

CSR Training Day @ SLTT GROUP

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by

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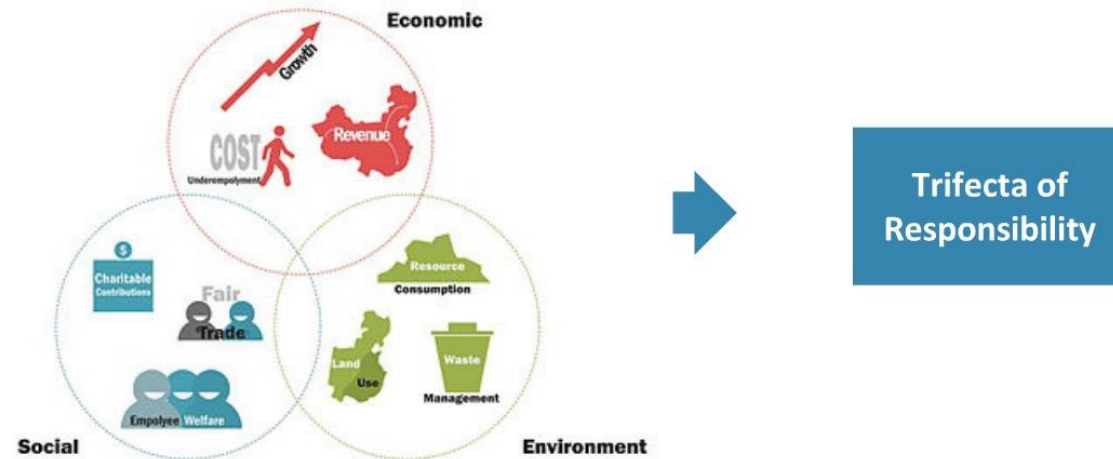
WHAT IS CSR?

CSR can help an organisation to show it is *economically sustainable*, *socially sustainable*, and *environmentally sustainable* in order to address the so-called *Triple Bottom Line*.

- To be considered as **economically sustainable**, a company's activities should create value for its shareholders.
- To be considered as **socially sustainable**, a company's activities should benefit society.
- To be considered **environmentally sustainable**, a company's activities should recognise that resources are not infinite.

CSR + the triple bottom line =
profit + people + planet

What CSR and The Triple Bottom Line Means For Companies



CSR Also Creates License to Operate



CSR = the responsibility of enterprise for their **impact on society**.

“Enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their **business operations and core strategy** in close collaboration with stakeholders.”



CSR gives companies a license to operate in the eyes of society and regulators. It is good business practice.

Six characteristics of CSR today

- 1) **Compliance with laws** and conventions is a prerequisite of CSR, but not the end of the path.
- 2) CSR should be a **strategic and long-term corporate effort**.
- 3) This effort should integrate **stakeholders' expectations** into business operations and **core strategy**.
- 4) Furthermore, it should bring benefits to society by **creating shared** economic, social, and environmental **value**. This aspect involves an essential link with creativity and **innovation** in the company.
- 5) The CSR activities are **specific to the context** in which the company is evolving. Managers should define what CSR means for their own company, depending on the context in which it is active (country, sector, time) and the specific set of stakeholders' expectations.
- 6) Finally, being socially responsible is not a state but a **never-ending process**.

WHAT IS OUR OBJECTIVE?

“A **good relationship with NGOs, citizens, and governments** is not some vague objective that’s nice to achieve if possible. It is a key determinant of **competitiveness**, and companies need to start treating it as one. It does require them to recognize that traditional CSR fails the challenge by separating external engagement from everyday business. It also requires them to **integrate external engagement deeply into every part of the business** by defining what they contribute to society, knowing their stakeholders, engaging radically with them, and applying **world-class management**. In other words, it requires the same **discipline** that companies around the world apply to **procurement, recruitment, strategy, and every other area of business.**” - **John Browne**, former CEO of BP, is a partner of Riverstone Holdings; **Robin Nuttall** is a principal in McKinsey’s London office.



CSR priority areas

Education for youth
and talent growth

Company-City
relationship
redefinition beyond
procurement: circular
economies

Using energy once for
multi-life product and
multi-life service

Well-being of people

Productivity

Active ageing

Sustainable supply
chain and human rights
- promoting
entrepreneurialism

Example: Solvay CSR action areas



CUSTOMERS

100% of new Research and Innovation projects are assessed for environmental impacts.



EMPLOYEES

€ 10 million distributed to the 30,900 employees according to the new Global Performance Sharing Plan, integrating sustainability criteria.



PLANET

€ 25 per ton is the new internal carbon price applied in all investment decisions.



INVESTORS

5 priority sustainability objectives integrated in each report of strategy, finance and executive committee.



SUPPLIERS

87% of Group's suppliers are satisfied.



COMMUNITIES

5,500 employees have already participated in societal actions with local communities.



CSR stakeholders

In this process of **stakeholder identification**, answers to the following questions could be helpful for finding the most relevant stakeholders to consider:

- To which entities does the organization have legal obligations?
- Which groups could be positively or negatively affected by the decisions or activities of the organization?
- Which ones are likely to worry about the decisions and activities of the organization?
- Which groups can help the organization address its specific impacts?
- Which groups may affect the ability of the organization to fulfill its responsibilities?
- Who would be disadvantaged if they were excluded from the stakeholder dialogue?

Stakeholder expectations are not monolithic though. Companies frequently confront conflicting demands from various stakeholders. In light of such potential dilemmas, how should a corporation proceed?

Professor François Maon has explained the conceptualization of **stakeholder salience**, as proposed by **Mitchell, Agle, and Wood in nineteen eighty seven**. This conceptualization can help managers prioritize competing stakeholder claims, based on an evaluation of three stakeholder attributes:

1. Stakeholder **power** (or its ability to affect the organization);
2. Stakeholder **legitimacy** (or simply stated, the public acceptability of its demands); and
3. The **urgency** of the claim, such that it might require immediate attention and exert strong pressures to act.

WHERE ARE WE GOING?

THEATRE 1

Philanthropy



Strategic
Philanthropy

THEATRE 2

Strategic CSR



Re-engineering the
Business Value Chain

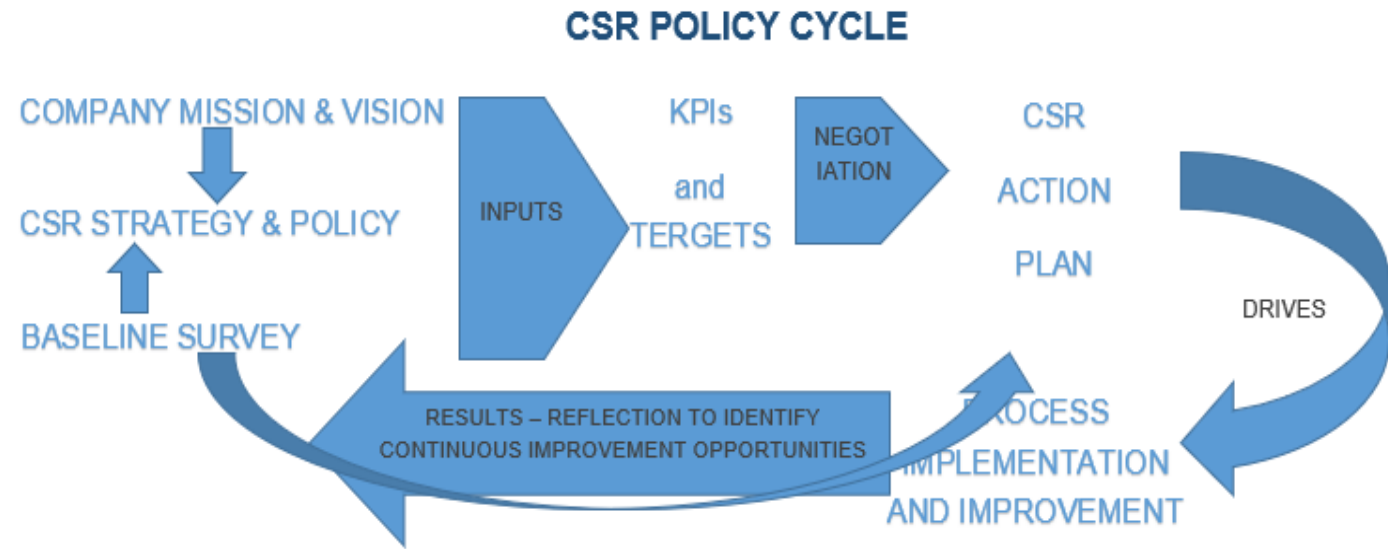
THEATRE 3

Re-engineering the
Business



Transforming the
Business
(Sustainably)

HOW DO WE GET THERE @ SLTT GROUP?



Measuring Reputation and CSR: The RepTrak® Model

REPTRAK® DIMENSIONS Cognitive Considerations

- PRODUCTS & SERVICES
- INNOVATION
- WORKPLACE
- GOVERNANCE
- CITIZENSHIP
- LEADERSHIP
- PERFORMANCE

THINK



REPTRAK® PULSE Emotional Connection



FEEL

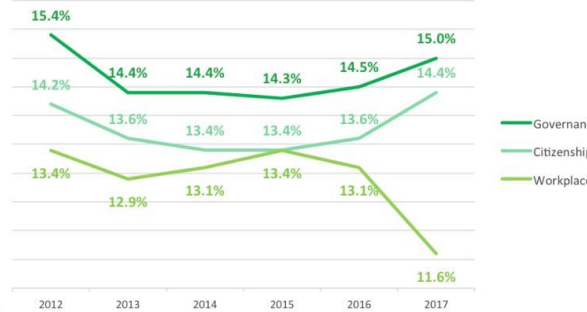
SUPPORTIVE BEHAVIORS Reputation Outcomes

- PURCHASE
- RECOMMEND
- CRISIS PROOF
- VERBAL SUPPORT
- WORK
- INVEST

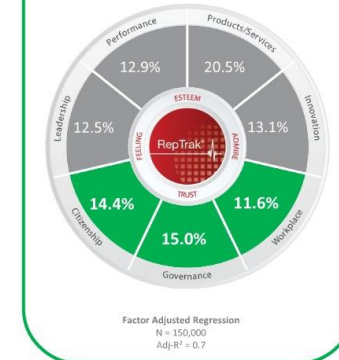
ACT

The Resurging Importance of Governance and Citizenship in CSR

CSR Dimensions Importance Evolution



Global RepTrak® 2017



Benefits of CSR

Benefits of CSR

Measuring Reputation and CSR: The RepTrak® Model

REPTRAK® DIMENSIONS Cognitive Considerations



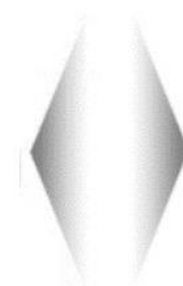
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REPTRAK® PULSE Emotional Connection



FEEL



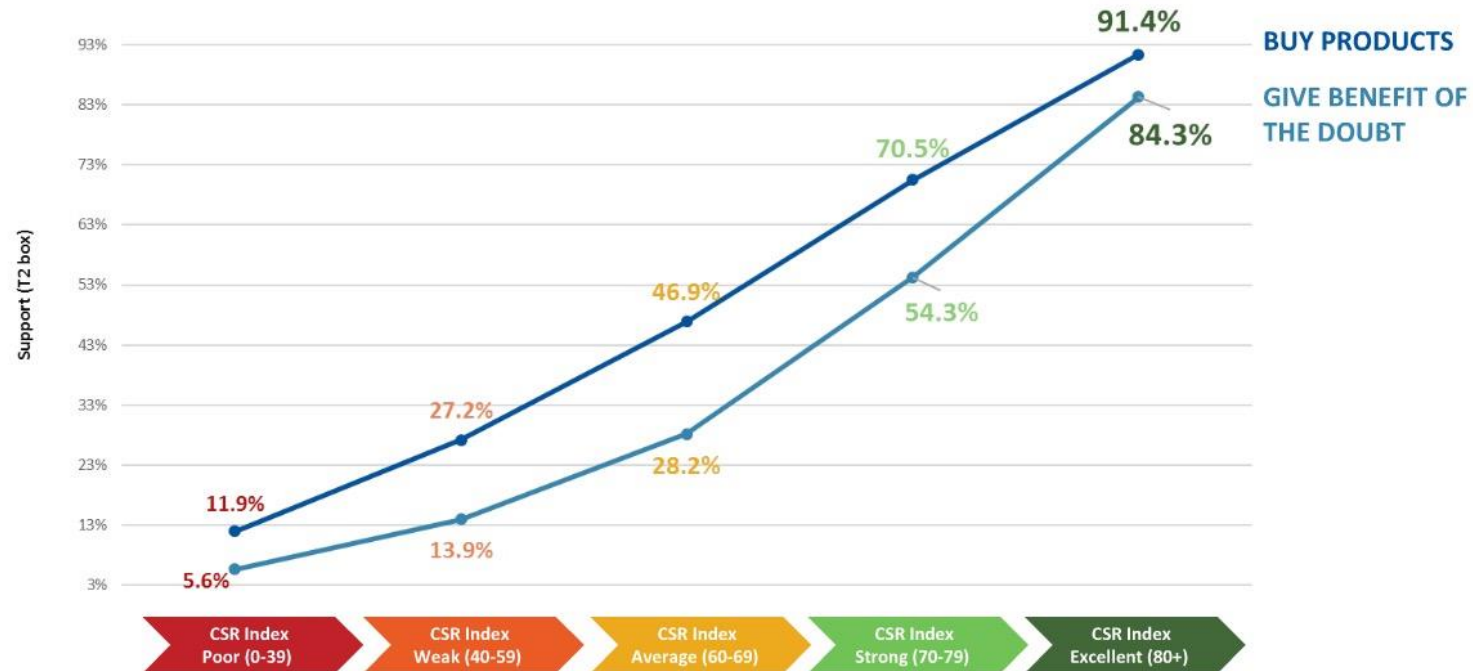
SUPPORTIVE BEHAVIORS Reputation Outcomes



ACT

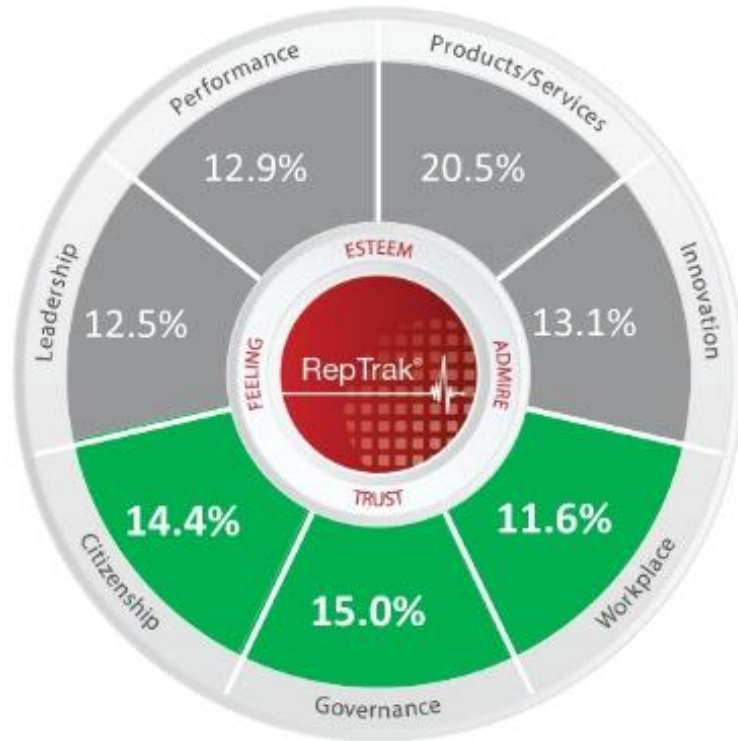
Benefits of CSR

Companies with an Excellent CSR Index Engender More Support

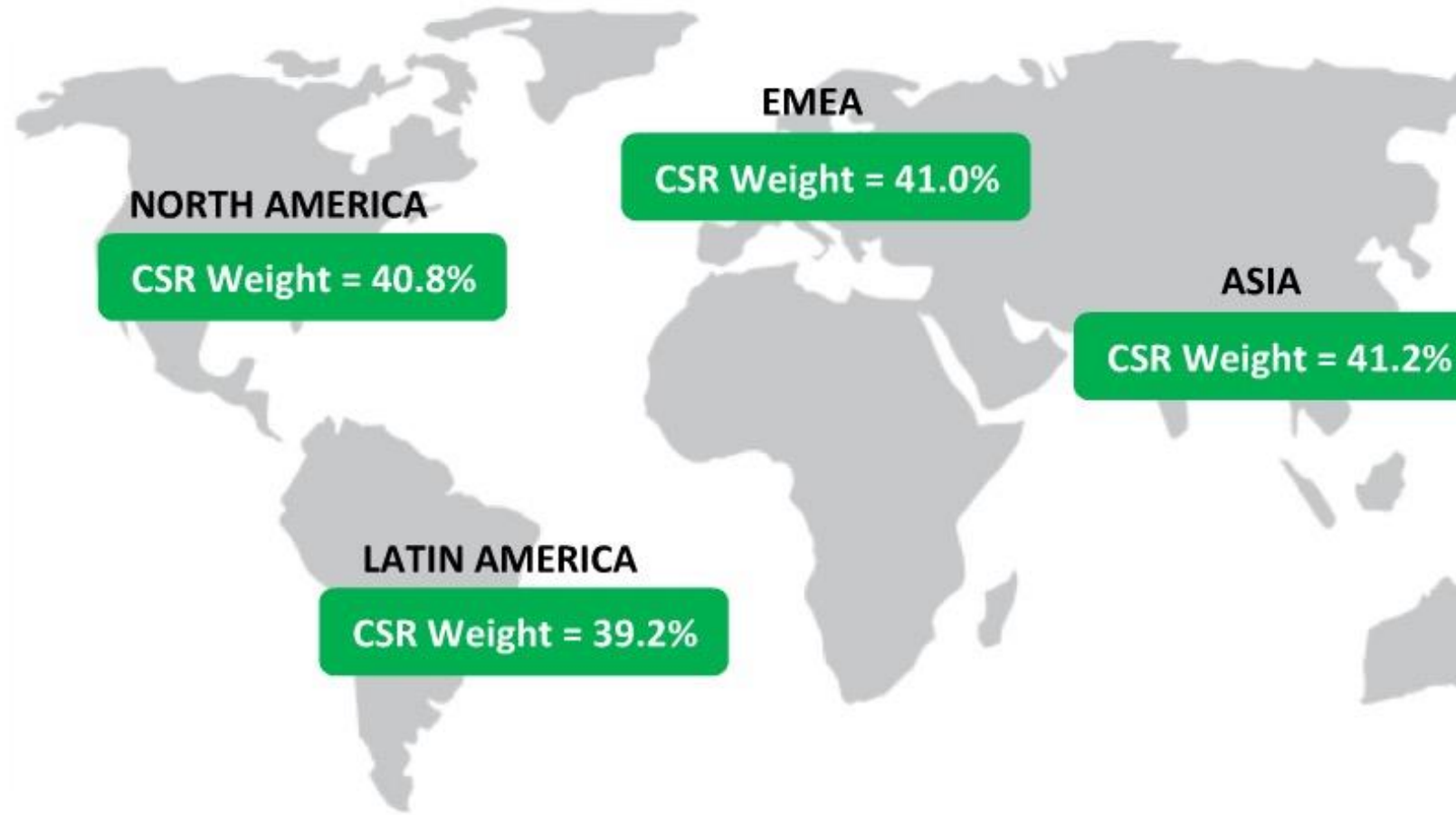


How CSR Importance Drive Reputation Across the Globe

Global RepTrak® 2017



CSR Weight = 40.9%



NORTH AMERICA
CSR Weight = 40.8%

EMEA
CSR Weight = 41.0%

LATIN AMERICA
CSR Weight = 39.2%

ASIA
CSR Weight = 41.2%