



# CSRAA CONSTITUTION

Corporate Social Responsibility  
Association *of* Australia

# Complementing Traditional Business Values

# Corporate Social Responsibility Association of Australia

## **Increasing demand and staff contentment by a validation of operational moral and ethical footprints best describes the CSRAA and its ratings.**

Proof of CSR, your integrity and ethics, complement traditional benefits and value of ownership derived from your product or service. The integration of social responsibility into your operation and marketing satisfies 77% of customers who demand openness. A CSR value also provides staff vindication. (2017).

The rating process assesses all aspects of the enterprise, from your stance on the environment to race equality. The measurement examines most parameters. The CSRAA quantifies a corporation's social responsibility and awards a rating of between 1 and 5.

CSR integration and promotion improves both the sales performance and the company's image. The rating enables an alignment with the client's need for clarity and creates ethical affirmation that complement traditional buying incentives. It provides a comparable evaluation and interpretation for staff.

The CSRAA organisation is independent and as such provides objectivity. Members of the CSRAA have made a commitment to improve their CSR. Association implies agreement and endorsement of the CSRAA ideology. Companies from Microsoft to Lego have integrated CSR into their operations. The CSRAA enables Australian companies to do likewise and follows the lead of companies such as Google, the Walt Disney Company, BMW Group, Intel and Robert Bosch.

The size of the global CSR market is valued at US 30 trillion, reports Forbes magazine, 2018. By comparison, the local Australian CSR market is only A\$280 million. It 'is not proportionate because companies fail to measure or value benefits from CSR expenditure.' Karrikins Group 2015. ("[Lack of measurement limiting the strategic value of corporate social responsibility: report](#)", 2015).

The CSRAA provide tools for Australian corporates to incorporate a CSR value into their operations to deliver customer and staff satisfaction, the use of a virtuous compass.

Operational expenditures are re-evaluated and where appropriate a re-classification is made; evaluating a cost as a business investment. Operationally, CSR is standard procedure amongst progressive corporates and delivers endorsement at a time of re-appraisal and historical significance.

Overseas, the integration of CSR into corporate procedure and into marketing has increased performance and profits. Successful implementation of this established component, CSR, into Australian operations will do the same.

“Corporate social responsibility, CSR, highlights how social and environmental issues have become financial issues.” Lars Rebien Sørensen, ranked the best performing CEO in the world for 2015, sums up the opportunity. (“Lars Rebien Sørensen - Novo Holdings”, 2017).

Leading commentaries, such as the United Nations and the Organisation for Economic Co-operation and Development, acknowledge CSR. The CSRAA guidelines are based on the best of their recommendations with the inclusion of additional parameters which creates a systemised and customised process for Australian corporates. The current leading commercial challenge to the boardrooms of Australia is to recognise the CSR global trend and to integrate CSR into their own operations to increase sales, profit and staff contentment

CSR implementation results in higher staff retention. A quality employee requires validation of principles and affirmation of their working choices. “Analysts recognise that CSR needs to become an essential part of how to do business to reduce employee turnover and improve morale” explains smallbiztrends.com. (“Does Corporate Social Responsibility Boost Employee Morale? Yes.”, 2016).

Staff are happier to work for a company when it operates with moral integrity. The majority of consumers and staff now actively seek out principled employment. In a survey asking employees if corporate social responsibility was important to them, 67 percent of the respondents replied that “it was essential when it came to choosing the right employer.” reported the Nielsen group in April 2018. (“13.9 Million Australians Accessed Online News.”, 2018).



# CSR Is Recognized By Successful Corporates

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Analysis of corporate finances provides a figure for the amount of CSR expenditure. Taxation payments are an example of a traditional cost whose contribution is often overlooked and benefits from re-evaluation.

A changed mind set is required to correctly assess business parameters. Re-appraisal is central to the CSRAA approach. A taxation payment is normally undesired, but it's payment reveals the strength of the corporate and indicates value. Analysis reveals an established trend of success amongst corporate advocates. 'In 2015, 68% of consumers were prepared to pay more for products and services that were deemed socially responsible.' [Nielsen Survey. \(2017\).](#)



Today, people are even more demanding of conscientious values in light of a maturing social conscience. Organisations and individuals such as the Black Lives Matter movement and Sir David Attenborough's whose speech at the United Nations are just two examples of recent highlighted attitudinal issues. The CSRAA rating's process validates business practices. Criterion from an assessment of environmental footprint to the level of gender and racial equality within the corporate provides a value. The process assesses key parameters.

The World Commission for the Environment and Development stated that corporates should conduct "development which meets the needs of the present without compromising the ability of future generations." ([Wilkinson, 2016](#)).

The United Nations stated, "corporate sustainability starts with a company's value system and a principles based approach to doing business with fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption." The International Labour Organisation endorses CSR by offering guidance on how businesses and organisations can "operate in a socially responsible way." All three authorities advocate the benefits of CSR principles. Legitimacy is afforded to the CSRAA by the association through and with CSR rhetoric. Adherence to CSRAA standards demonstrates a compliance level and enables CSR promotion.



The CSRAA details results based on corporate performance and consequences. Multiple locations can be assessed. The CSRAA applies universal measurements whilst also catering for sector specifics. The process identifies positive and negative events, it evaluates how these challenges are managed and provides recommendations. The process applies SMART measurements.

There are challenges in assessing points due to the objective value an answer carries. Measuring one action against another is difficult as some issues matter more to some individuals than it does to others. Evaluation of an answer is based upon whether something is deemed correct or incorrect. There is always going to be opinion concerning how right or how wrong an action is but by assessing its importance and quantifying the number of people effected, the system provides a value. **Ensuring transparency and preventing greenwashing remains a challenge.**

If a matter effects a large number of people and causes a significant consequence such as death, the scale reflects a low score. If an item effects just a few people and causes a minimal effect, then a high score is awarded.

It is demanding to rank individual concerns when everyone has a different opinion. The association wants to work with persons that have similar values. Is the death of an animal as bad as the death of human? How do you quantify one level of discrimination over another? It is obviously better to pollute at lower levels than higher but what is an acceptable amount if the company provides jobs and income to the area?

Minimising negative consequences upon health and the environment, whilst still making strong profits, sounds pretty good. The CSRAA provides a vehicle for those who are ethically responsible and who wish to promote their integrity.



# Ethical Profits Are Possible

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The ratings provide transparency that facilitates support. A good example of a positive impact is the ship called “Afros”. She employs wind technology to help power the engines and to reduce her carbon footprint. The invention helps achieve compliance with emission targets as outlined by the International Maritime Organisation. Afros is a beacon within an industry that will account for almost a fifth of the global carbon emissions by 2050 if counter measures are not affected. The BBC reports.

Examination of the global shipping industry exposes weaknesses within current monitors and their presence reflects shortfalls across all sectors. Details relating to the international shipping sector were excluded from the United Nations Paris agreement despite container ships being responsible for carrying about 90% of world trade. (“ICS | Shipping and World Trade”, 2018).

An absence of relevant commentary, ethical measurements and importantly, tools directing and rewarding behavior led to the association foundation. The ratings are a tool that increases sales, staff contentment and positively impacts the environment and community.

The BBC reported, (“Call to clean up shipping carbon emissions”, 2018), there was no mention of the shipping industry in the Paris convention despite a provision under the 1997 Kyoto Protocol that allocated responsibility for the handling carbon emissions sourced from marine fuels to the International Maritime Organisation; the United Nations division responsible for global shipping. There has been some progress with regard to Marine emissions but not within UN protocols. (Harvey, 2018).

Today, successful business involves taking a stance on all fronts; often involving matters that are not within the direct operational sphere. The following sentiments convey ideology and spiritual guidelines that the CSRAA have endorsed as having business relevance.



“The earth will not continue to offer its harvest, except with faithful stewardship. We cannot say we love the land and then take steps to destroy it.”  
- **Anon**

“We are the last generation with a real opportunity to save the world.”  
- **Laurence Overmire**,  
Environmentalist

“It is not the differences that cause disparities, rather racism”  
- **Anon**



**Sir David Attenborough**, at 92 years young, whilst opening the United Nations recent Paris convention, aptly said; “Right now, we are facing a man-made disaster of global scale. Our greatest threat in thousands of years, climate change. If we don’t take action, the collapse of our civilisations and the extinction of much of the natural world is on the horizon.”



“The time is always right to do what is right.”  
- **Martin Luther King Jr.**



“No one is born hating another person because of the colour of his skin, or his background, or his religion. People must learn to hate, and if they can learn to hate, they can be taught to love, for love comes more naturally to the human heart than its opposite.” - **Nelson Mandela**



“Because we all share this planet earth, we have to learn to live in harmony and peace with each other and with nature. This is not just a dream, but a necessity.”  
- **Dalai Lama**



“Be the change that you want to see in the world.” - **Mahatma Gandhi**

**“Do you love my colour Mummy?”**

An adopted black child asking, speaking to his white mother, aged 1 year



# Moral Quantification

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**“I alone cannot change the world, but I can cast a stone across the waters to create many ripples - Mother Teresa**

Australia continues to increase its emissions and has done so by 10% since the 1990's, placing it amongst the world's pollution leaders, the eighth highest greenhouse gas emissions contributor per capita in the world” reported Alan Finkel. Comparative economies emissions are 22.6% lower.

Rory Gibb explained “an increase in zoonotic disease responded to deforestation and migration of humans into new land. Habitat disturbance resulted from an interaction with rodents, bats and song birds.” (“Land use changes may increase disease outbreak risks”, 2020).

Historical diseases can be released from having been frozen and now become active again. Currently they are contained within permafrost structures and are released as a result of global warming. “Long-dormant bacteria and viruses, trapped in ice and permafrost for centuries, are reviving as earth's climate warms explains Jasmin Fox-Skelly. (Fox-Skelly, 2017).

S. Levy of the National Bureau of Economic Researchers explained “Climate change will change population distribution; the less livability land is within the poorest regions.” Higher temperatures create strong migratory pressures. Measurement requirements are influenced by the operational structure of a company. Usually additional quantification is not required. If needed, the figures are added to the provisional rating to change its value into a certified measurement.

The lack of sufficient Australian government legislation, an absence of enforcement and the omission of key statistics within the United Nations Paris treaty reveal both national and international shortfalls. Critique of the current system derives from reputable sources. Leading voices include; Alan Finkel, the Chief Scientist to the Prime Minister of Australia, David Shearman, Professor of Medicine for the University of Adelaide, and Bill Hare, director of the global institute for climate analytics.

The Australian governments process of ignoring United Nations guidelines and systemising pollution has led to a culture of a high tolerance. The system actually grants government ratified permits to allow pollution issued by the Department of Environment and Energy which even endorses even SO<sub>2</sub> pollution. More details are available within the survey guide.



The death of George Floyd confirms racism is present. The “can’t breathe” image was intended to be a tribute to his life, however, the cry for help could be for the planet as well. The health of the world is also at stake.

The CSRAA is an objective monitor. The association provides a solution to the current system shortfall identified by environmental, legal and medical non-governmental organisations; “Australia needs an independent national agency to safeguard the environment and to deliver effective climate policy.” David Shearman, Emeritus Professor of Medicine, University of Adelaide.

Most Western democracies have established national regulatory action such as the US Environmental Protection Agency, yet, Australia is a notable exception. There is some irony in the US example as it has recently removed itself from the WHO and the UN Human Rights Council, often it is hard to see the wood for the trees.

In 2017, the Guardian commented “Australia’s emissions over the past year were the highest on record. The ever-increasing emissions are taking Australia further from both its carbon-reduction commitments made in Paris and the much bigger reductions recommended by its own government’s Climate Change Authority. “Transitioning to a low emissions economy requires action across the whole economy” explains Alan Finkel. (2020).



# A Healthy Ecology Is The Basis For A Healthy Economy

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A pollution solution is rewarded commercially, environmentally and ethically. The CSRAA recognises a sustainable environment and ethical behavior as part of positive CSR performance.

Leading climate researchers have overwhelmingly rejected the federal government's claim that Australia is on track to cut greenhouse gas emissions. The Guardian newspaper asked 12 Australian economists and scientists, "whether Australia was likely to meet the 2030 target of a 28% emissions cut below that of 2005 levels under existing policy settings?"

The prime minister, Scott Morrison, repeatedly stated the target would be met "in a canter", however nine of the twelve respondents either dismissed Morrison's statement outright or strongly suggested "new policies would be needed to achieve the target."

Bill Hare, the Perth-based director of the global institute for Climate Analytics, summarised "there was virtually no chance that the Paris agreement target would be met without new policies." and added "In fact, the reverse is true, its emissions are likely to continue to increase." At the 2015 sustainable development summit, the "Paris Agreement" which effectively replaced the Kyoto Protocol, an agreement was made to limit warming "well below 2 degrees," CNN reported.

"Since 2015, total emissions by advanced countries have dropped 22.6 % compared with 1990 levels," reported the Japanese times in 2019. In the same time period, Australian levels are however, up by 10%. It is also important to appreciate total global emissions figures currently do not include India, China or the US within calculations. The true picture is probably much worse than analysis suggests.



The world is battling the COVID virus and Bill Gates summed up the challenge:

"A global crisis has shocked the world. It is causing a tragic number of deaths, making people afraid to leave home, leading to economic hardship not seen in many generations. Its effects are rippling across the world. But in just a few decades, the same description will fit another global crisis: climate change. As awful as this pandemic is, climate change could be worse."

Interestingly the Global Carbon project identified that between February and May this year, CO2 emissions were down 17% based on the 75% reduction in air flights. Perspective resultant for the economic slowdown is food for thought.

## **CSR evaluation enables products and services to be aligned with the tastes of consumers, the moral requirements of staff and the needs of the world.**

The COVID pandemic despite its awfulness has identified key lessons. Our unpreparedness, the relative small size of the world and the fact one event can have global repercussions. The planet and its citizens have tremendous incentive to coordinate. We appreciate destinies are interwoven and understanding that benefit at the exploitation of others is no longer acceptable. “United we stand, divided we fall.”

Decorum insists; we offer our condolences to COVID victims and their families. We offer our ongoing gratitude to the selfless actions and fearlessness of doctors, nurses and support staff everywhere. Let’s use their example as a motivation for change.



# Weighted Items Reflect True CSR

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## Survey procedure

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- 1** Select a self-assessed rating based on the questionnaire or an independent audit. The process involves full disclosure.
  - 2** Complete questionnaire.
  - 3** CSRAA awards star rating between 1 and 5 based is awarded based on your answers. Performance is assessed against Australian governmental standards, standards supported by the United Nations and the standards of the CSRAA.
  - 4** Tests are communicated, if required.
  - 5** Issues requiring improvement are supplied in a report.
  - 6** The rating result is published on the Company Social Responsibility Association of Australia (CSRAA) website at [csr.org.au](http://csr.org.au), and the award can be promoted. Permission to Publish your rating is received in writing.
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# Terms And Conditions Of Membership And Survey

When purchasing and using the CSRAA survey, it is important to recognise that the ratings and the results are based upon the answers given by the applicant to the survey questions.

Applicants have a legal duty of disclosure and the rating issued is governed by weighted answers creating a total score. The level of CSR is reflected in the awarded rating between 1 and 5.

There is no CSRAA liability with regard to the accuracy of the rating. Nor is there an automatic rating accuracy or reliance conveyed to any individual or a user. There is always a chance that the provided answers were misleading; features have been misrepresented and or misunderstood. Individuals and corporations should conduct their own due diligence and reliance should not be made based solely on the rating.

An independent CSRAA survey and rating that removes any inaccuracy can be commissioned at additional cost, POA, should a third party independent validated rating be required. In most cases, the self-assessed rating is accurate and sufficient governed by the aforementioned duty of disclosure.

The rating process involves the applicant indemnifying the CSRAA and any related third party from any liability that may result from the membership and or rating. The rating provides an appraisal of CSR levels which does not represent all the parameters of engagement particular to individual circumstances.

An applicant whose answers generate zero impact will receive a five-star rating. An applicant whose answers generate significant negative impact will receive a one-star rating. There are five classifications that relate to CSR levels.

The CSRAA issues a rating and also issues a second part of the contract, a survey report to the applicant. The report is provided in order to highlight ways a score might be improved, but an improved score and rating is not guaranteed as one area may improve whilst another area deteriorates.

Furthermore, improvements might carry less result significance due to a change in the weighting of the survey, a change in technology rendering the advice outdated etc. Suggestions are private and will only be presented to the applicant.

Whether the suggestions are implemented is the sole choice of the individual or corporate and no liability is afforded the CSRAA. The report is based on survey answers. The CSRAA undertakes an assessment of answers given. Any recommendations are limited to what has been disclosed. Due diligence requires any CSRAA comments be evaluated for validation. The report offers non-specific guidance.

The Association may make random visits in an attempt to promote accuracy at any time. Both the report and the rating should only be used as a guide only and no sole reliance should be made.

The rating is a reflection of the applicant's level of CSR, from the CSR component of the product and or services CSR level, an interpretation of employment conditions to the environmental ethicalness. Over 400 assessments are made.

The rating is not, however, a reflection of the corporate or individual's product or service suitability to purpose. The rating only provides an endorsement relating to social responsibility and is dependent on the applicant faithfully and legally adhering to their duty of disclosure.

The rating can be distributed free of charge. The result can be made available via a website and or via the CSRAA website, [csr.org.au](http://csr.org.au) if written permission to publish is granted by the applicant.

For consideration, a 5-star rating, is difficult to achieve. All applicants are not equal. A 2 star CSRAA rating may represent the average. The survey result and rating is a reflection of the answers given with regard to social responsibility and its implementation.

# Terms And Conditions Of Membership And Survey (continued)

Improving your corporate social responsibility and achieving a higher rating might create higher sales, better staff retention and a better your environmental footprint.

Should an applicant be unhappy or dissatisfied with their membership and or rating they are entitled to cancel and revoke both the membership and the CSR rating. The membership can be terminated at any time and the publication of an awarded rating can be withheld or cancelled by the applicant. The rating will never be published without written permission. A cancelled survey will be removed and destroyed from the database.

Concerning an improvement in the score and rating, an applicant can undertake the survey, only twice in a 12 month period without special assistance or permission received from calling the office on 1300 007 222.

Concerning a refund of the survey fee and the membership fee: The membership fee can be refunded. By comparison, there is no refund of the survey fee. The non-negotiable no return policy, survey rating rationale is based upon; a charge is levied for the report accompanying the survey result, a charge is levied to access to the survey infrastructure and a charge is levied to access the intellectual property of the CSR survey. All these services are supplied.

The survey report details “easy” and difficult, lengthy or costly changes to reduce impacts and improve scores and ratings. Upon completion of any impact change, modification or improvement a client has 2 alternatives; commissioning a new survey when the change is effected and or completed outside of 12 months from the date of the original survey, or updating the survey that the report related to if the changes have been made within the 12 months’ period.

