

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Background & Basic Overview



CSR



Economic
responsibility



Social
Responsibility



Environmental
responsibility





CONCEPTS & DEFINITIONS

CSR' expresses **more than simply the requirement that business should be conducted ethically** – it refers to the notion of responsibility **for the impact of corporate activity on the wider body of stakeholders**, both **internal and external stakeholders**, and both economic (employees, customers, banks, suppliers, competitors) and social stakeholders (family members, the physical environment, the government, trade and business association, etc.) and it is this attribution of **responsibility that underpins the willingness of society to legitimate business**” (Gray et al., 1996).



SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



Transforming our world: *the 2030 Agenda for Sustainable Development*
United Nations General Assembly
New York, 25-27 September, 2015
contained in document A/70/L.1, the agreement on a set of 17 goals and 169 targets would come into effect on 1 January 2016, replacing the *Millennium Development Goals* set in 2000

<https://www.unric.org/it/agenda-2030>

Agenda 2030



Erasmus+

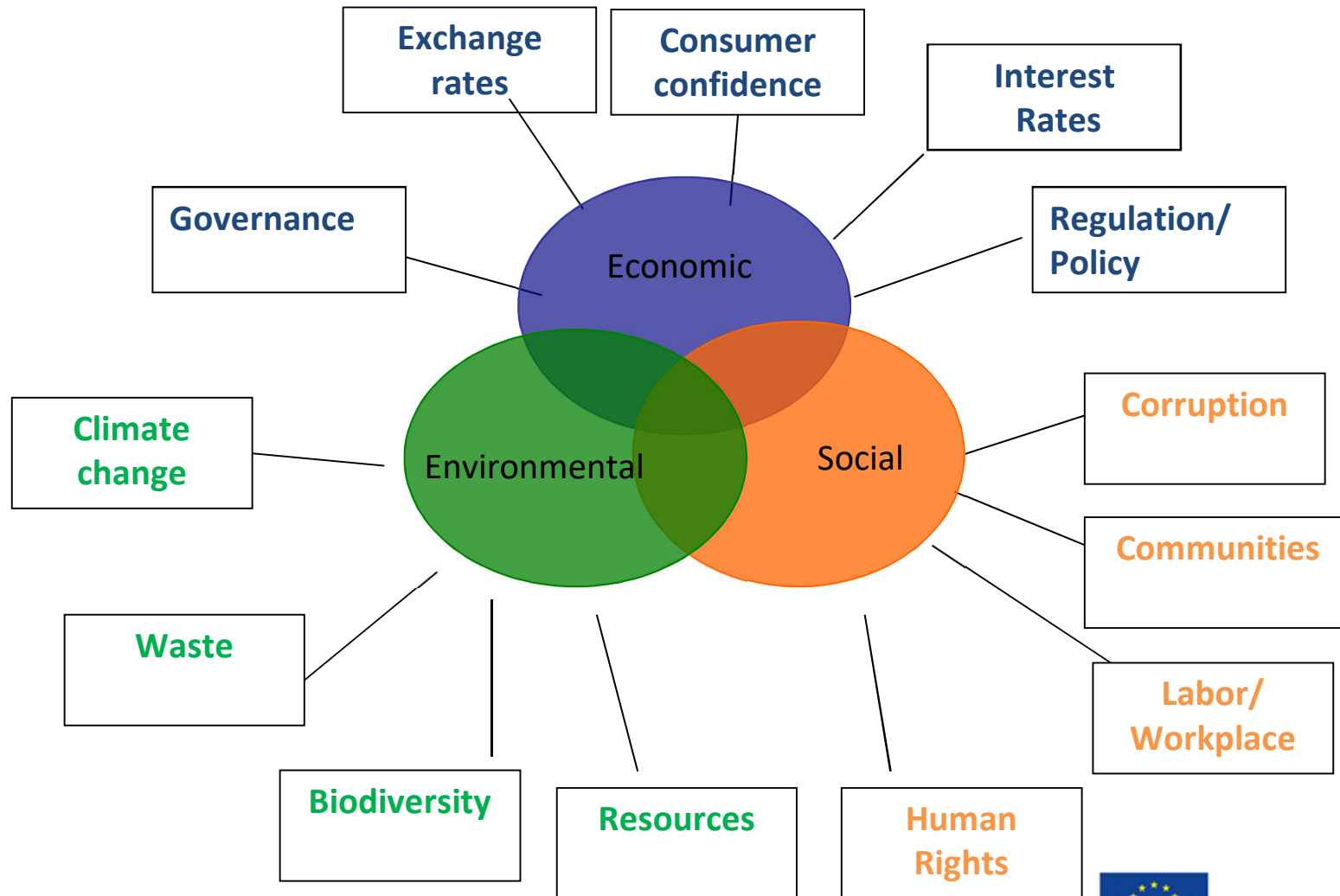


SUSTAINABLE DEVELOPMENT GOALS





CSR impacts





CSR characteristics

Integration

Stakeholder's perspective

Voluntary

Unilateral

Plural

Relative

“Soft law”



Erasmus+



CSR dimensions

Internal dimensions

- **Economic:** Generation, communication and distribution, if applicable, of the value created among all the participants in the developed activity, including shareholders.
- **Social:** Care, development and enhancement of the quality of life at work, equal opportunities, reconciliation of work and family life, and integral development of each participant in the activity process.
- **Environmental:** Application of ecological criteria and environmental care in the use of natural and/or other resources, throughout the activity

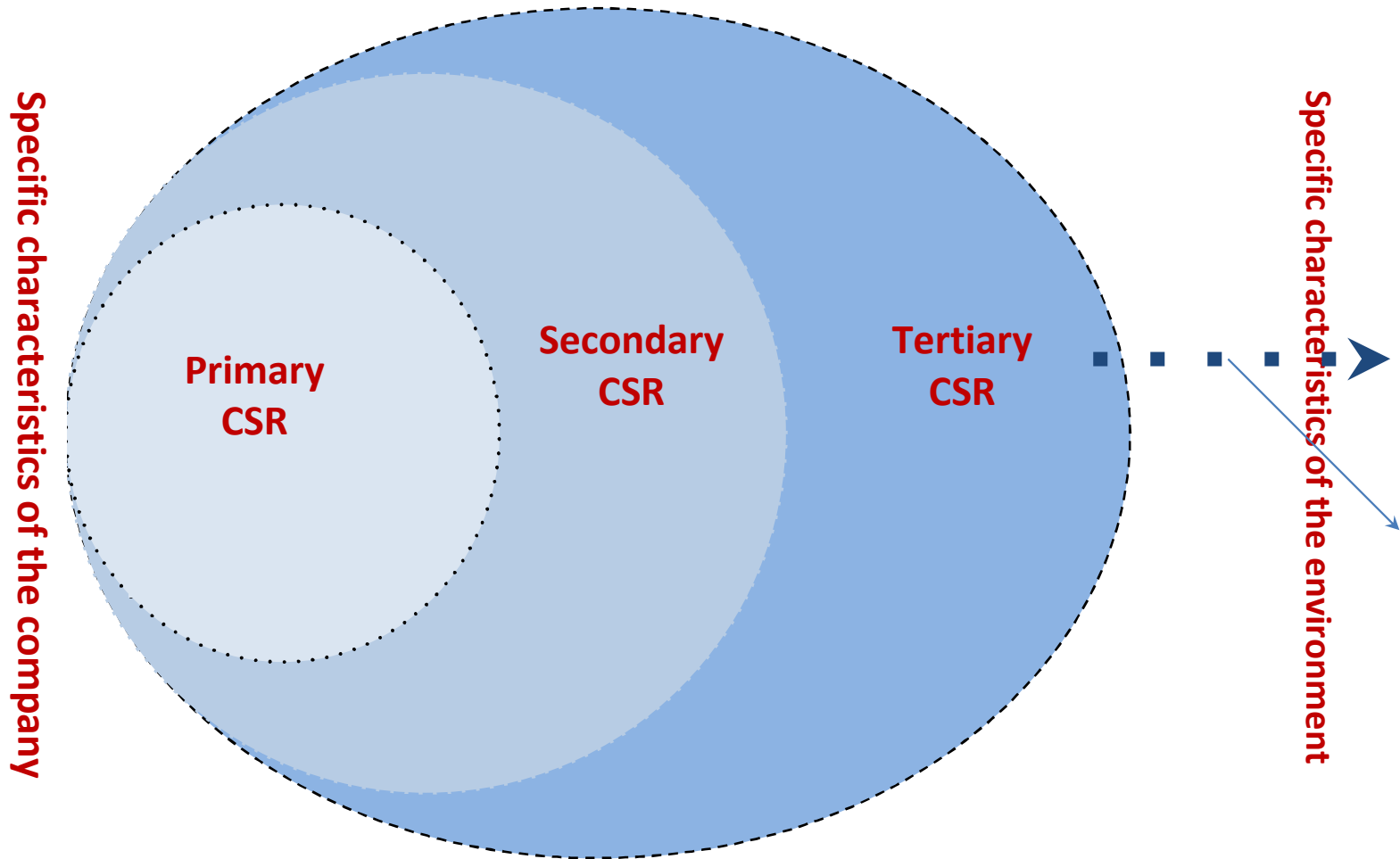
External dimensions

- **Economic:** Design, production and making useful and demanded products and services available to users or consumers.
- **Social:** Participation in investment and business projects where ethical and responsible criteria prevail in the decision-making process.
- **Environmental:** Inclusion of environmental parameters in the strategic policy of the company, assessing the positioning of the organization in the value chain.



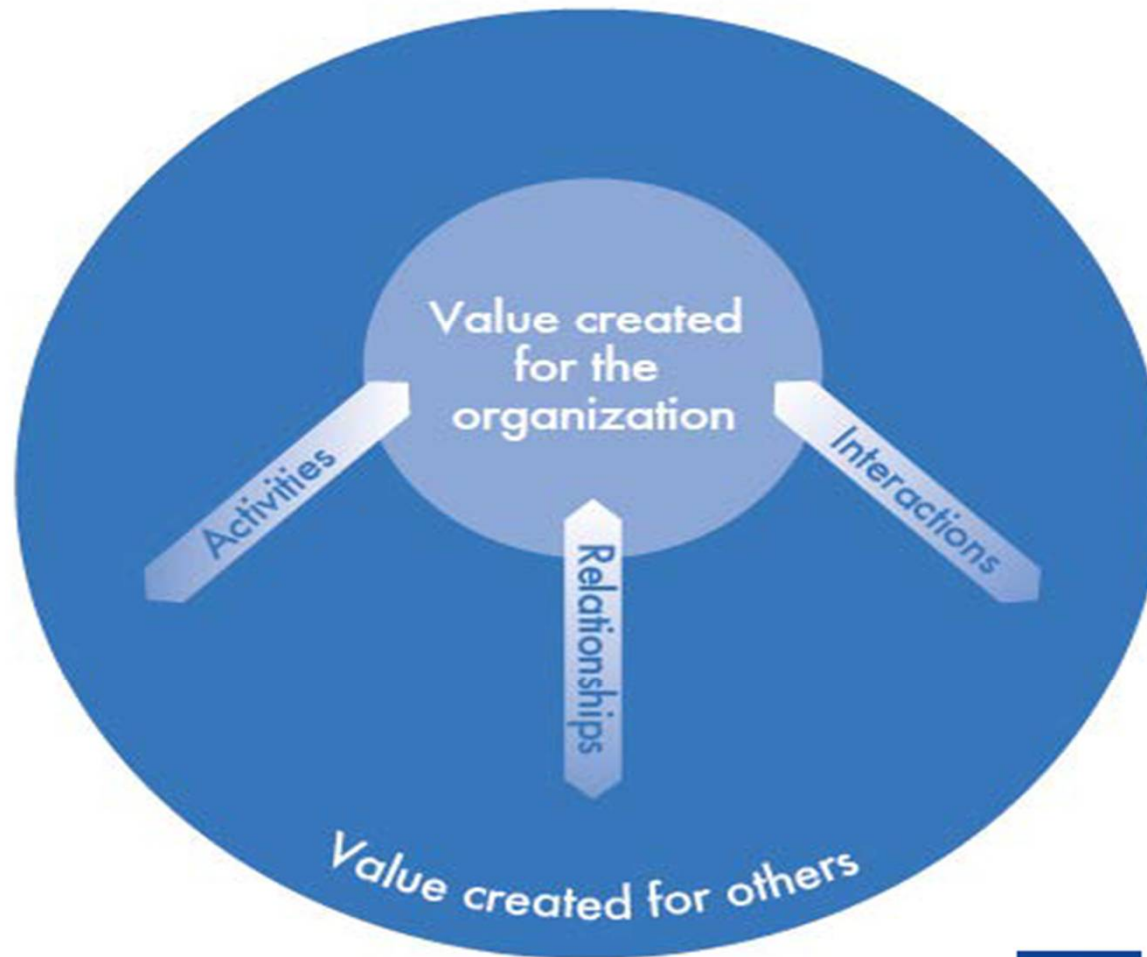


CSR Stages



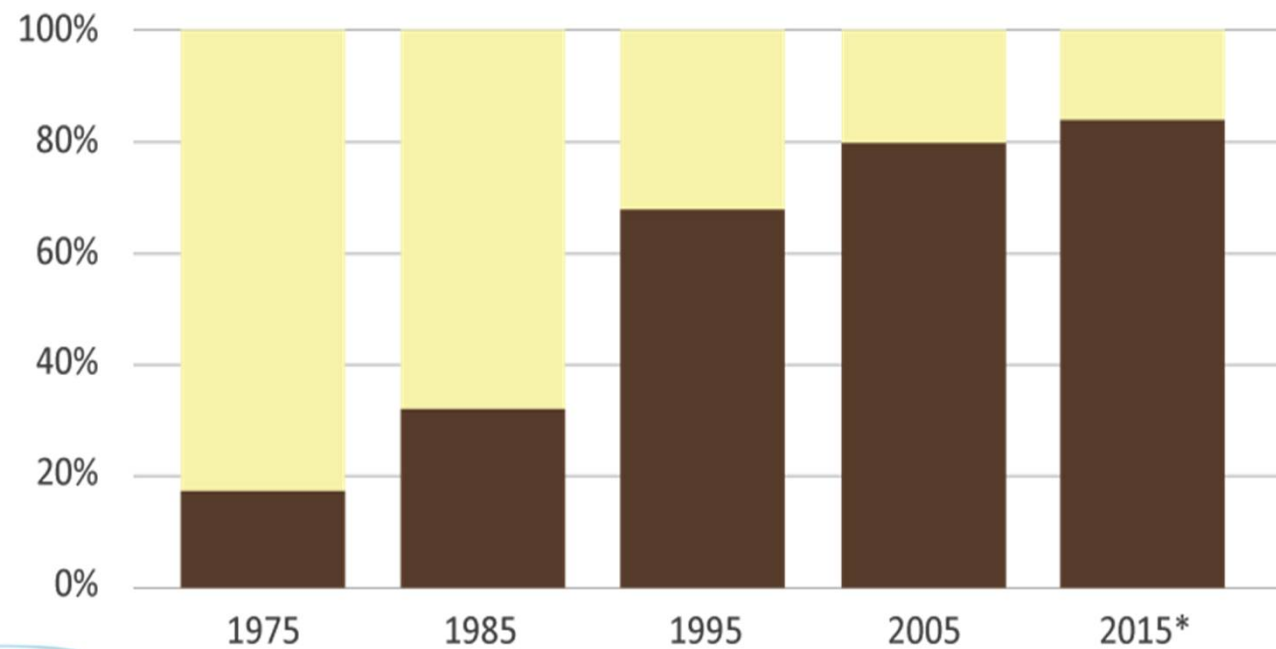


Value creation for the organization and for others



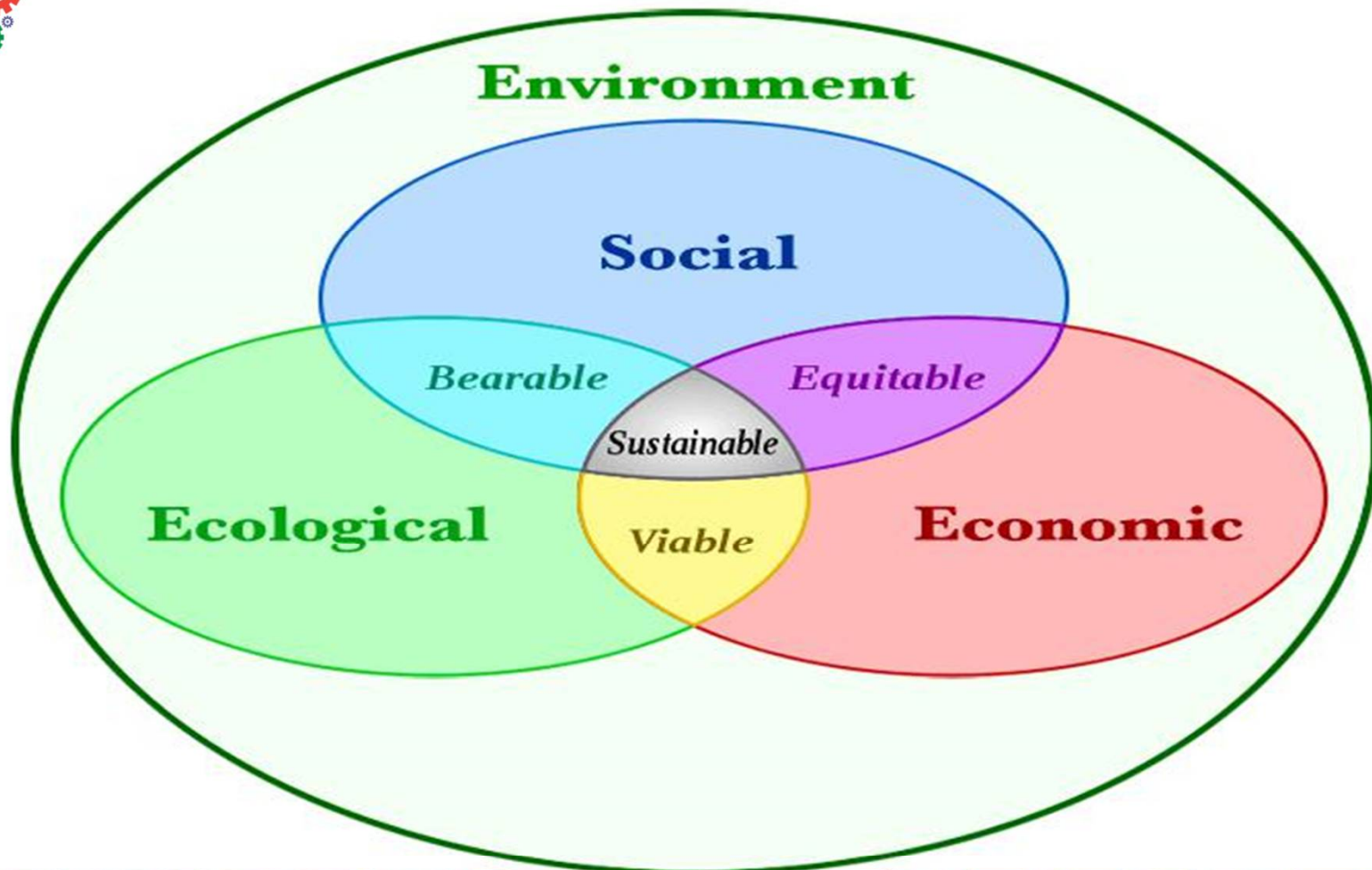


Value is more than financial



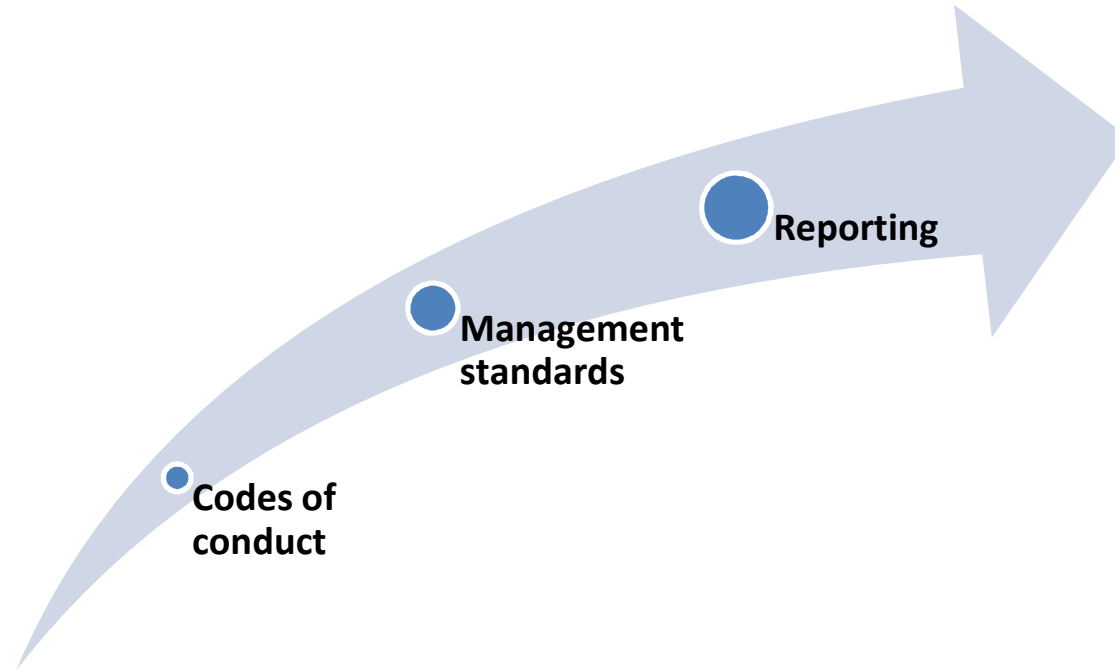
 Tangible Assets  Intangible Assets

OCEAN TOMO LLC
January,1,2015





Socially Responsible Management





CSR drivers

CSR-ORIENTED BUSINESS MODELS

CSR Intrinsic Orientation

Authenticity?
Ethical/Moral-led approach?

Hidden/sunken approach?

CRS Extrinsic Orientation

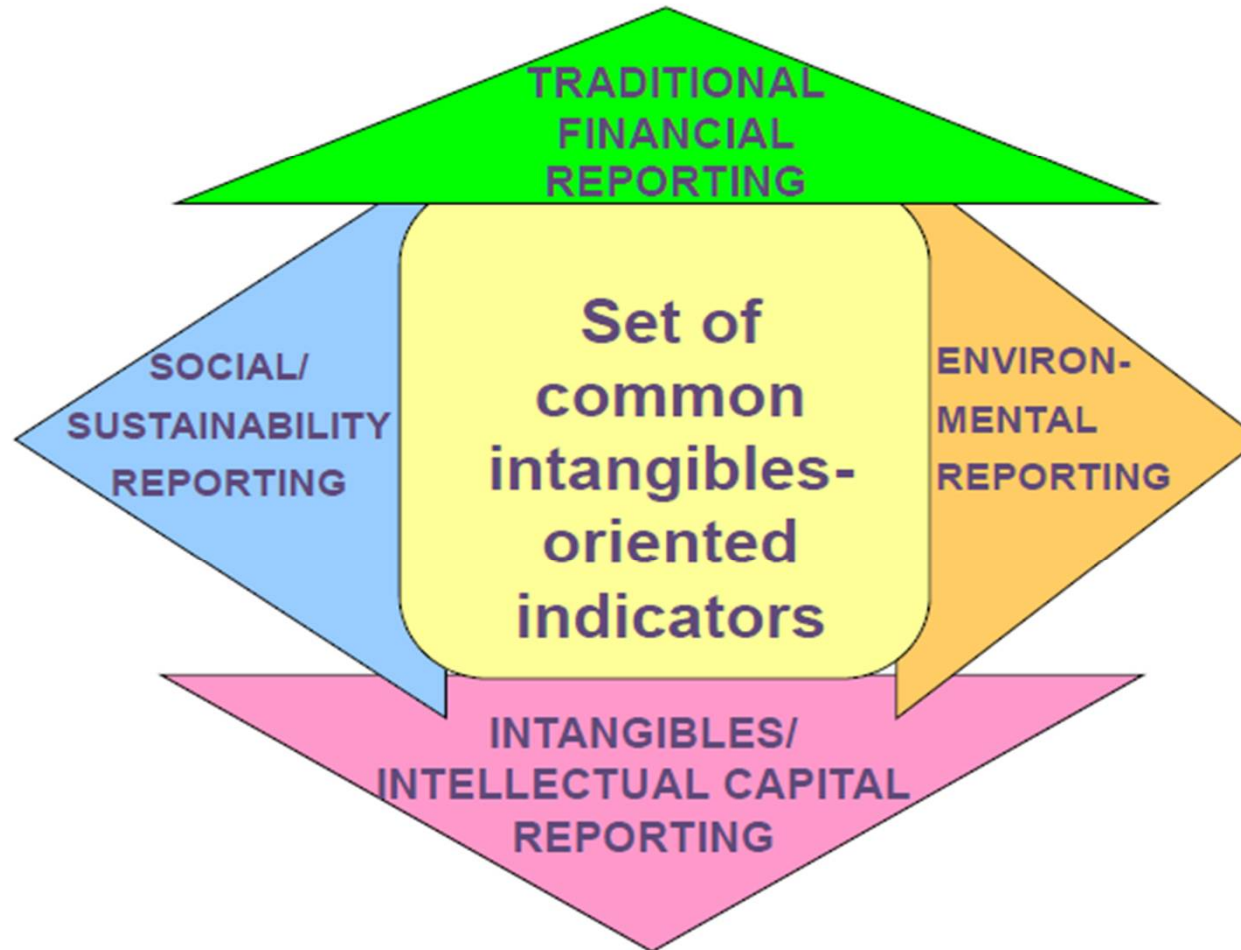
Greenwashing?
Opportunistic approach?

Decoupling
Manipulation
Impression Management ...



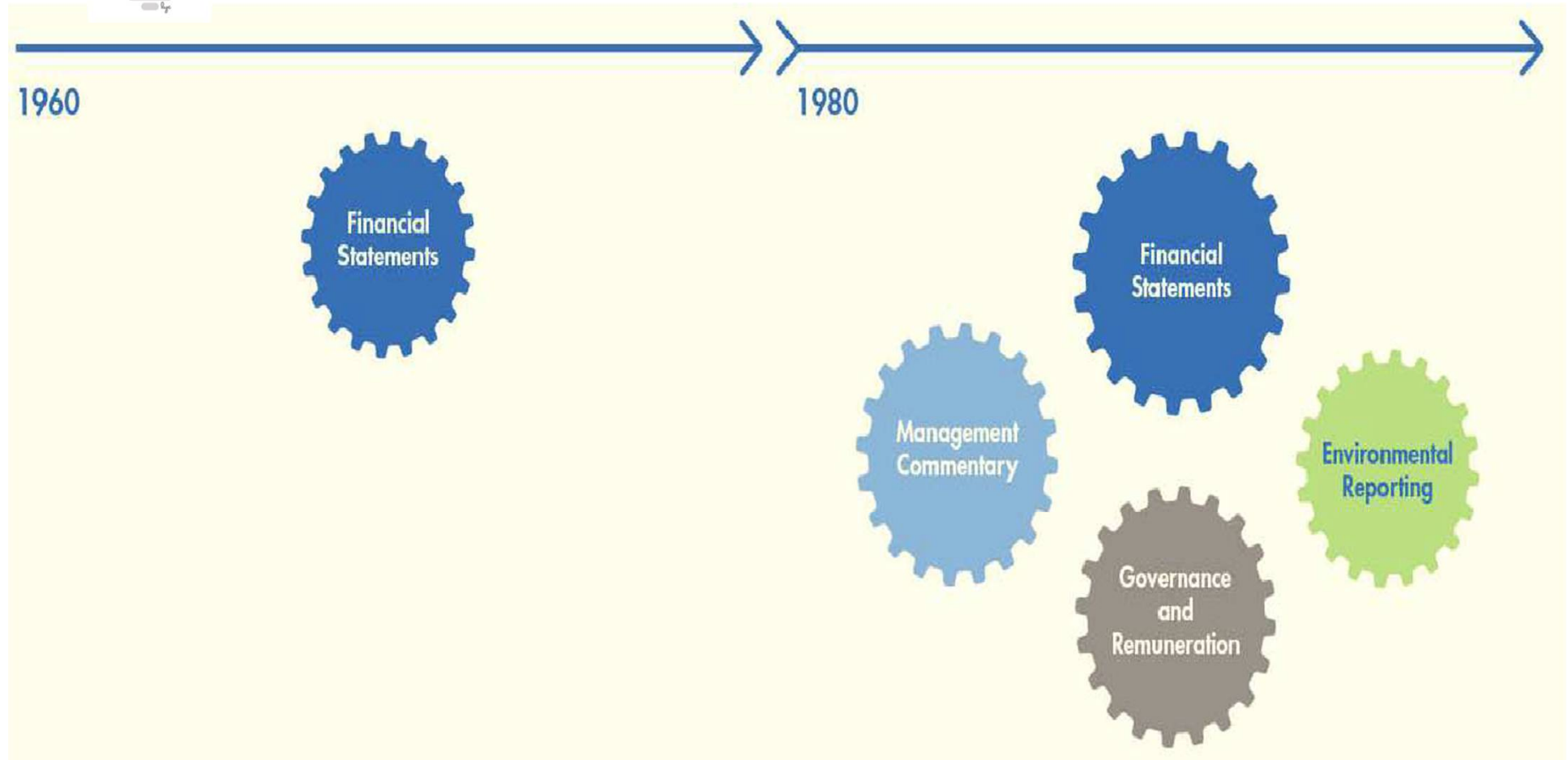


Company sustainable behaviour & Reporting

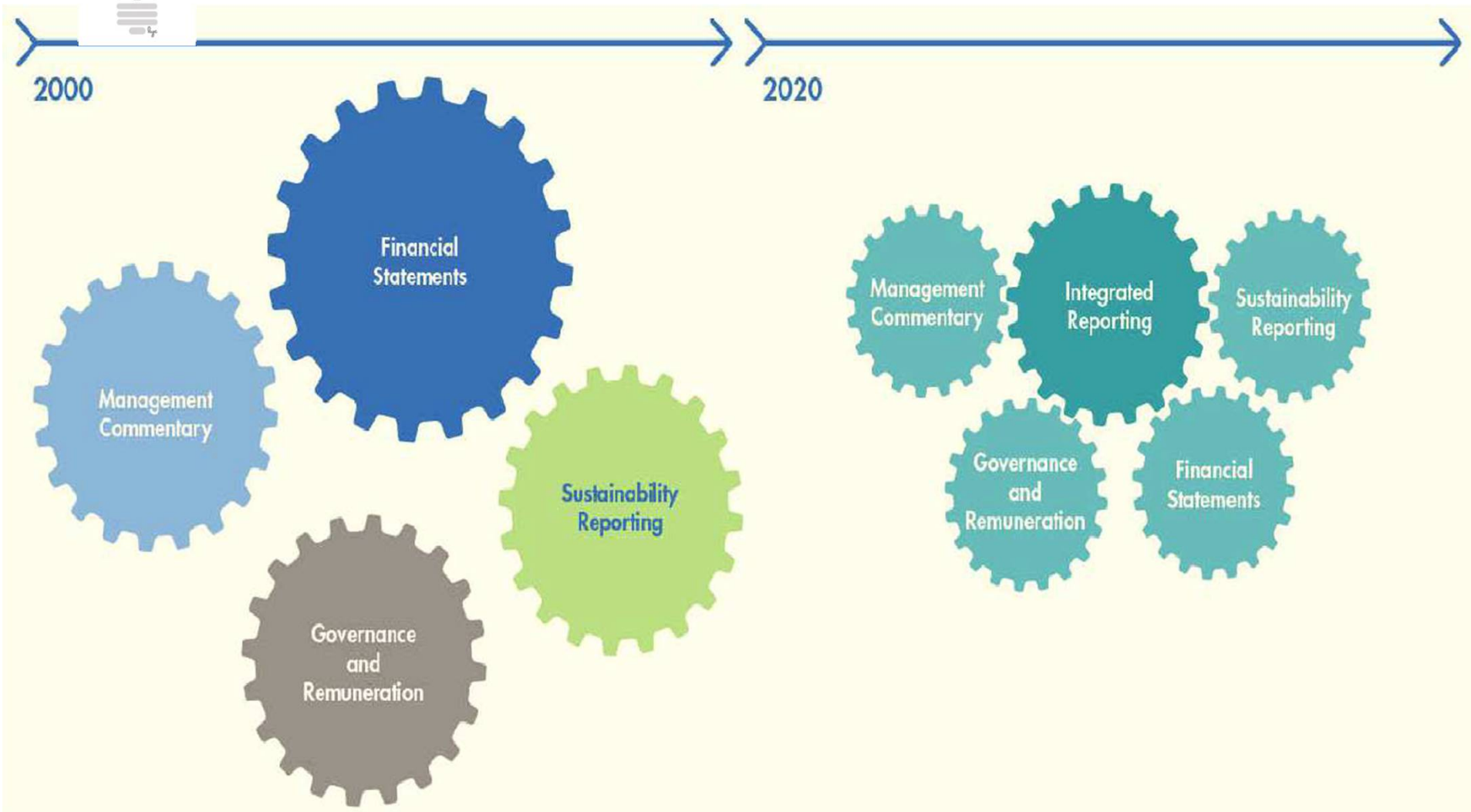




The evolution of Reporting



Cnt' d



Attempting a (comprehensive ...) Picture



FINANCIAL REPORTING

EFRAG/OIC/ANC/GASB/ASB-FRC

OIV

ACCOUNTING

IASB

VALUATION

IVSC

IIRC

SUSTAINABILITY
(ENVIRONMENTAL/SOCI
AL)

GRI

UN GLOBAL COMPACT
PRI / A4S / CDP / GBS /
CDSB / SASB

GBS / GLOBAL COMPACT
ITA

VALUE CREATION
(INTANGIBLES/
KEY VALUE DRIVERS)

WICI

WICI EUROPE / JAPAN / USA /
ITALY

X
B
R
L

NON-FINANCIAL REPORTING



Erasmus+



The New EU Directive on «Non-Financial Information»

Approved on 15 April 2014 by the EU Parliament with a large consensus: 599 favorable; 55 against; 21 abstentions. It will integrate the EU Accounting Directive 2013/34/UE dated 26.6.2013.

National legislations implementing CSR/ESG Issues in Corporate Reporting (

- France, 2001/2009 (more prescriptive)
- Denmark from 2009 disclose CSR policies on a «comply or explain» basis (quite «mild»)
- Sweden mandatory sustainability report for 55 state-owned companies from Jan 2008
- Netherlands from 2008 listed companies (and now all companies) to report on CSR issues
- UK government to publish guidance on how companies should measure and report their emissions
- More in general, implementation of the IV Directive requirement on employees and environmental issues into national accounting legislations



Cnt'd

aprox 6,000 large entities of “public interest”: all listed companies, banks, insurances **with > 500 employees (average/year)**

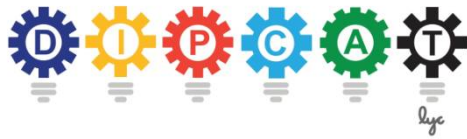
✓ Freedom to member states to extend it to non-listed companies.

✓ Flexibility on **modalities** (separated report; internet site) and the **framework** (UN Global Compact; GRI; ISO 26000; German Sustainability Code) to be utilised.

✓ Information on

- Environmental, social (labour), respect of human rights and anti-corruption policies aspects. In particular, disclosure of the *policies*; the *results* (indicators) of those policies; the management of the *risks* linked to those aspects;
- Diversity policies in the company board (gender, age, geographical balance)





Thank you for listening!

