

Corporate Social Responsibility



Program Objectives

- ◉ Define corporate social responsibility
- ◉ Identify the 8 principles of corporate social responsibility
- ◉ Examine numerous CSR activities that businesses engage in
- ◉ Understand the business benefits of CSR
- ◉ Learn to evaluate your current standing and set goals for improvement

A close-up photograph of several hands of different skin tones stacked together in a circular formation, symbolizing teamwork, unity, and collaboration. The hands are wearing various colored sleeves, including blue, grey, brown, and black. The background is plain white.

Practicing Good Governance and Ethics

Promote Compliance (2 of 5)

- Risk Analysis: a technique used to identify and evaluate any factors that could hinder the success of a project or the achievement of a goal
 - Effective risk analysis helps to define preventive measures and come up with countermeasures to deal with any risks

Fair Dealings (2 of 2)

- No agreements with competitors (no cartels)
- No unethical or unfair bidding arrangements
- Do not engage in unfair trade practices
 - Ex. Untrue or misleading statements about the competition

Information Security Enhancement (1 of 2)

- Information security: the practice of defending information from unauthorized access, as well as ensuring that no data is lost when technical issues arise
- Systems in place for handling confidential and personal information

Risk Management

- Establish basic risk management policies in case of a crisis
 - Prioritize for human life and personal safety
 - Emphasis legal/regulatory compliance and exercise fairness
 - Minimize the negative impact on customers and society
 - Disclose information appropriately and remain accountable

Ethical Decision-Making

- Considerations:
 - Is it legal?
 - Does it comply with your company's policy?
 - Does it reflect your company's values?
 - Could it adversely affect stakeholders?
 - Would you feel concerned if it appeared in the news or on a social network?

Having a Positive Social Impact



Living Your Values (2 of 2)

- Listen to your instincts and think about how your actions might look to others and affect others
- Businesses contribute to society
 - What are your societal values?
 - Ex. honesty, integrity, respect, transparency, accountability
- Conduct your business in a way that reflects your values



Thinking of the Future (1 of 2)

- Having a positive, social impact in today's world means thinking about tomorrow and investing in long term goals.
- Build programs and support organizations that will continue to thrive beyond your investment

Being Involved in Communities (4 of 8)

- **Employee Volunteerism**
 - (corporate volunteering) involves encouraging employees to donate their time and services to a cause by helping them find service opportunities and recognizing and rewarding their work.



Stakeholder Value

- Stakeholder value is often defined as a combination of financial success, usefulness to society, and satisfaction of employees
- CSR practitioners strive to make decisions that are in everyone's best interest, not just the shareholders or the employees

Transparency

- Transparency is the concept of providing free and easy public access to corporate information, laws, regulations, and policies
- By increasing your level of transparency, you can reduce risks and increase trust between the company and its stakeholders

Responsibility (2 of 7)

- Responsibility to customers
 - Focus on customer satisfaction
 - Quality assurance (QA)
 - Quality assurance is the process of ensuring the quality of goods and services as well as other business activities
 - Dialogue with customers
 - Make sure customers always have someone they can talk to
 - Utilizing customer feedback

Being Transparent and Accountable



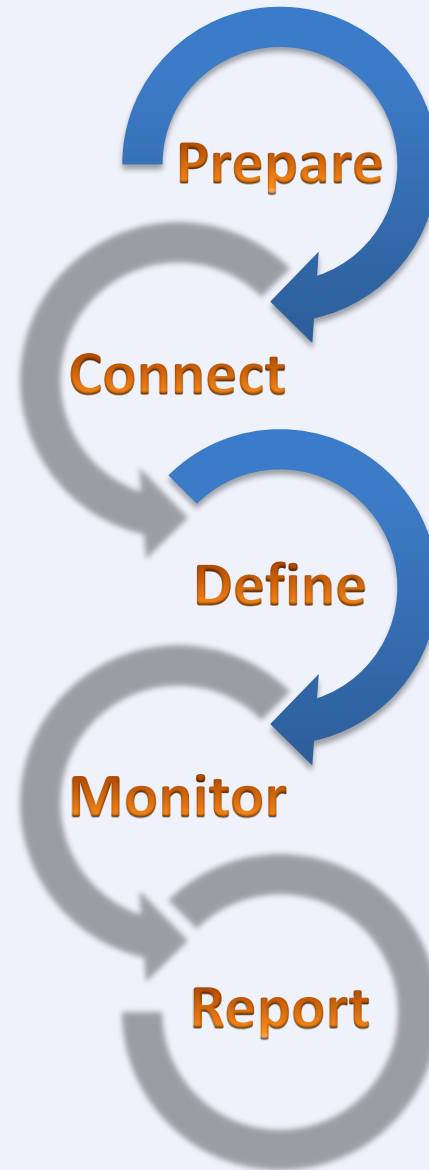
Reporting (1 of 6)

- CSR/Sustainability reporting is an important step towards a sustainable global economy that every company would do well to take.
- Sustainability is based on performance in four key areas:
 - Economic, environmental, social, and governance.

5 Steps for Effective Reporting (1 of 4)

A reliable process:

1. Prepare
2. Connect
3. Define
4. Monitor
5. Report



Product Safety Review (2 of 2)

- Assess the environmental impact of products
- Ensure that all product safety information is accessible to consumers and retailers
- Products which fail any step of the review process must not hit the markets until they have been improved, reviewed, and approved

Quality Assurance Testing

(1 of 3)

- Quality Assurance (QA) testing is a process through which companies ensure the quality of their products and services.
 - Establish a set of safety and reliability standards
 - Hold regular QA training and auditing education programs
 - Relevant employees need to be kept up to date on any changes
 - Conduct regular pre-market consumer testing

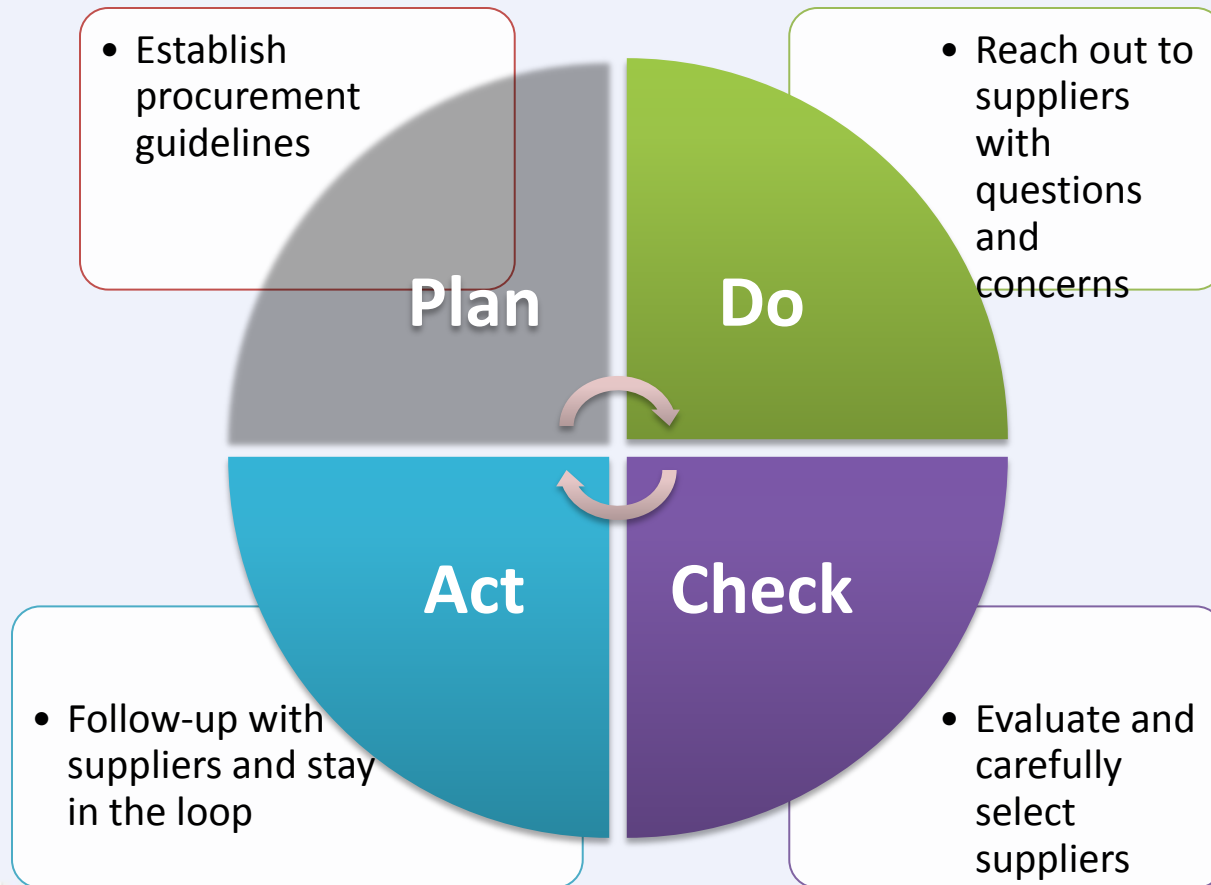
Ensuring Sound Supply Chains (5 of 7)

- Create a system in which any changes in circumstance along the supply chain are reported to your company and taken into account
 - Raw material producers, subcontracted firms, countries where products are sold, changes in laws and regulations



Green Procurement and Purchasing

- Applying PDCA to procurement:





Contributing to a Sustainable Environment

Benefits of Participating

(4 of 4)

- Environmental benefits:
 - Reduction in carbon footprint
 - Paper and resource efficiency
 - Reduced greenhouse gas (GHG) emissions



Waste Reduction (1 of 2)

- **Benefits:**

- Savings from disposal costs
- Fewer environmental penalties
- Reduced liability insurance

- **Methods:**

- Encourage recycling within the company
- Reach out to suppliers and business partners which practice sustainability



Energy Efficiency (1 of 2)

- Benefits:

- Increase profits by reducing costs
- Reduce GHG and PFC emissions

- Methods:

- Invest in alternative/renewable/clean energy
 - Solar, wind, biomass, geothermal, etc.
- Set high environmental standards for your supply chain
- Reduce electricity usage in business activities



Fresh Water Conservation

(2 of 2)

- Reduce water usage in business activities
 - Ex. Install low flow devices (toilets, faucets, showerheads)
- Regularly inspect for potential leakages
- Conduct necessary repairs and adjust water pressure
- When possible, reuse waste water
 - Ex. Sprinkler system



Biodiversity Preservation

(1 of 3)

- Environmental stability and preservation is the key to the existence of many species of plants and animals, and the actions of companies can reduce the strain on the environment and on these species' livelihood.

Product Packaging and Recycling (2 of 2)

- Product recycling
 - Establish a system for returns/take-backs
 - Reuse and recycle what you can
 - Design products to reduce environmental impact



Supply Chain Standards

(2 of 2)

- Assess environmental impact of the entire supply chain
 - From procurement of raw materials to production, sales, and distribution
- Strive to reduce its negative impact on the environment

Developing Your CSR Strategy (1 of 4)

- Who would benefit from developing a CSR strategy?
 1. Professionals involved with the community, through obligation or voluntarily
 2. Professionals with responsibility for developing and implementing CSR programs and initiatives
 3. Professionals who wish to develop their skills in social and community investment and CSR reporting

Evaluating Your Current CSR Status (7 of 7)

- If your answer to any of the previous questions was **NO**, then you have got some work to do.
- If you were not sure about any of those answers, then it is time to ask some questions of your own and get to the bottom of things.

Concluding Thoughts

- The resources you commit to causes outside the corporation are not just to show that you are responsible in the now. Tomorrow's doctors, engineers, scientists, researchers, and businessmen are today's schoolchildren. Today's investments are investments in a sustainable future.