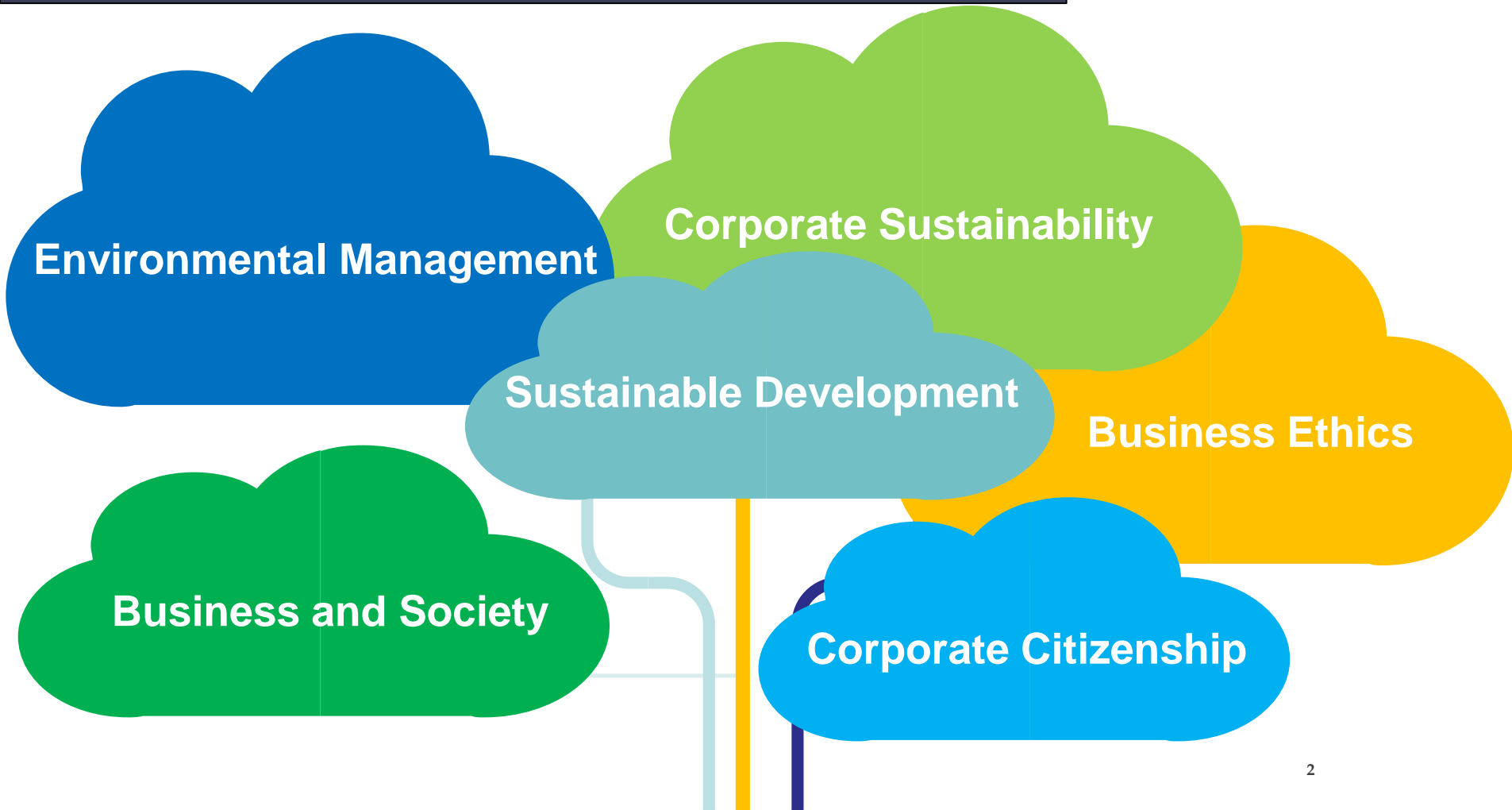




# CORPORATE SOCIAL RESPONSIBILITY



# CSR



# CSR Definition

“CSR is the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large”.

(World Business Council for Sustainable Development, 1998)

“The responsibility of enterprises for their impacts on society”.

(European Commission, 2011)



# World Business Council for Sustainable Development



UNIVERSITÀ  
DEGLI STUDI DI TRIESTE

*“Create the world you want to be part of”*

WBCSD is a global, CEO-led organization of over 200 leading businesses and partners working together to accelerate the transition to a sustainable world.



**200**  
Member  
companies



**US\$8.5 trillion**  
in combined  
revenues



**19 million**  
employees



**70**  
Global Network  
partners

<http://www.wbcd.org/Overview/About-us>

# World Business Council for Sustainable Development



*“The climate is changing.. So is the climate of ideas”.*

It's a journey of leadership.

Leadership through:

- Innovation
- Valuation
- Collaboration

WBCSD work with leading companies to develop high-impact business solutions across the systems of Energy, Food & Land-Use, Cities and Mobility and Redefining Value.



Energy

- Increasing market share of renewable energies
- Greater investments in energy efficiency (in businesses, buildings and transport)



Food and land-use

- 9 billion population by 2050
- New approaches to soil and water management



Cities and Mobility

- By 2030, 70% of the global population will live in cities
- Build better, smarter cities with individual access to technology, health care and connectivity



Redefining value

- Need to go beyond just accounting for financial value
- Developing innovative integrated approaches to natural and social capital measurement, valuation and reporting

# Impact on Sustainable Development Goals





# European Commission

***“CSR is important for the sustainability, competitiveness, and innovation of EU enterprises and the EU economy”***

The European Commission is the executive of the European Union and promotes its general interest.

It is composed by 28 members of the College of Commissioners (one from each EU country).

CSR brings benefits for risk management, cost savings, access to capital, customer relationships, and human resource management.

<http://ec.europa.eu/growth/industry/corporate-social-responsibility/>





# European Commission

## The Commission:

- endorses the **UN Guiding Principles on Business and Human Rights**,
- produces **guidelines** for small and medium-sized companies (**SMEs**),
- supports projects to pilot a **multi-stakeholder approach** to CSR in specific sectors.

## Multi-stakeholder projects

Projects to pilot an approach involving all relevant stakeholders - industry, civil society, suppliers, and business partners.

They get together to identify CSR-specific challenges and **come up with solutions**.



# United Nations Global Compact

*“WE’RE SHAPING A SUSTAINABLE FUTURE,  
AND YOU NEED TO BE A PART OF IT”*

The Global Compact is the world’s largest global corporate sustainability initiative, with over 9,200 companies and 4,000 non-business participants based in over 160 countries.

A call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and **take actions that advance societal goals.**

<https://www.unglobalcompact.org/what-is-gc>

# The Ten Principles of UN Global Compact



## Human Rights

- 1** Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2** Make sure that they are not complicit in human rights abuses.

## Labour

- 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4** The elimination of all forms of forced and compulsory labour;
- 5** The effective abolition of child labour; and
- 6** The elimination of discrimination in respect of employment and occupation.

## Environment

- 7** Businesses should support a precautionary approach to environmental challenges;
- 8** Undertake initiatives to promote greater environmental responsibility; and
- 9** Encourage the development and diffusion of environmentally friendly technologies.

## Anti-Corruption

- 10** Businesses should work against corruption in all its forms, including extortion and bribery.

The UN Global Compact's Ten Principles are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.





# The Meaning of Corporate Social Responsibility

- A corporation should **act in a way that enhances society and its inhabitants** and be held accountable for any of its actions that affect people, their communities, and their environment
- It implies that **harm** to people and society **should be acknowledged and corrected** if at all possible
- It may require a company to **forge some profits** if its social impacts seriously hurt some of its stakeholders or if its funds can be used to have a positive social impact

# A Socially Responsible Business

Companies can become socially responsible by:

- following the law;
- integrating social, environmental, ethical, consumer, and human rights concerns into their business strategy and operations.

 Creating shared value (for a business and society at the same time)

- Reducing environmental impact
- Driving cost efficiency
- Engaging further and back the supply chain
- Educating local and global communities

# Starbucks' CSR

Starbucks' social responsibility strategy is based on three pillars:

- Ethical sourcing
- Environment
- Community

[http://www.youtube.com/watch?v=Nly\\_OdvORQY](http://www.youtube.com/watch?v=Nly_OdvORQY)

Starbucks' four  
areas of CSR

## Source Ethically & Sustainably



We are committed to offering high-quality, ethically purchased and responsibly produced products.

## Create Opportunities



We are committed to investing in paths to opportunity through education, training and employment.

## Lead in Green Retail



We are committed to minimizing our environmental footprint and inspiring others to do the same.

## Encourage Service & Citizenship



We are committed to offering Starbucks as a place for public conversation and elevating civic engagement through service and promoting voter registration.

# Starbucks: From 2008 Crisis to 2015 New Beginning



In 2008, Starbucks was fighting for survival (due to the financial crisis and global recession). Starbucks did not back away from commitment to responsibility.

By 2015:

- Doubled investments in alternative loan programs to \$21.3 million from \$12.5 million in 2008)
- 99% of the coffee met the ethical sourcing criteria. Starbucks built 7 new Farmer Support Centers in Latin America, Asia and Africa
- Have implemented rigorous green building in new construction projects and renovations
- Increased purchases of renewable energy from 20% in 2008 to 100% in 2015
- Have invested in communities and young people (more than 50,000 people) to make meaningful change and take action.

# Starbucks' Commitment to Community and Environment



Creating pathways to opportunity

<https://www.starbucks.com/responsibility/community>

Encourage citizenship

<https://www.youtube.com/watch?v=KRFofwu-0o4>

Water and Energy Conservation

Tackling water and energy use is a win-win proposition: it helps reduce our environmental impact and makes good business sense.



## ENVIRONMENT

LEED® Certified Stores

Recycling and Reducing Waste

Climate Change



starbucks

22w



...

170,393 likes

starbucks Dedicated to the preservation of the plant we love, the places it grows, and people who grow it. #NationalCoffeeDay #OneBagOneTree #Coffee #Preservation #HowYouCanHelp. See the link in our bio.



# McDonald's Corporate Social Responsibility



CSR at McDonald's

<https://www.youtube.com/watch?v=DJ6QGesUWAQ>

OUR JOURNEY TOGETHER.  
FOR GOOD.





# Pepsico's CSR

*We recognize that we are stewards of a great Company  
with the opportunity not only to make a profit,  
but to do so in a way that makes a difference in the world.*

*Indra K. Nooyi,  
Chairman and CEO Pepsico*

Pepsi Refresh Project

<https://www.youtube.com/watch?v=LGxkA5rTvow>



# Corporate Power and Responsibility



- Corporate power refers to the capability of corporations to influence government, the economy, and society, based on their organizational resources
- The tremendous power of the world's leading corporations has both positive and negative effects
  - **Positives** include commanding more resources, producing at lower costs, planning further into the future, and bring new products, technologies, and economic opportunities to developing societies
  - **Negatives** include disproportionate influence on politics, shape tastes, dominate public discourse, divide markets, and squash competition

# The Corporate Social Responsibility Debate



## Arguments for Corporate Social Responsibility

- Balances corporate power with responsibility.
- Discourages government regulation.
- Promotes long-term profits for business.
- Improves stakeholder relationships.
- Enhances business reputation.

## Arguments against Corporate Social Responsibility

- Lowers economic efficiency and profit.
- Imposes unequal costs among competitors.
- Imposes hidden costs passed on to stakeholders.
- Requires skills business may lack.
- Places responsibility on business rather than individuals.

# The Companies with the Best CSR Reputations in The World (2016)



- Report from global consultancy firm Reputation Institute
- Over 80.000 people in 15 countries evaluated citizenship, workplace and governance
- Results describe which companies are best regarded by consumers for having
  - a positive societal influence
  - being environmentally friendly
  - operating with openness and transparency
  - behaving ethically
  - rewarding employees fairly
  - promoting employee well-being.

Perceptions related to CSR build more than 40% of any company's reputation

01



02



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04



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# Google's CSR



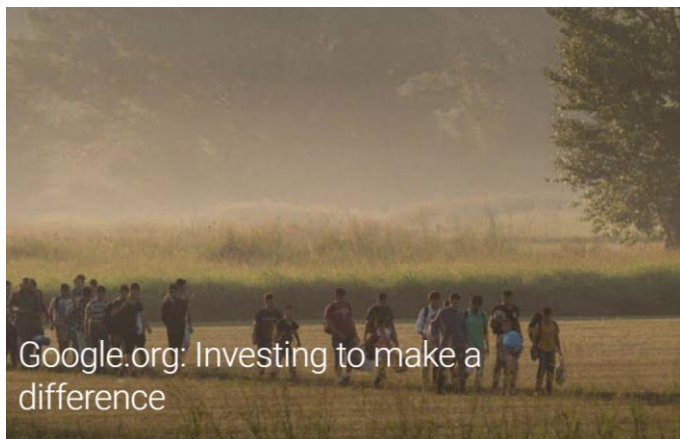
*“A better world, faster”*



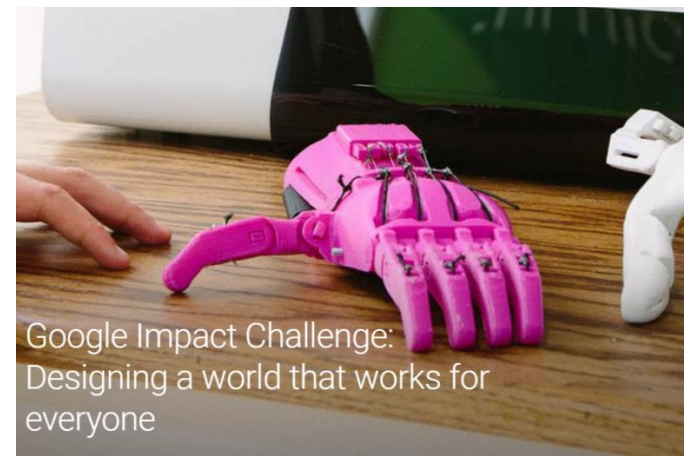
100% renewable is just the beginning



Internet Saathi: Bridging the online gender divide in rural India



Google.org: Investing to make a difference

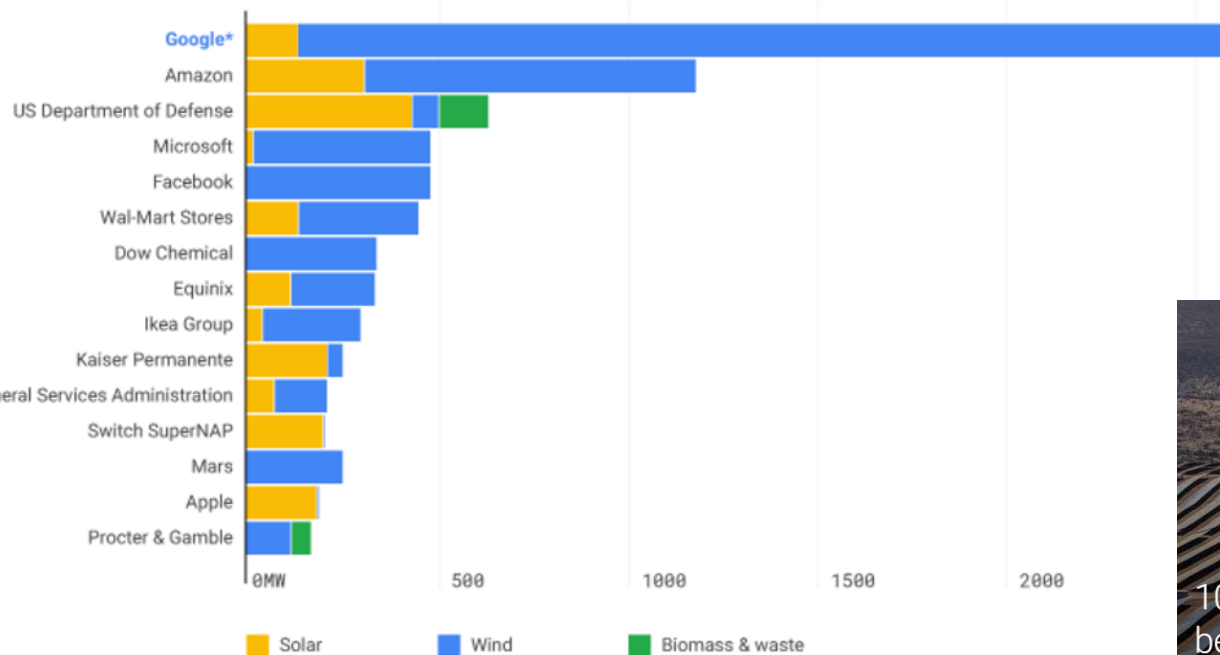


Google Impact Challenge:  
Designing a world that works for everyone

# 100% Renewable is just the Beginning

In 2017 Google will reach 100% renewable energy for global operations — including both our data centers and offices. Google is one of the first corporations to create large-scale, long-term contracts to buy renewable energy directly.

CUMULATIVE CORPORATE RENEWABLE ENERGY PURCHASING  
IN THE UNITED STATES, EUROPE, AND MEXICO—NOVEMBER 2016



Source: Bloomberg New Energy Finance

\*Google total also includes one 80 MW project in Chile





## Internet Saathi: Bridging the online gender divide in rural India

Even as the world becomes increasingly connected, rural India is witnessing a widening online gender gap — only one in ten internet users is a woman.

Google is committed to bridging this divide. Through the Internet Saathi initiative, women ambassadors will train and educate women across 300,000 villages on the benefits of internet in their day-to-day life.

<https://www.youtube.com/watch?v=AUUfQy4ZIMM>



Internet Saathi: Bridging the online gender divide in rural India



# Google.org: Investing to make a difference

## We believe innovation can lead not only to better

Google believes that innovation can lead not only to better products, but also to a better world — for everyone.

At Google.org, they invest \$100,000,000 in grants annually in organizations with bold ideas that create lasting change.



FIGHTING THE ZIKA VIRUS



SUPPORTING RACIAL JUSTICE INNOVATORS



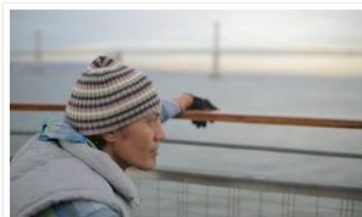
DESIGNING A WORLD THAT WORKS FOR EVERYONE



SUPPORTING THE REFUGEE AND MIGRANT CRISIS



IMPROVING COMPUTER SCIENCE EDUCATION



SUPPORTING BAY AREA NONPROFITS



Google.org: Investing to make a difference

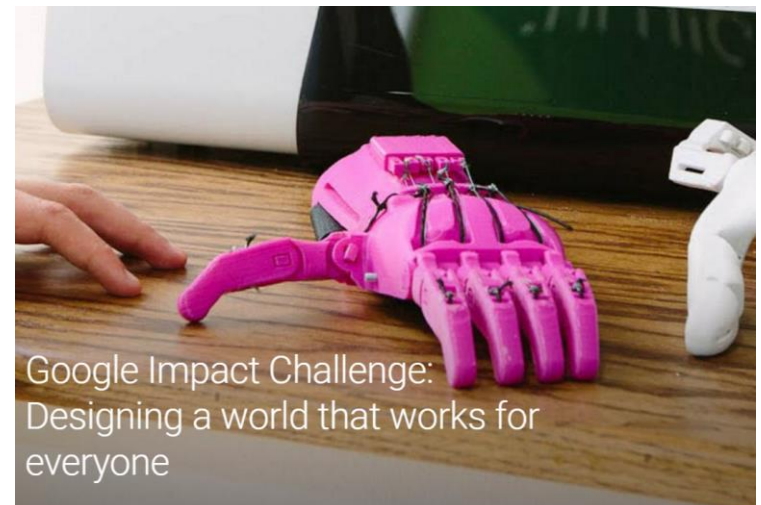


## Google Impact Challenge: Designing a world that works for everyone

Disabilities invites us all to aim our collective might at creating a world that works for everyone.

Google pledged \$20 million in grants to 29 nonprofits using technology to take on a wide range of accessibility challenges all over the world.

From making more books available to people with visual impairments to creating 3D-printed prosthetics.



# The Social Enterprise



- A business that adopts social benefits as its core mission
- An organization that uses business strategies for the purpose of improving human and environmental well-being
- Its primary purpose is not to maximize returns to shareholders
- It can be large and established or small and new

## Warby Parker – Disrupting eyewear and spreading awareness.



Left to right: Warby Parker founders Neil Blumenthal, Jeffrey Raider, David

Gilboa & Andrew Hunt

Affordable prices for  
eyeglasses

Create jobs

Spread awareness for  
affordable eye care

Warby Parker originated from a frustration with the eyewear industry.

One of the co-founders lost his glasses while on a trip, and had to squint and struggle the entire semester because he couldn't afford another pair:

*Glasses are too expensive. The eyewear industry is dominated by a single company that has been able to keep prices artificially high while reaping huge profits from consumers who have no other options.*

Warby Parker circumvents current methods of manufacturing and distribution, designing their eyewear in-house and selling them straight-to-consumer at extremely affordable prices.

They partner with non-profits like VisionSpring, training individuals in developing countries to give basic eye examinations and sell prescription glasses. This helps to create jobs and spread awareness for affordable eye care.

## Oliberté – Empowering locals to make their own living.



Feraw Kebede, general manager of Oliberté (left) with founder Tal Dehtiar (right)

Create a system that  
employs local people  
and uses local materials

Founder Tal Dehtiar takes a **firm stand** against traditional charity models in Oliberté:

*Africa doesn't need donations – it doesn't need anything. It has everything it needs. What it requires is the right support system. While knowledge is key and important, the best long term solution for local development is hiring and focusing on hiring locally from the start.*

Oliberté is an ethical sustainable brand based in sub-Saharan Africa. They create a community and system in Africa that employs local people and uses local materials to make excellent shoes.

In 2013, they became the world's first Fair Trade Certified™ footwear manufacturing factory!

## 31 Bits – Using fashion and design to empower people to rise above poverty.



Left to right: co-founders Alli Swanson, Anna Toy, Jessie Simonson, Kallie Dovel

Ensure health education, finance and business training for each partner

Each partner is equipped with emotional, social and technical skills

The idea to start 31 Bits came from an eye-opening trip to Uganda:

*Our classmate, Kallie, had just gotten back from a life-changing trip to Uganda. She met women who grew up in a war and had nothing. They were single moms with no education and no job, and they were our age. OUR AGE. Our lives couldn't look more different.*

31 Bits sells beautifully-crafted jewelry made by women partners in Uganda from recycled bits of paper.

31 Bits' five-year development program in Uganda, then ensures that each partner receives health education, finance training, counseling, and business training.

Upon graduating, their partners are equipped with the emotional, social and technical skills to run their own business.

# The B Corporation



*“Responsible for each other and future generations”*

Also called a “benefit corporation” - a new type of corporation that seeks to blend its social objectives with financial goals.

- A B Corporation must *prove* its socially responsible by meeting the B Lab standards
  - B Lab is a non-profit organization that assesses a corporation’s social and environmental performance standards.

<https://www.bcorporation.net/what-are-b-corps>



# The B Corporation



## Global Movement:

More than 900 companies in 29 countries  
redefine success in business

- B Corporations use the power of business to solve social and environmental problems
- B Corp is a certificate that helps consumers to identify these corporations change makers
- Investors make money and make a difference



# The B Corp Declaration



## DECLARATION OF INTERDEPENDENCE

We envision a global economy that uses business as a force for good.

This economy is comprised of a new type of corporation – the B Corporation –  
Which is purpose-driven and creates benefit for all stakeholders, not just shareholders.

As B Corporations and leaders of this emerging economy, we believe:

That we must be the change we seek in the world.

That all business ought to be conducted as if people and place mattered.

That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all.

To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.

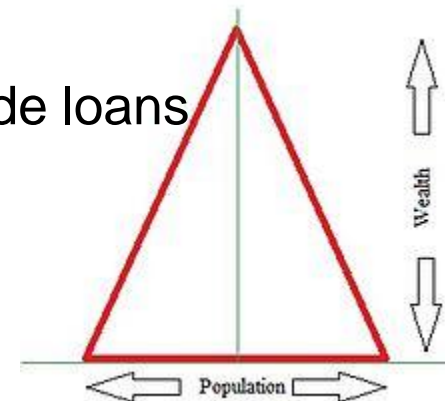
# Serving the Bottom of the Pyramid



- The term bottom of the pyramid refers to the poorest people in the world—nearly 4 billion who earn less than \$2.50 per day
- Business can carry out its responsibility to society by bringing products and services to these underserved people

Example: Grameen Bank uses microfinance to serve the bottom of the pyramid

- microfinance occurs when financial organizations provide loans to low-income clients or solidarity lending groups who traditionally lack access to banking or related services



## **1) A commitment to sustainability regardless of political changes**

Today most big companies are committed to reporting on their environmental and social impacts and continuously improving their performance.

## **2) Corporations stepping up as advocates and problem-solvers**

Finding innovative solutions to global problems and worldwide issues (*“the fit for the future”*).

## **3) New, rising expectations of the CSO**

The role of the CSR leader continues to grow more sophisticated report directly to the CEO.

## **4) A shift from “corporate social responsibility” to “social impact”**

There is a growing consensus that the key driver for a company’s pro-social program should be not some generic standard of responsibility, but rather unique, measurable, positive impact – human, environmental, societal, and financial.

## **5) Accelerating the transition to the circular economy**

Incentivizing businesses to increase resource efficiency (e.g., find ways to eliminate waste and reuse valuable materials endlessly).

## **6) More investment in consumer and employee buy-in**

Getting employees and customers to know about CSR programs isn’t always easy. It needs telling compelling, multidimensional stories about who companies are, what they do and how they pursue it.



# Thank You!

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