular tests for this criterion. **Accepted supporting evidence (examples, not exhaustive):** UN (United Nations) Global Compact Ten Principles; B Corp purpose framework; ESRS (European Sustainability Reporting Standards) 2 strategy and business model; company purpose or mission statement; strategy document referencing the purpose. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable.
Compliance Requirements (each selected option)	**Requirement A – Explicit textual reference:** the value must appear in the published statement's actual text – not be inferred by the auditor from the organisation's general activities or reputation. 'Explicitly references' means the specific value concept (or a close, recognisable synonym) is named in the statement itself. **Requirement B – Demonstrated alignment with activities or decision-making:** for at least one referenced value (not necessarily every value selected), the organisation provides one concrete example of an activity, decision, policy, or initiative that connects to that value – see the dedicated decision rule below for what qualifies.
Indicators	• The current published purpose statement is provided as evidence. • For each selected option, the specific value concept (or recognisable synonym) is locatable as actual text within the statement. • At least one concrete example of alignment (an activity, decision, policy, or initiative connected to at least one referenced value) is provided.
Guidance – 'Explicitly References' Decision Rule	
What counts as explicit, what requires inference	The auditor applies a strict textual-presence test: does the statement contain words or phrases that a reasonable reader would associate with the named value, without needing outside knowledge of the organisation's other activities? **Option 1 – Social Impact:** qualifying language includes terms such as 'people', 'communities', 'equity', 'social impact', 'inclusion', 'wellbeing of society', 'making a difference to people's lives'. **Option 2 – Environmental responsibility:** qualifying language includes 'climate', 'environment', 'nature', 'sustainability' (where used in an environmental sense), 'resource use', 'planet', 'biodiversity'.

	Option 3 – Innovation and long-term value creation: qualifying language includes 'innovation', 'pioneering', 'long-term value', 'future generations', 'enduring/lasting impact', 'building for the future'. **Option 4 – Ethical conduct and governance:** qualifying language includes 'integrity', 'transparency', 'accountability', 'ethical', 'trust', 'doing the right thing', 'responsible governance'. **Boundary case – single word doing double duty:** where the statement uses a single broad word like 'responsible' or 'sustainable' without further qualification, the auditor considers context: 'a responsible business for people and planet' would support both Option 1 and Option 2; 'a responsible business' alone, with no further context anywhere in the statement, is too ambiguous to confidently assign to any specific option and should not be counted for any of the four without further textual support elsewhere in the statement. **NOT acceptable – auditor inference from unrelated evidence:** the auditor must not award a point based on knowledge that the organisation 'does a lot of community work' if the purpose statement text itself contains no social-impact language. The test is confined to the statement's own words.
Guidance – Demonstrated Alignment with Activities or Decision-Making	
Decision rule – what qualifies as alignment evidence	This requirement is separate from, and in addition to, the textual-presence test above. A statement can pass the textual-presence test for a value (the word appears) while the organisation still fails to provide alignment evidence (no example of the value showing up in practice). Acceptable alignment evidence (any ONE concrete example, connected to any ONE of the values the organisation has referenced, is sufficient – this is not required per value, only once for the criterion as a whole): • A specific business decision, investment, product change, or policy that the organisation states was made in furtherance of, or consistent with, the referenced value (e.g. for Option 2/Environmental responsibility: a decision to switch a product line to recycled materials, citing the purpose statement). • A named initiative, programme, or activity that operationalises the value (e.g. for Option 1/Social Impact: a community investment programme, an internal equity audit, a stated DEI initiative). • Board minutes, strategy documents, or annual report sections that reference the purpose statement when explaining a specific decision. **NOT acceptable:** • A second restatement of the purpose statement's own language with no concrete example (e.g. 'we live our value of social impact every day' with nothing further) – this is circular, not evidence. • A generic corporate social responsibility page listing activities with no stated connection back to the specific purpose statement or its named values. **Decision rule:** if the organisation provides at least one concrete example meeting the acceptable criteria above, Requirement B is met for the whole criterion (it is not assessed separately for each of the 1–4 selected values). If no such example is provided – only the bare statement text – Requirement B fails and the criterion fails in full regardless of how many value concepts are textually present. **Good practice – alignment per value (not assessed):** organisations are encouraged to provide an alignment example for each value they reference – particularly in strategic planning documents and annual reporting – though one concrete example for the criterion as a whole remains the requirement.
Guidance – 'Not Applicable' (Option 5)	
When 'Not applicable' is available	'Not applicable' is available ONLY where the organisation has no employees and no active operations at all (the same narrow test applied under criteria 2200064, 2200100, and 2200101) – i.e. a dormant or pre-operational entity. It is NOT available simply because the organisation has not yet drafted a purpose, vision, or mission statement, or considers the exercise low priority: any operating organisation with at least one employee can adopt and publish a brief purpose statement at minimal cost. Required evidence: a written statement from a Director confirming

	the organisation has no employees and no active operations. The auditor must refuse 'Not applicable' for any organisation with employees or active operations, regardless of whether a purpose statement currently exists.

Auditor Decision Summary – 2200053

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- A current published purpose, vision, or mission statement is provided.
- For each selected option (1–4): the specific value concept is locatable as actual text (or a recognisable synonym) within the statement, applying the qualifying-language guidance above.
- Total qualifying options ≥ 1 (applies equally to SMEs and non-SMEs).
- At least one concrete example of alignment with organisational activities or decision-making is provided for at least one referenced value (Requirement B).
- OR 'Not applicable' selected with a Director's statement confirming the organisation has no employees and no active operations.

FAIL (raise Minor NC) – any of the following applies:

- No published purpose statement is provided as evidence.
- Selected option's value concept cannot be located as text in the statement – the auditor would need to infer it from the organisation's general activities, which is not permitted.
- Zero qualifying options identified, and 'Not applicable' is not validly supported (i.e. a statement does exist but contains none of the four value concepts).
- Textual reference exists for at least one value, but no concrete alignment example is provided – only a restatement of the purpose statement's own language, or a generic activities page with no stated connection to the statement.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a purpose statement submitted for audit that differs from the version currently published on the organisation's own website or public materials, suggesting the audit version was altered for the purpose of the assessment.

MINOR NON-CONFORMITY

Minor NC raised where zero qualifying options are identified despite a statement existing, where the statement itself does not exist, or where Requirement B (alignment evidence) is absent. Closure must be confirmed within 12 months of the NC being raised.

2200127 – Supplier Code of Conduct

Assessment Criteria: "Company shall maintain a supplier Code of Conduct that addresses the listed topics, and demonstrate that it is communicated to relevant suppliers."

Note: Applicability: both SMEs and non-SMEs (changed from non-SME-only). Threshold: SMEs → minimum 2 qualifying topics. Non-SMEs → minimum 3 (raised from minimum 2).

Answer Options	**Option 1:** Suppliers shall adopt their own sustainable procurement policies (cascade to Tier 2+) **Option 2:** Climate change mitigation and emissions reduction **Option 3:** Waste management **Option 4:** Water management **Option 5:** Biodiversity conservation and prevention of land/ecosystem degradation **Option 6:** Hazardous materials management (including restricted substances) **Option 7:** Prohibition of child labour (Mandatory) **Option 8:** Prohibition of forced and compulsory labour **Option 9:** Respect for workers' rights (freedom of association, non-discrimination) **Option 10:** Health and safety in the workplace **Option 11:** Fair remuneration (at least legal minimum wage) **Option 12:** Working hours and overtime limits **Option 13:** Ethics and fair operating practices (anti-corruption, conflicts of interest) **Option 14:** Not applicable – see Not Applicable section below
Criterion overview and prerequisite	**Prerequisite – Supplier Code of Conduct exists, is current, and is communicated to suppliers:** a Supplier Code of Conduct document exists, distinct from the organisation's own internal employee-facing Code of Conduct (assessed under 2200100), is currently in effect, and the organisation can show it has been communicated to relevant suppliers (e.g. distributed as part of onboarding, referenced in supplier contracts, or published on a supplier-facing portal/website). A Code that exists only as an internal draft with no evidence of distribution to any supplier does not satisfy the prerequisite. 'Relevant suppliers' here means the organisation's Tier 1 suppliers, using the Tier 1 definition under criterion 2100022 – evidence of communication to at least one current Tier 1 supplier is sufficient; the auditor does not require evidence reaching every Tier 1 supplier or any Tier 2+ supplier. **This criterion applies to both SMEs and non-SMEs:** at different thresholds (SME minimum 2, non-SME minimum 3) – there is no SME exemption for this criterion. **Option 1 is structurally distinct:** Option 1 (cascade requirement to Tier 2+) is a procedural/structural requirement about WHO the Code applies down the chain to, whereas Options 2–13 are topic-coverage requirements about WHAT the Code addresses. Option 1 may be selected and assessed independently of how many topics (2–13) are covered – a Code with a cascade clause but covering only one substantive topic still earns the Option 1 point on its own merits, separate from the topic-coverage count. **Accepted supporting evidence (examples, not exhaustive):** OECD (Organisation for Economic Cooperation and Development) Due Diligence Guidance; UN (United Nations) Global Compact; IFC (International Finance Corporation) Performance Standard 2 and the ILO (International Labour Organization) conventions; RBA (Responsible Business Alliance) Code of Conduct; Supplier Code with a distribution or acknowledgement log. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – risk-based rollout and ongoing engagement (not assessed):** where the Code is rolled out progressively, organisations are encouraged to communicate it first to the suppliers presenting the highest sustainability risk or strategic significance – by spend, geography, or sector – and to keep engagement live through periodic re-communication (e.g. at contract renewal or Code updates) and compliance dialogue. This is guidance only: the prerequisite floor remains communication to at least one Tier 1 supplier, and supplier compliance monitoring is assessed under 2200150 (SAQs, scorecards, business reviews) and 2300140 Option 5 (ethical audits with corrective action plans), not here.
Compliance Requirements	**For Option 1:** the Code contains a clause requiring direct (Tier 1) suppliers to adopt their own sustainable procurement policies and to cascade equivalent requirements to their own suppliers (Tier 2 and beyond).

(each selected option)	**For Options 2–13:** the Code addresses the named topic with sufficient specificity (not merely a passing one-word mention) – the same 'substantive coverage' standard applied under criterion 2200100 applies here, calibrated to each topic.
Guidance – Option 1: Cascade Requirement	
What satisfies the cascade clause	Minimum content: an explicit clause requiring Tier 1 suppliers to (a) have or adopt their own sustainable procurement policy, and (b) extend equivalent requirements to their own suppliers. **NOT sufficient:** a Code that only asks Tier 1 suppliers to comply with the topics themselves (Options 2–13) without any requirement to cascade similar expectations further down the chain. The cascade element is specifically about propagation through the supply chain, not direct compliance.
Guidance – Minimum Content per Topic (Options 2–13)	
Environmental topics (Options 2–6)	**Option 2 – Climate change/emissions:** the Code requires or encourages suppliers to address GHG emissions (at minimum, an expectation that suppliers monitor or reduce emissions, or report on climate impact). **Option 3 – Waste management:** the Code addresses supplier expectations on waste reduction, disposal, or management practices. **Option 4 – Water management:** the Code addresses supplier expectations on water use, conservation, or discharge management. **Option 5 – Biodiversity/land/ecosystem:** the Code addresses supplier expectations on avoiding or minimising harm to biodiversity, land, or ecosystems (e.g. deforestation-related sourcing, land degradation). **Option 6 – Hazardous materials:** the Code addresses supplier expectations on managing or restricting hazardous substances (e.g. compliance with restricted substance lists, REACH, RoHS, or equivalent). **For each:** a single passing mention with no substantive expectation does not qualify; the Code must state what is expected of the supplier on that topic.
Labour and social topics (Options 7–12)	**Options 7 & 8 – Child labour / forced labour prohibition:** explicit prohibition statements, each assessed independently (a Code addressing only forced labour without mentioning child labour qualifies for Option 8 alone, not Option 7). **Option 9 – Workers' rights:** the Code addresses freedom of association AND non-discrimination together (the option names both) – partial coverage of only one does not fully qualify this specific option; note the deficiency. **Option 10 – Health and safety:** the Code sets an expectation for safe working conditions at supplier sites. **Option 11 – Fair remuneration:** the Code requires at minimum compliance with applicable legal minimum wage requirements for supplier workers (this is distinct from and a lower bar than the living wage standard the organisation applies to its own direct employees under criterion 2300017 – for suppliers, legal minimum wage compliance is the minimum bar named in this option's wording). **Option 12 – Working hours and overtime:** the Code sets expectations or limits on supplier working hours and overtime (e.g. alignment with International Labour Organization standards or local law, with a stated maximum where possible).
Option 13 – Ethics and fair operating practices	The Code addresses anti-corruption AND conflicts of interest together (both named) as expectations of suppliers – partial coverage of only one does not fully qualify; note the deficiency.
Guidance – 'Not Applicable' (Option 14)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation's business model genuinely does not involve a supply chain – the same narrow test applied under criteria 2100022 and 2300140. Required evidence and refusal conditions: identical to the tests under 2100022 and 2300140.

Auditor Decision Summary – 2200127

AUDITOR DECISION TABLE

PASS – all of the following must apply:

- A Supplier Code of Conduct exists, is current, and is demonstrably communicated to relevant suppliers (prerequisite).
- For each selected topic: substantive coverage meeting the specific sub-elements detailed in guidance (noting Options 9 and 13 require both named sub-parts together).
- Total qualifying topics ≥ 2 (SME) or ≥ 3 (non-SME) (non-SME threshold raised from 2 to 3).
- OR 'Not applicable' selected with the same two-element evidence standard as 2100022/2300140.

FAIL (raise Minor NC) – any of the following applies:

- No Supplier Code of Conduct exists, or it exists only as an internal draft with no evidence it was communicated to any supplier.
- Option 9 selected but only freedom of association OR non-discrimination is addressed, not both.
- Option 13 selected but only anti-corruption OR conflicts of interest is addressed, not both.
- Total qualifying topics below the threshold.

MAJOR NON-CONFORMITY

Positive evidence of fabrication required – e.g. a Supplier Code presented as currently in force that supplier contract files show was never circulated to any actual supplier.

MINOR NON-CONFORMITY

Minor NC raised for any FAIL condition above, specifying the deficient option/sub-element or the shortfall in count. This applies equally to SMEs falling short of their Min. 2 threshold and non-SMEs falling short of their Min. 3 threshold. Closure must be confirmed within 12 months of the NC being raised .

2200150 – Sustainability Integration into Procurement Process

Assessment Criteria: "Company shall have integrated sustainability requirements into its procurement process through defined measure(s), and retain evidence of implementation."

Note: Applicability: both SMEs and non-SMEs (changed from non-SME-only). Threshold: SMEs → minimum 1 qualifying option. Non-SMEs → minimum 2.

Answer Options	**Option 1:** Sustainability criteria written into supplier selection / tender scoring **Option 2:** Sustainability clauses included in supplier contracts **Option 3:** Supplier sustainability self-assessment questionnaires (SAQs) used **Option 4:** Supplier sustainability scorecards or ratings maintained **Option 5:** Sustainability performance reviewed in regular supplier business reviews **Option 6:** Not applicable – see Not Applicable section below
Criterion overview and distinction from related criteria	This criterion assesses whether sustainability considerations are embedded in the procurement PROCESS itself (the mechanics of how suppliers are selected, contracted, assessed, and reviewed) – distinct from criterion 2200127 (the CONTENT of a Supplier Code of Conduct) and from criterion 2100022 (GHG-specific supplier engagement actions). An organisation could have a strong Supplier Code (2200127) that is never actually operationalised through scoring, contracts, SAQs, scorecards, or reviews – in which case 2200127 might pass on content while this criterion fails on process integration. The two are independently assessed. This criterion applies to both SMEs and non-SMEs, at different thresholds (SME minimum 1, non-SME minimum 2) – there is no SME exemption. **Proportionate application:** the mechanisms may be applied proportionately to purchasing value and supplier significance – for example, sustainability-weighted tender scoring applied to tenders above a stated value threshold, or SAQs and scorecards applied to strategic suppliers only – provided the mechanism is genuinely in use (Requirement A). The option tests require a real mechanism with at least one evidenced application; they do not require coverage of every purchase, tender, or supplier. **Accepted supporting evidence (examples, not exhaustive):** ISO 20400 guidance on sustainable procurement; OECD (Organisation for Economic Cooperation and Development) Due Diligence Guidance; ESRS (European Sustainability Reporting Standards) G1 on supplier relationships; supplier SAQ (self-assessment questionnaire) or EcoVadis style scorecards; tender scoring sheets and contract sustainability clauses. Evidence, standards or methodologies that are technically equivalent to these are equally acceptable. **Good practice – procurement outcomes (not assessed):** organisations are encouraged to track the outcomes of sustainable procurement over time – for example the share of spend with sustainability-assessed suppliers, supplier scorecard trends (Option 4), and actions raised and closed through business reviews (Option 5). This is guidance only: the auditor assesses the option tests below, not outcome metrics.
Compliance Requirements (each selected option)	**Requirement A – The mechanism is actually in use:** a described process or tool exists AND there is evidence of at least one actual application within the past 3 years (parallel to the 'concrete output' standard applied under criterion 2100022) – a described but unused process does not qualify. **Requirement B – Sustainability-specific content:** the mechanism specifically incorporates sustainability/ESG criteria, not only commercial, quality, or delivery criteria with no sustainability dimension.

Guidance – Minimum Acceptable Evidence by Option

Option 1 – Sustainability criteria in supplier	**Minimum evidence (both required):** • A tender scoring template, supplier selection scorecard, or procurement evaluation criteria document showing a specific sustainability/ESG-weighted criterion (with a stated weighting or scoring methodology, where the organisation uses weighted scoring at all).

selection / tender scoring	• Evidence of at least one actual tender or supplier selection process in the past 3 years where the sustainability criterion was applied (a completed scoring sheet for a real tender, or a selection decision record referencing the sustainability score). **NOT acceptable:** a template that includes a sustainability line item that has never actually been populated or used in any real tender.
Option 2 – Sustainability clauses in supplier contracts	**Minimum evidence (both required):** • A contract template or standard terms containing a sustainability clause (this may be the same clause referenced under 2200127, or a distinct commercial contract clause). • At least one executed (signed) contract with a current supplier incorporating the clause. Auditor checks: is the clause specific (an actual obligation or expectation, not just a reference to 'corporate values')? Is there an executed example?
Option 3 – Supplier sustainability self-assessment questionnaires (SAQs)	**Minimum evidence (both required):** • A SAQ template covering sustainability/ESG topics (e.g. environmental practices, labour standards, governance). • At least one completed SAQ response from a real supplier within the past 3 years. **Boundary case – third-party SAQ platforms:** where the organisation uses a third-party platform (e.g. EcoVadis, Sedex SAQ) rather than its own template, evidence of platform subscription/use plus at least one supplier's completed assessment via the platform satisfies this option.
Option 4 – Supplier sustainability scorecards or ratings	**Minimum evidence (both required):** • A scorecard or rating methodology specifically addressing sustainability performance (distinct from a purely commercial/quality scorecard with no sustainability dimension). • At least one completed scorecard or rating for a current supplier within the past 3 years. **Auditor checks:** does the scorecard include sustainability-specific metrics (not solely on-time delivery, price, or quality metrics)?
Option 5 – Sustainability reviewed in regular supplier business reviews	**Minimum evidence (both required):** • Evidence of a regular supplier business review process (meeting cadence, agenda template) that includes a sustainability agenda item or discussion point. • At least one meeting record (minutes, action log) from within the past 3 years showing sustainability was actually discussed, not merely listed on a template agenda with no record of discussion.
Guidance – 'Not Applicable' (Option 6)	
When 'Not applicable' is available	'Not applicable' may be selected only where the organisation's business model genuinely does not involve a supply chain – the same narrow test applied under criteria 2100022, 2300140, and 2200127. Required evidence and refusal conditions: identical to those tests.
Auditor Decision Summary – 2200150	
AUDITOR DECISION TABLE **PASS – all of the following must apply:** • For each selected option (1–5): a sustainability-specific mechanism exists AND at least one actual application/use is evidenced within the past 3 years. • Total qualifying options ≥ 1 (SME) or ≥ 2 (non-SME). • OR 'Not applicable' selected with the same two-element evidence standard as the related supply-chain criteria. **FAIL (raise Minor NC) – any of the following applies:** • All selected mechanisms exist only as unused templates with no evidence of actual application. • Selected mechanisms address only commercial/quality/delivery criteria with no sustainability-specific dimension. • Total qualifying options below the threshold.	

• 'Not applicable' claimed but the financial document shows material supplier expenditure on goods or services.
MAJOR NON-CONFORMITY Positive evidence of fabrication required – e.g. a completed SAQ response submitted for audit that the named supplier, when contacted, confirms it never completed. **MINOR NON-CONFORMITY** Minor NC raised where the threshold is not met, specifying which requirement (A or B) failed for each selected option. This applies equally to SMEs falling short of their Min. 1 threshold and non-SMEs falling short of their Min. 2 threshold. Closure must be confirmed within 12 months of the NC being raised .

End of document

This is the end of the Butterfly Mark Certification Scheme Audit Criteria, version 1.0.

For questions about this document, contact the scheme owner:

Positive Luxury Ltd.
72-74 Dean St,
London W1D 3SG, United Kingdom
hello@positiveluxury.com