# **ISEAL** Credibility Principles Version 2 | June 2021

## Introduction

Sustainability systems are used in many sectors worldwide to improve social, environmental, and economic performance. They are market-based initiatives that address sustainability issues by setting a standard or establishing a similar tool that defines performance levels or pathways for improvement. They check performance or progress against these tools, and they manage the claims that those who use their tools can make.

ISEAL provides a range of resources to support the development and use of credible and effective sustainability systems.

# Scope and objectives

The Credibility Principles define the core values of credible and effective sustainability systems. They provide the foundations for sustainability systems to deliver greater impact.

The Credibility Principles apply to the full scope of operations and governance of sustainability systems. They are also relevant to a wide range of actors that want to engage with or evaluate sustainability systems.

The Credibility Principles inform the development and revision of ISEAL's Codes of Good Practice and guidance materials. They can also inform other tools for evaluating systems. They are not, however, criteria for evaluation in and of themselves; they are not a normative reference.

# **Credibility Principles**

#### SUSTAINABILITY IMPACTS

A credible sustainability system makes a difference where it matters.



A credible sustainability system has a clear purpose to drive positive social, environmental, and economic impacts and to eliminate or remediate negative impacts. It defines and clearly communicates its scope, its specific sustainability objectives, and its strategies for achieving these objectives (its theory of change). The system focuses on the significant sustainability impacts in its scope. It seeks to address the root causes of sustainability issues and deliver wider or systemic impacts. It reflects current scientific evidence and international norms when relevant. It is adapted to local or sector-specific conditions where this helps improve impact.

### COLLABORATION

#### A credible sustainability system works with others to create change.



A credible sustainability system identifies governments, businesses, and civil society organisations, including other sustainability systems, that are working towards shared sustainability objectives. It actively seeks alignment and respectfully pursues collaboration with others. It establishes partnerships and shares learnings to improve its efficiency and its direct or systemic impacts.

#### **VALUE CREATION**

A credible sustainability system adds value.



A credible sustainability system strives to create value that fairly rewards the effort and resources that it takes for users to participate in the system. It has a viable business model, and it operates efficiently, minimising costs for users and reaching more users by reducing other barriers to access. It supports users to implement its tools, and it empowers users by demonstrating a clear business case for participating in its system.

#### **MEASURABLE PROGRESS**

A credible sustainability system can demonstrate the difference it is making.



A credible sustainability system has tools that are relevant to achieving its sustainability objectives, and these tools allow progress towards objectives to be measured over time. It collects and analyses the data it needs to measure, understand, and demonstrate the progress its users are making towards these objectives.

### STAKEHOLDER ENGAGEMENT

A credible sustainability system listens and learns.



A credible sustainability system is inclusive and non-discriminatory. It empowers stakeholders to participate in decisions and hold the system to account. It involves a balanced and diverse group of stakeholders in decisions that will affect them. It strives to understand the context and perspectives of stakeholders who have been under-engaged or under-represented, and it creates opportunities to ensure their participation in decision-making. It provides clear and transparent feedback on stakeholder input and concerns. It has fair, impartial and accessible mechanisms for resolving complaints and conflicts.

#### TRANSPARENCY

A credible sustainability system earns trust by being open and honest.



A credible sustainability system makes important information publicly available and easily accessible, while protecting confidential and private information. It enables stakeholders to understand and evaluate the system's processes, decision-making, results, and impacts. Stakeholders have the information they need to actively participate in decisions or raise concerns.

#### **IMPARTIALITY**

A credible sustainability system is impartial.



A credible sustainability system identifies and avoids or mitigates conflicts of interest throughout its governance and operations, particularly when it comes to assessing its users' performance. Transparency and stakeholder engagement help ensure the system's integrity can be trusted.

#### RELIABILITY

A credible sustainability system provides trustworthy assessments of users' performance.



A credible sustainability system designs its tools so that these can be consistently implemented and assessed. It ensures assessments of users' sustainability performance are competent and accurate, and that these assessments support any claims it allows users to make.

### TRUTHFULNESS

A credible sustainability system's claims and communications can be trusted.



A credible sustainability system substantiates its claims. Any claims the system or its users make are clear, relevant, and can be checked. They enable customers and other stakeholders to make informed choices. The scope and design of the system is accurately reflected in any claims, ensuring these are not misleading. Claims about sustainability impacts are backed up with data and evidence that is publicly available.

#### **CONTINUAL IMPROVEMENT**

A credible sustainability system keeps improving.



A credible sustainability system regularly reviews its objectives, its strategies, and the performance of its tools and system. It evaluates the impacts and outcomes of its activities. It applies the lessons learned to improve. It responds to new evidence, stakeholder input, and external changes, adapting its strategies to improve its impacts and remain fit for purpose.

#### Definitions

**Sustainability:** Meeting the needs of the present without compromising the ability of future generations to meet their own needs. Sustainability has three main interdependent dimensions: social, environmental, and economic.

**Tool:** Standards and similar initiatives that define sustainability performance levels or improvement pathways.

**Sustainability system:** The collective set of decisions and activities carried out by an organisation to

- establish standards or similar tools focused on one or more sustainability issues
- measure, monitor or verify performance or progress against these tools
- allow for claims

**Strategies:** The approaches and activities implemented by a sustainability system to create change.

**Impacts:** Long-term direct or indirect effects, which can be positive or negative, intended or unintended.

Outcomes: Short-term and medium-term results.

Sustainability objectives: Intended outcomes and impacts.

**Remediate:** Effectively redress negative impacts (including cumulative or historic negative impacts).

**Users:** Businesses (where businesses include producers and groups of producers) and other entities (such as government bodies) who implement or adopt standards or tools.

**Stakeholders** (also known as interested and/or affected parties): Individuals or groups who are interested in or who will be affected by the decisions or activities of the system. Stakeholders also include parties with protected interests such as rightsholders.

**Claims:** Promotional communications about the sustainability attributes of a product, process, service, or organisation. These communications are business-to-business or business-to-consumer and are made by the system or by its users. This includes the use of logos and trust marks.

#### About this document

The first version of the ISEAL Credibility Principles was published in 2013 after extensive global consultation. The principles quickly became an international reference for defining the foundations of credible practice for sustainability standards.

In 2020 the Credibility Principles were revised through a global consultation process. The updated principles apply to a broader range of market-based sustainability initiatives, reflecting trends and stakeholder expectations affecting sustainability standards and similar systems.

#### **Consultation process**

An international multi-stakeholder Steering Group guided the revision of the Credibility Principles with oversight from ISEAL's Technical Committee.

The process included a 79-day consultation followed by a 30-day consultation. Surveys and supporting materials were provided in English, Chinese, Portuguese, and Spanish. More than 400 people from 33 countries and across a diverse range of stakeholder groups engaged in the consultation process, with 189 people submitting feedback.

#### About ISEAL

ISEAL is the global membership organisation for ambitious, collaborative and transparent sustainability systems. We define credible practice for sustainability standards and similar systems through our Codes of Good Practice and guidance materials, which are available on our website: www.iseal.org.

All comments and feedback on these principles are welcome and should be submitted to **info@isealalliance.org** 



ISEAL The Green House 244-254 Cambridge Heath Road London E2 9DA

+44 (0)20 3246 0066 info@isealalliance.org www.iseal.org