

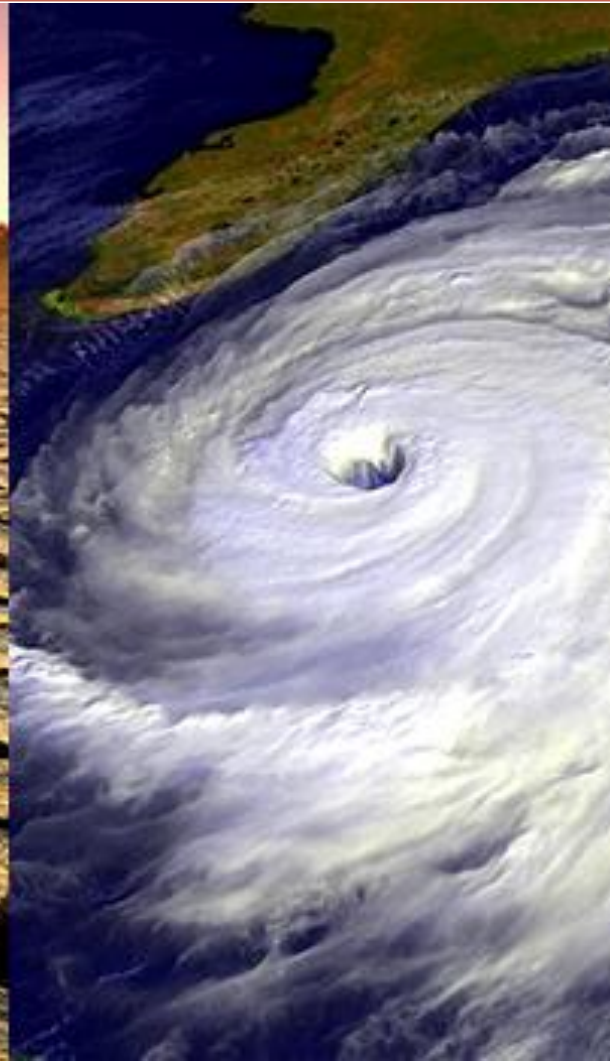
Corporate Responsibility

Content

- Why take sustainability/CSR into account?
- What is Corporate Social Responsibility?
- CSR and Business – Employees, Marketplace, Environment, Community
- Benefits of CSR for Business
- Slovak Government and CSR

Global problems?

Why Take Sustainability/CSR into Account?

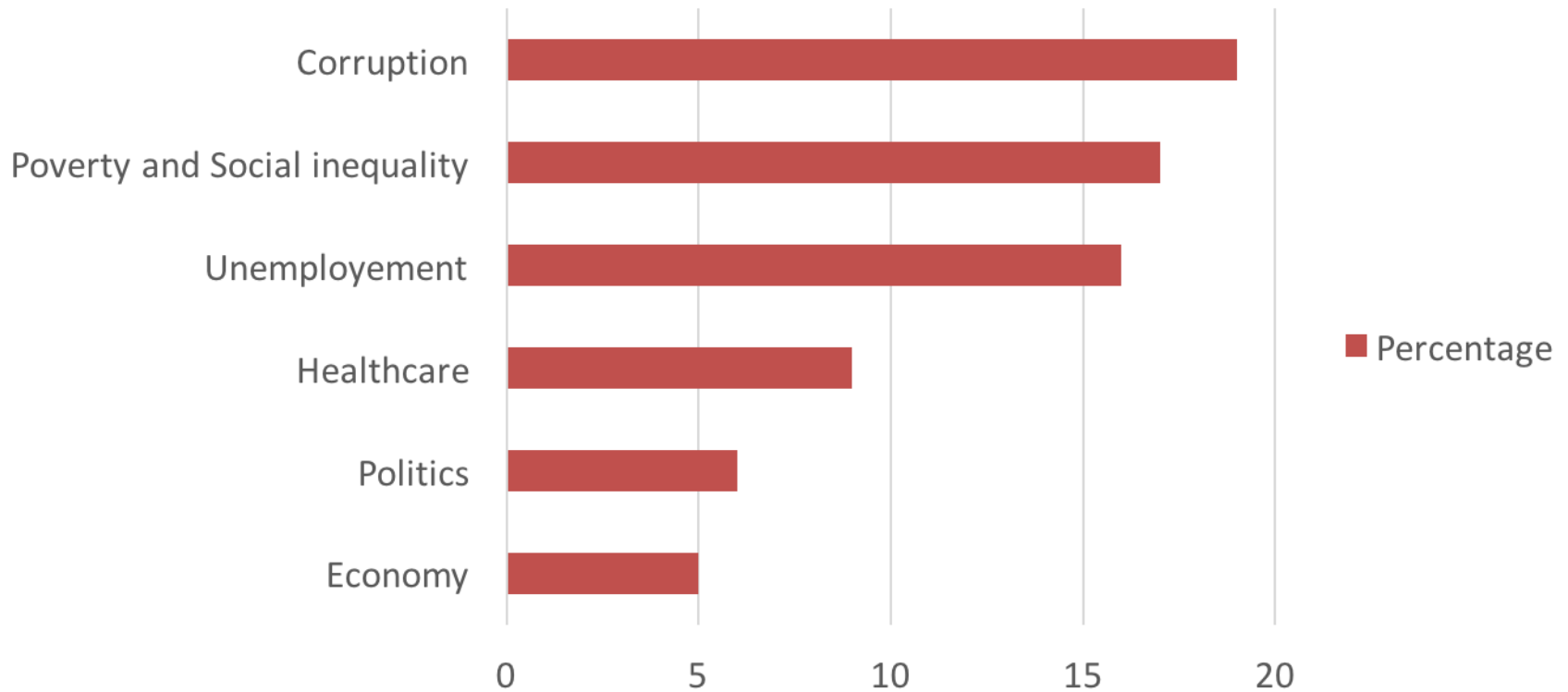


Why Take Sustainability/CSR into Account?



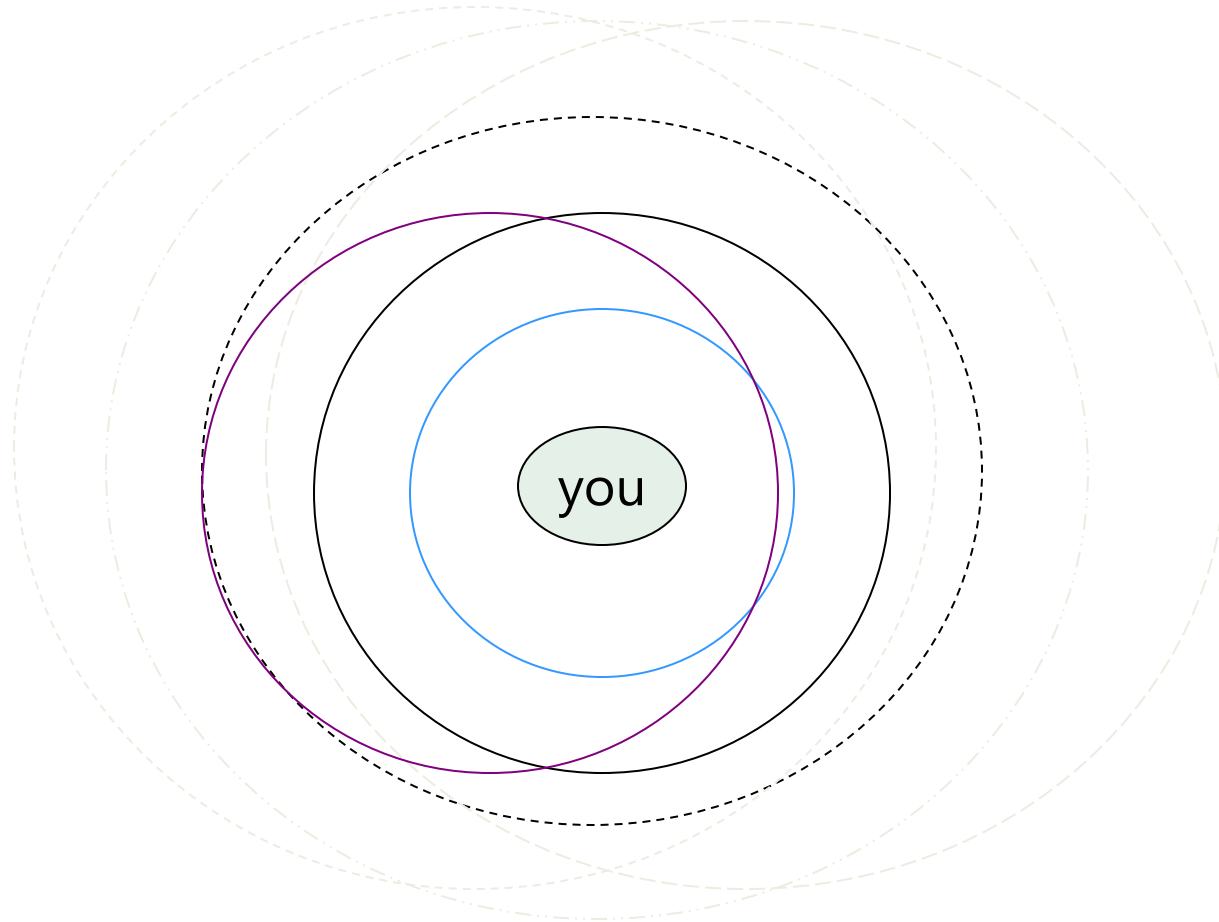
Biggest Problems of Slovakia

IPSOS Survey 2017



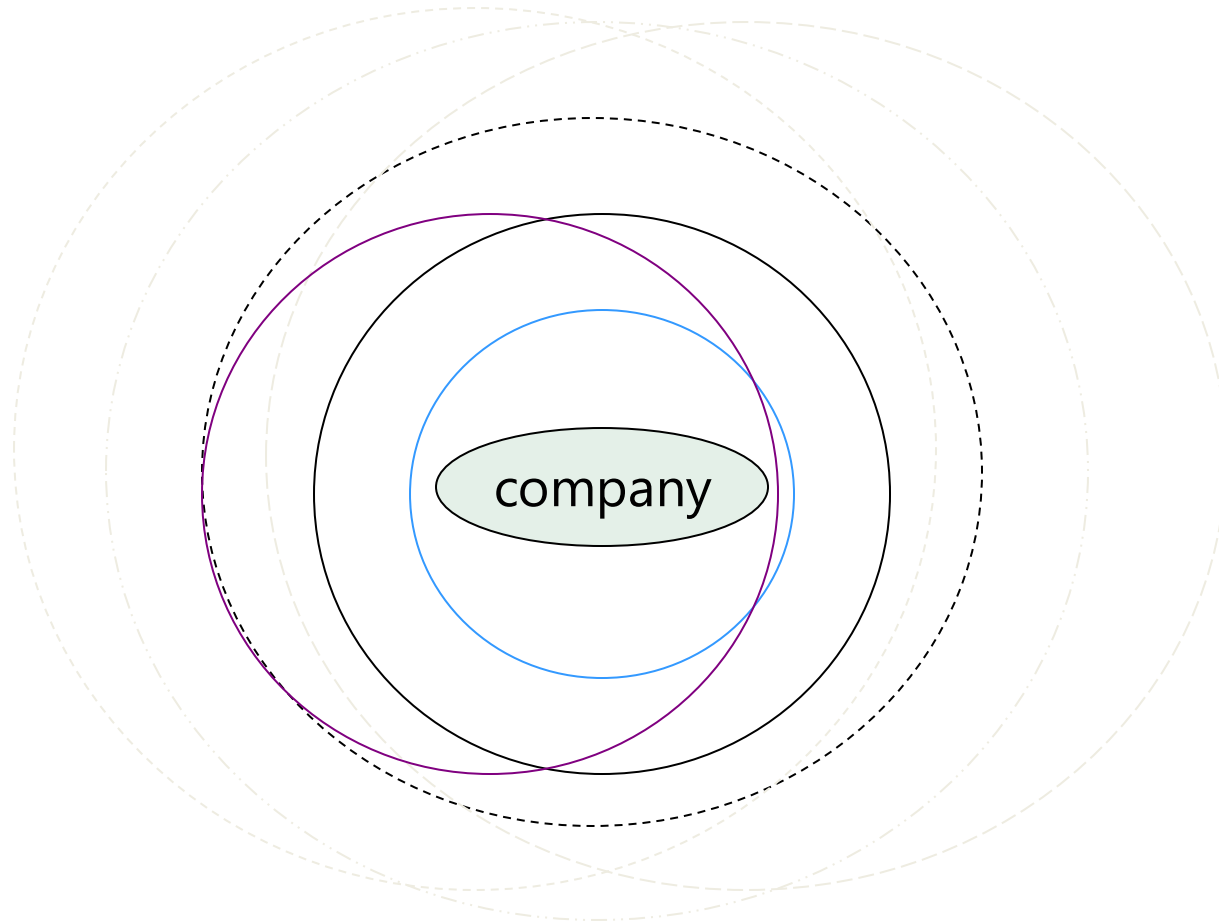
Stakeholders

Stakeholders are individuals and groups affecting or affected by...

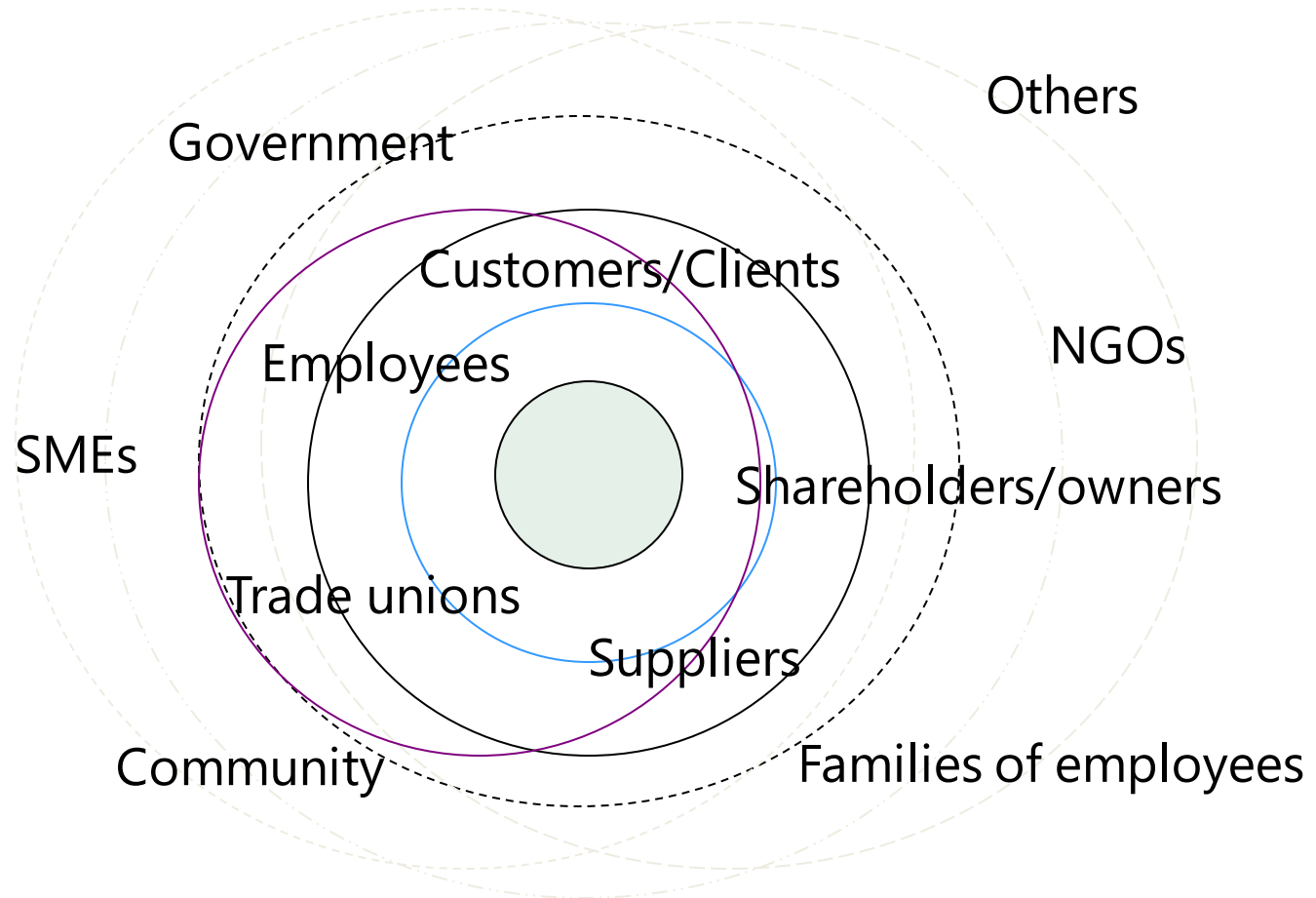


Stakeholders

Stakeholders are individuals and groups affecting or affected by...



Stakeholders



CSR vs. Philanthropy

Philanthropy



Corporate Responsibility



CSR vs. Philanthropy

Philanthropy

- Support focused on areas not covered by state/government.
- Doesn't have to correlate with core business of a company.

Corporate Responsibility

- Everyday decisions take into account environmental and social issues as well as economical ones.

History

- 1973 - Elibert & Parket
- 1976 - OECD, Guidelines for Multinational Enterprises
- 1990 - IBLF (Prince Charles)
- 1992 - OSN, Earth Summit, Rio de Janeiro
- 1996 - CSR Europe
- 2000 - UN Global Compact, 10 principles
- 2001 - Lisbon Strategy, EU Green Book
- 2004 - Business Leaders Forum Slovakia
- 2006 - GRI G3 Guidelines
- 2007 – Compulsory reporting in Sweden
- 2010 - ISO 26000

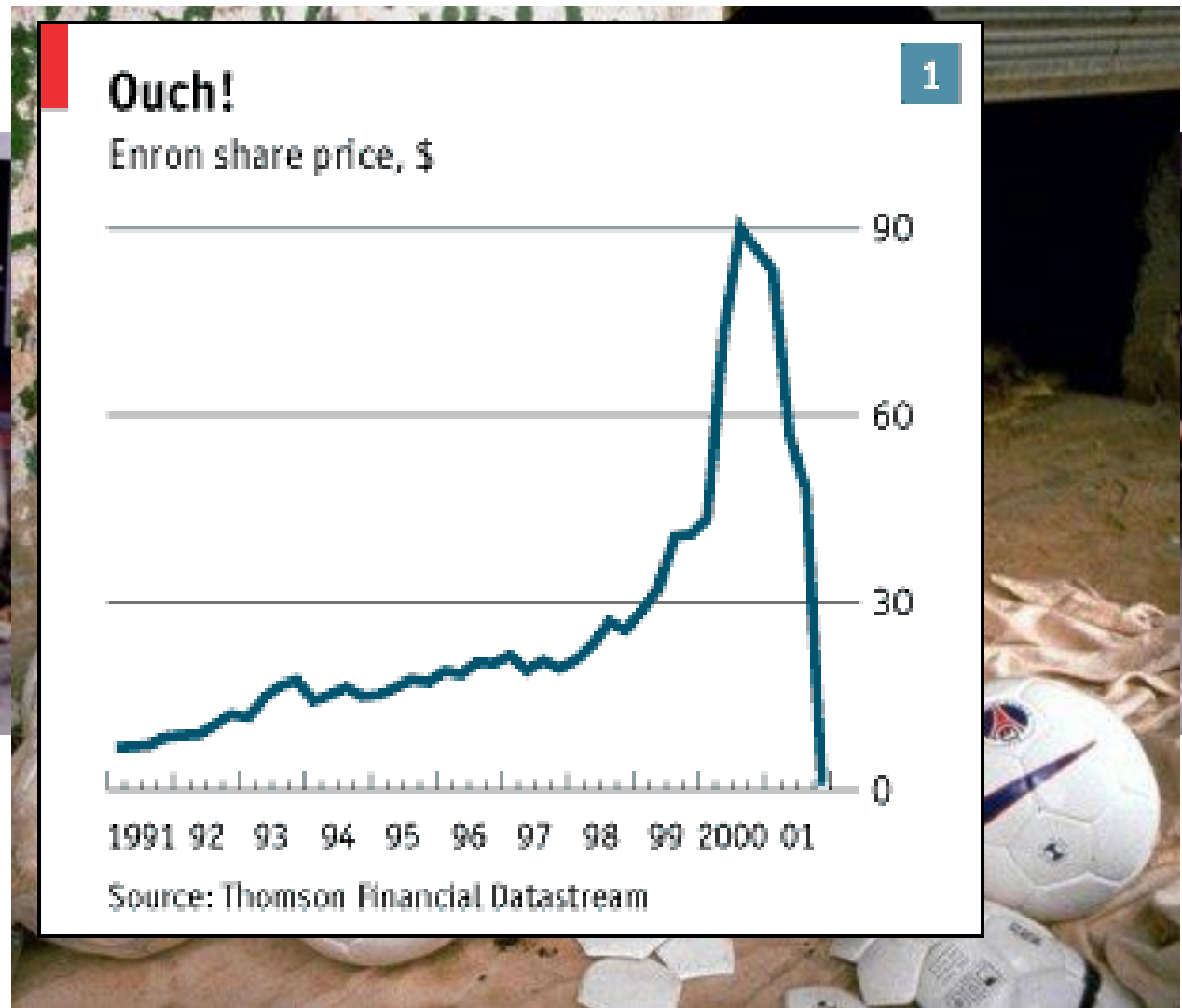
But the biggest push for more responsible companies....

History

1990 - Movement
for the Survival of
the Ogoni People

1996 - Life Magazine

2001 – Enron
bankruptcy



Pressure from consumers

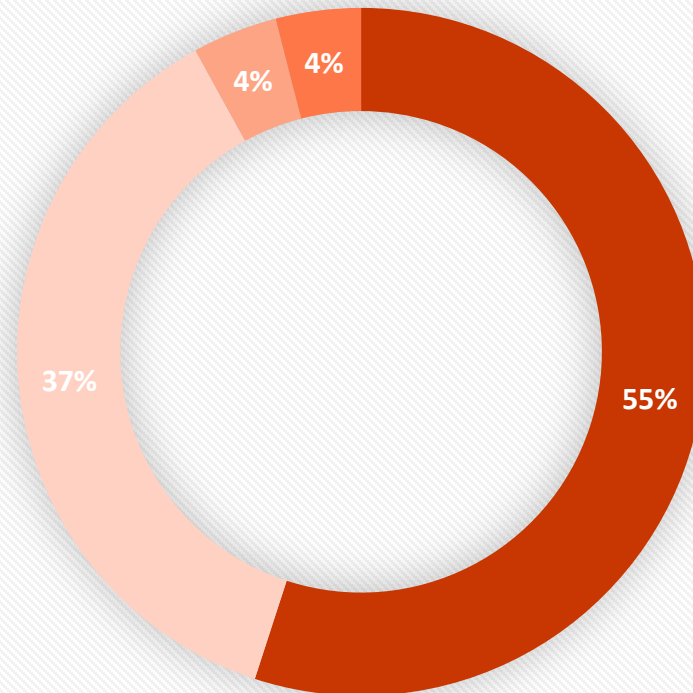


1941

Survey 2017

The most important facts

Should companies do CSR?



■ Yes ■ Rather yes ■ Rather no or no ■ Don't know

The aspirational consumer

These consumers desire for their actions to:

- meet their needs
- **have a positive impact on others**
- and connect them with an ideal or community that's bigger than themselves.

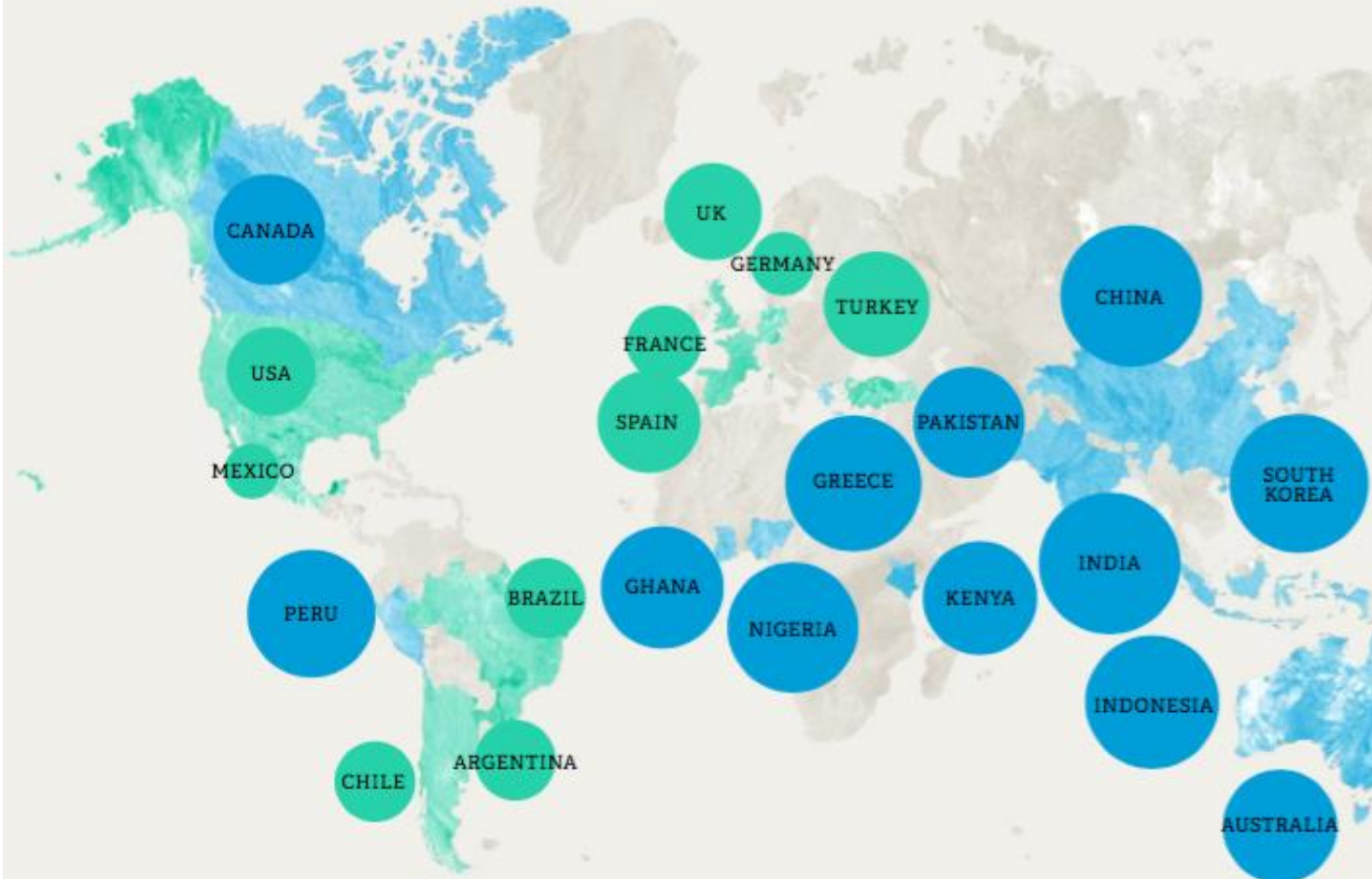
39%

of global
population

Connecting the right thing to do with the cool thing to do.

Pressure from consumers

Global Presence



22
COUNTRIES

N=22,000

40%–60%
ASPIRATIONALS

CHINA-51%
INDIA-51%
S. KOREA-50%
GREECE-49%
INDONESIA-48%
NIGERIA-47%
PERU-46%
GHANA-44%
AUSTRALIA-41%
KENYA-41%
CANADA-40%
PAKISTAN-40%

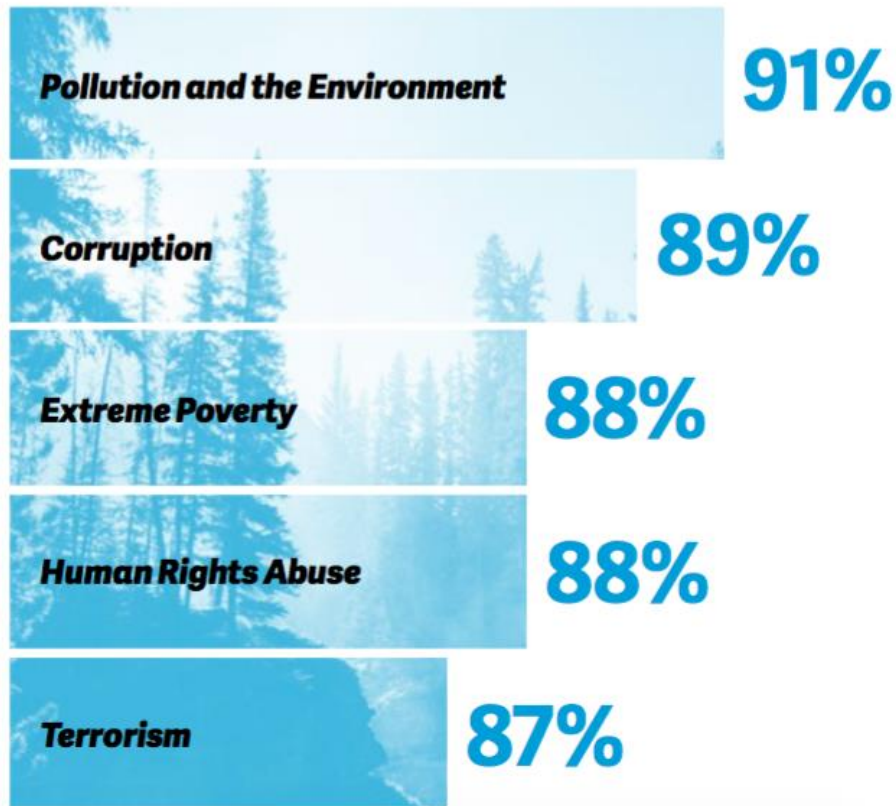
20%–39%
ASPIRATIONALS

TURKEY-38%
SPAIN-37%
UK-35%
USA-32%
ARGENTINA-29%
CHILE-29%
BRAZIL-29%
FRANCE-29%
GERMANY-23%
MEXICO-20%

Pressure from consumers

The issues and expectations

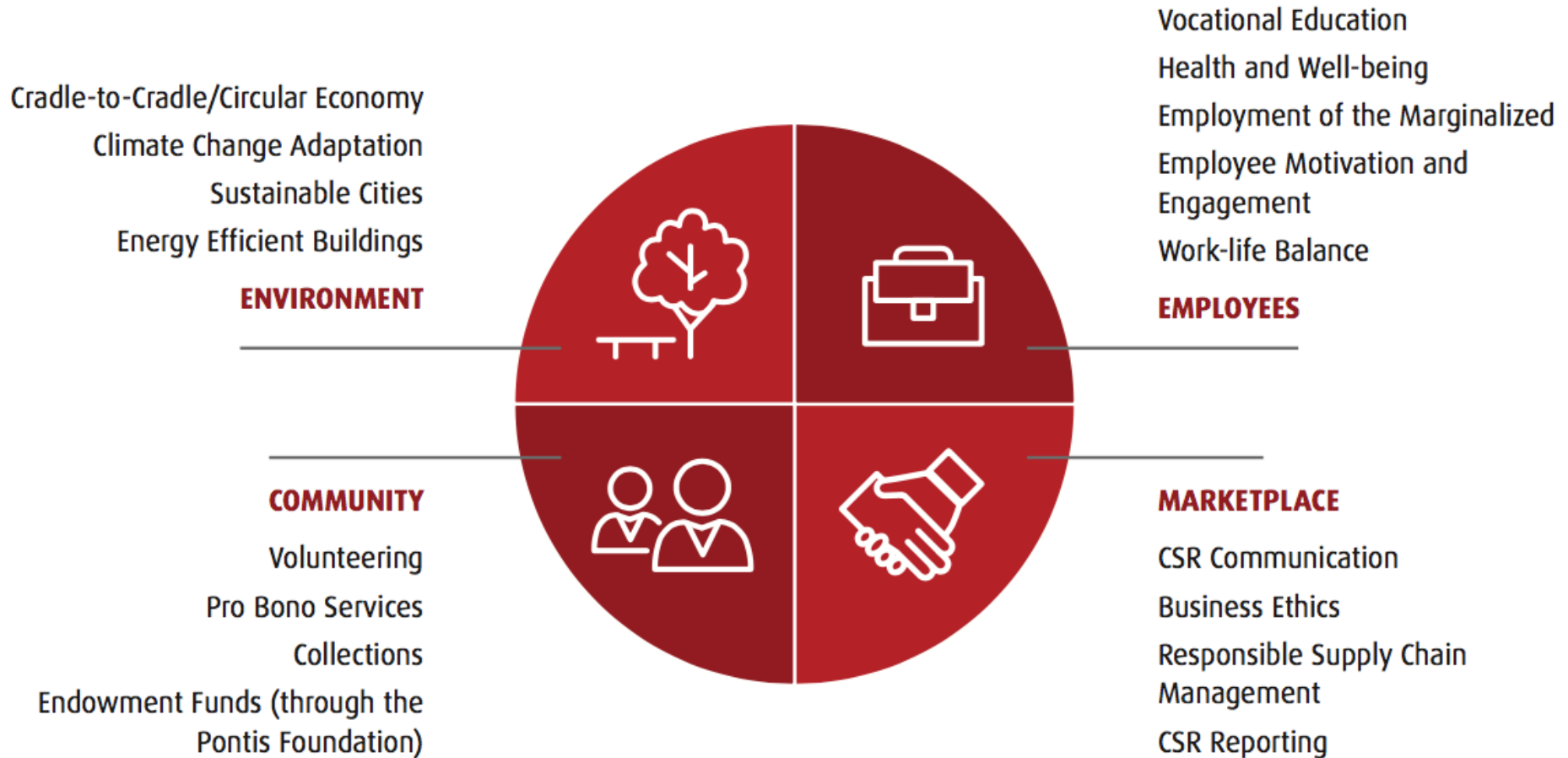
TOP ISSUES FOR ASPIRATIONALS



TOP EXPECTATIONS FOR ASPIRATIONALS



Areas and topics of CSR



Workplace

- Safe and healthy working environment
- Transparent selection and rewarding of employees
- Talent management – education and development of employees
- Work-life balance
- Flexible working hours
- Dialogue between employees and leaders
- Engagement in company decision-making
- Diversity, age-management and non-discrimination policies

Marketplace

- Engaging/hiring local suppliers
- Fair-trade and eco products procurement
- Paying on-time
- Cooperation and correct relations with (local) government
- Participation at local and regional business networks
- Implementations of CR standards towards suppliers
- Fair communication with customers, honesty in advertising
- Transparent reporting of impact – using standard methodology, e.g. Global Reporting Initiative

Examples of activities – Communication

VALUE CHAIN — GLOBAL IMPACTS

EXPLORE OUR GLOBAL IMPACTS

NIKE'S IMPACT ON PEOPLE AND ENVIRONMENTS ACROSS THE GLOBE

ENERGY | LABOR | CHEMISTRY | WATER | WASTE | **COMMUNITIES**

We leverage the power of our employees, brands, consumers and partners to support organizations and collaborations that create positive long-term changes that expand access to sport, empower adolescent girls in the developing world, and support the communities in which we live, work and play.

AIM: Catalyze human potential by creating business and community impact through a portfolio of innovative partnerships, advocacy and movement-making initiatives.

CONTRIBUTIONS: \$52.7M in community support in FY13

MORE ABOUT COMMUNITIES

1.6%
PRE-TAX INCOME
SUPPORTED COMMUNITIES
GLOBALLY IN FY13

Share

Nike – detailed on-line disclosure of information

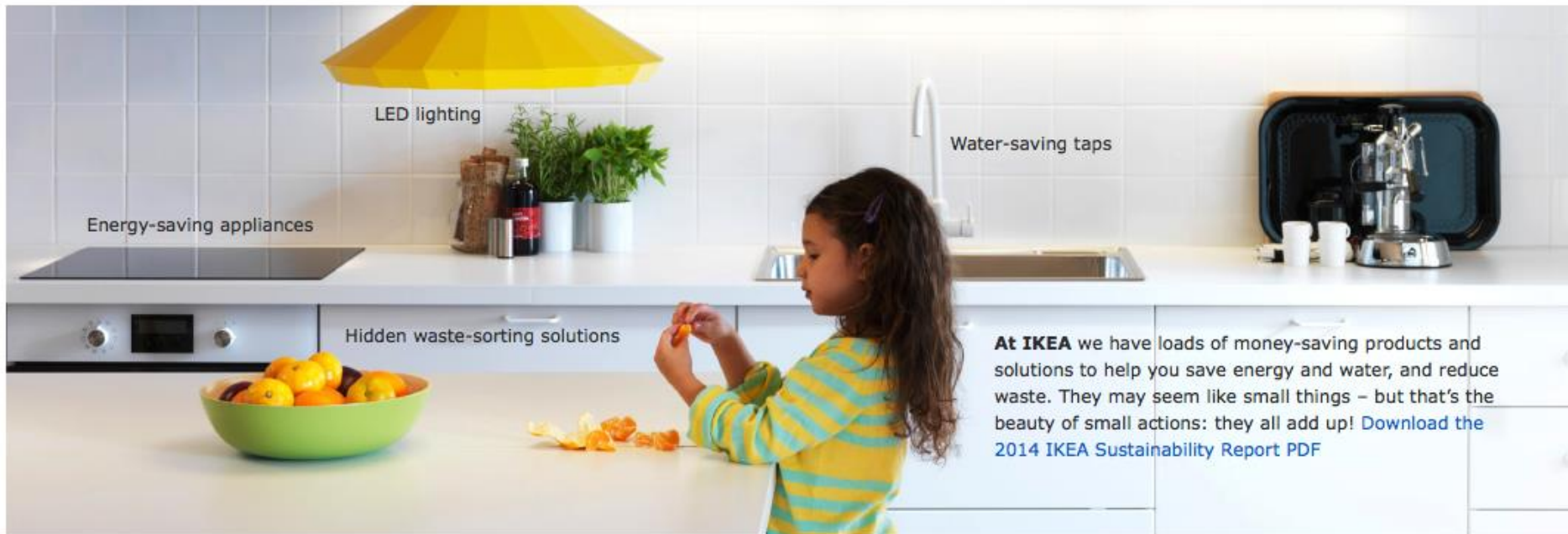
Examples of activities – Communication



Ikea – Enabling Customers to be responsible

SUSTAINABLE LIFE AT HOME

Make a difference without leaving your home

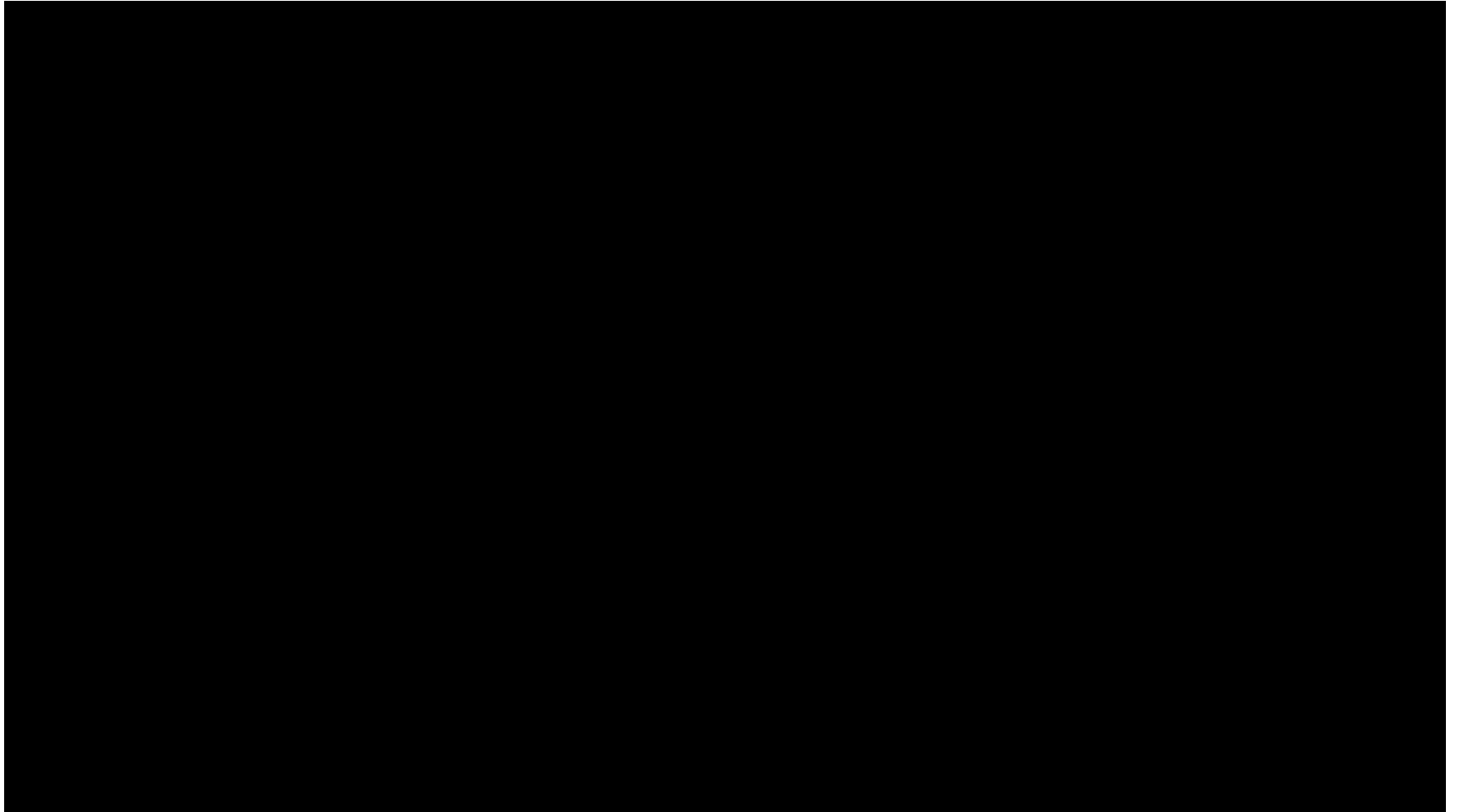


SUSTAINABLE LIFE AT HOME: SAVING ENERGY | SAVING WATER | WASTE & RECYCLING

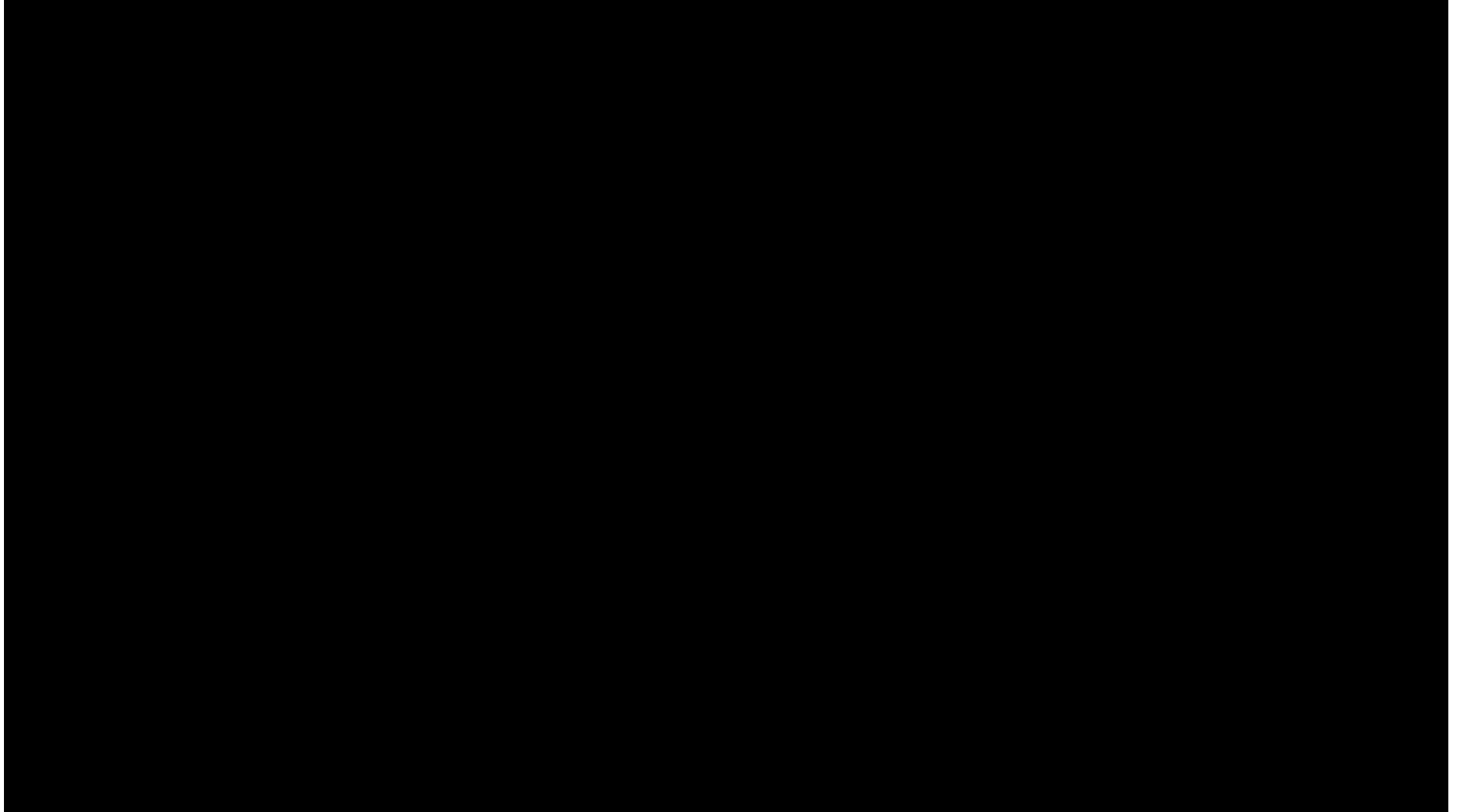
Environment – Be More Sustainable

- Energy and material efficiency
- Waste reduction and separation
- Ecological accident prevention
- Eco design of products and services
- Circular economy principles, Cradle-2-Cradle
- Biodiversity protection
- Compliance with ecological standards in supply chain
- Transparency in environmental issues

Patagonia



Follow the frog



Intermarché

Community – Corporate Citizenship

- Financial and support to local institutions, such as schools, hospital, NGOs, cultural events)
- Non-financial supports - providing products or services
- Cooperation on public-interest projects
- Support of corporate volunteering
- Improving local infrastructure
- Strategic philanthropy

Our city



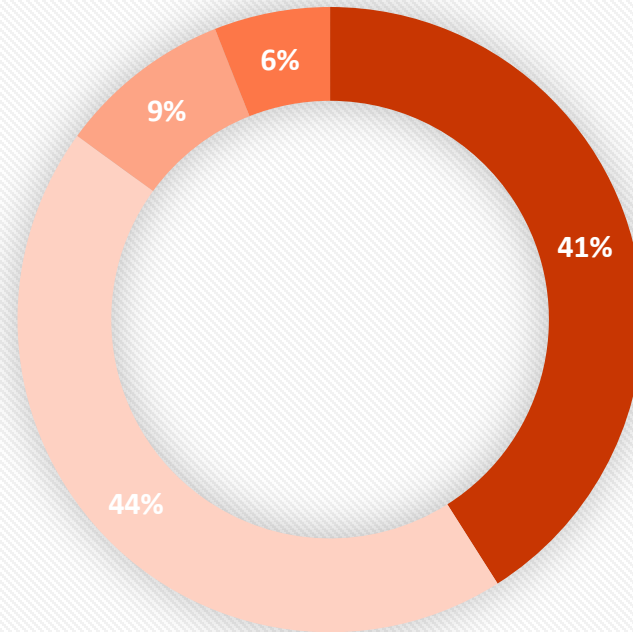
Benefits of CSR

- CSR-oriented companies are more successful on the market (medium and long-term)
- Reputation improvement
- Loyal employees and talent attraction
- Improved relationship with suppliers
- Energy efficiency
- Better relationship with local community
- Higher sales and growing loyalty of customers
- Improved risk management
- Better cooperation with all stakeholders

Survey 2017

The most important facts

Should companies inform about their CSR activities?

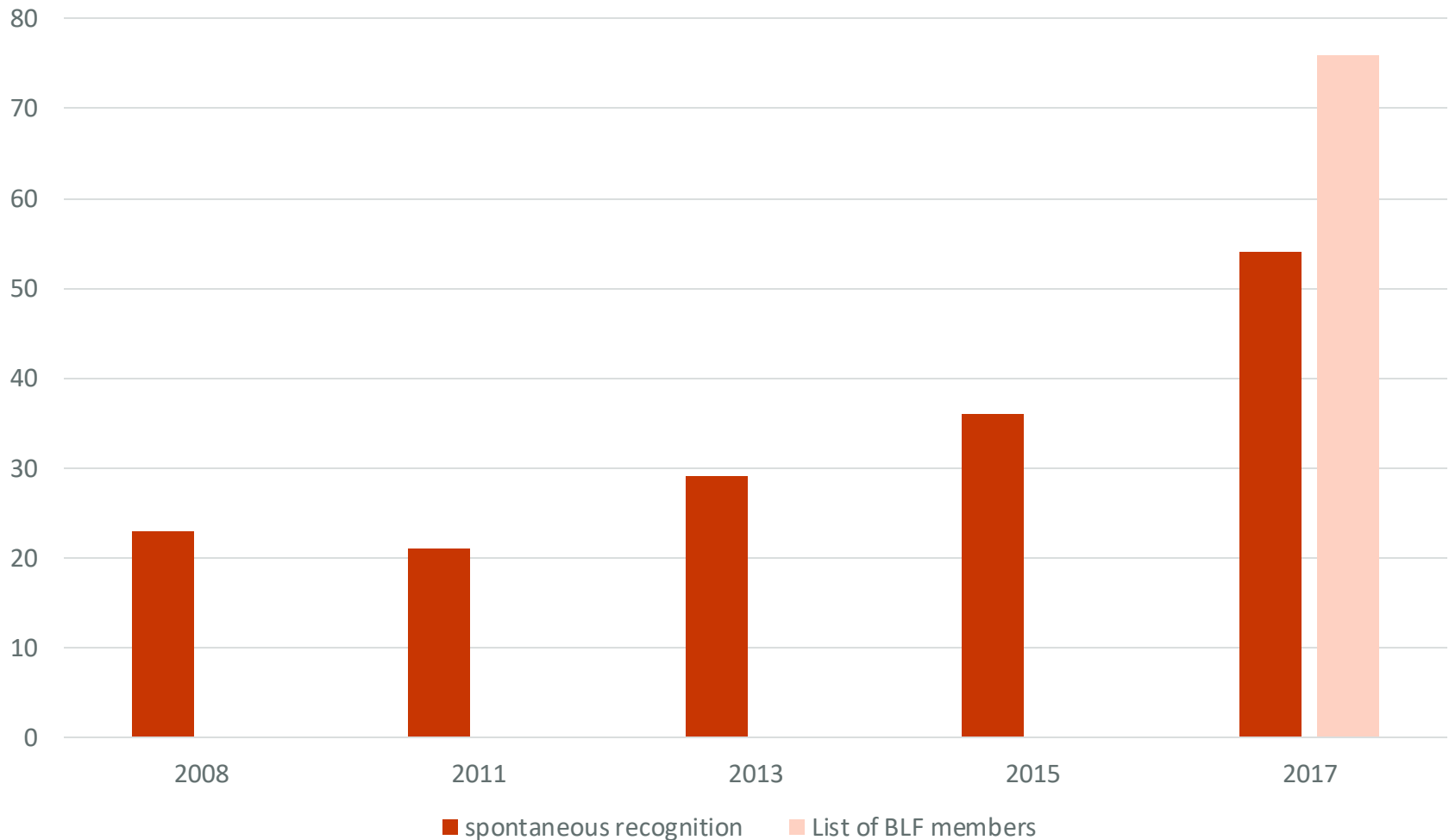


■ Yes ■ Rather yes ■ Rather no or no ■ Don't know

Survey 2017

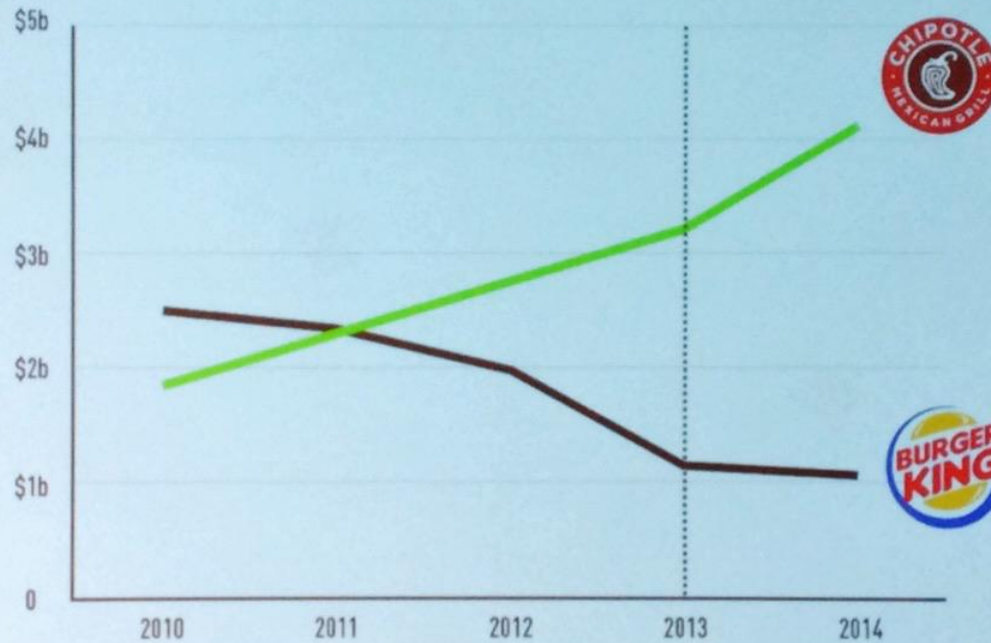
The most important facts

Can you name a concrete responsible company?



Traditional companies changing their image

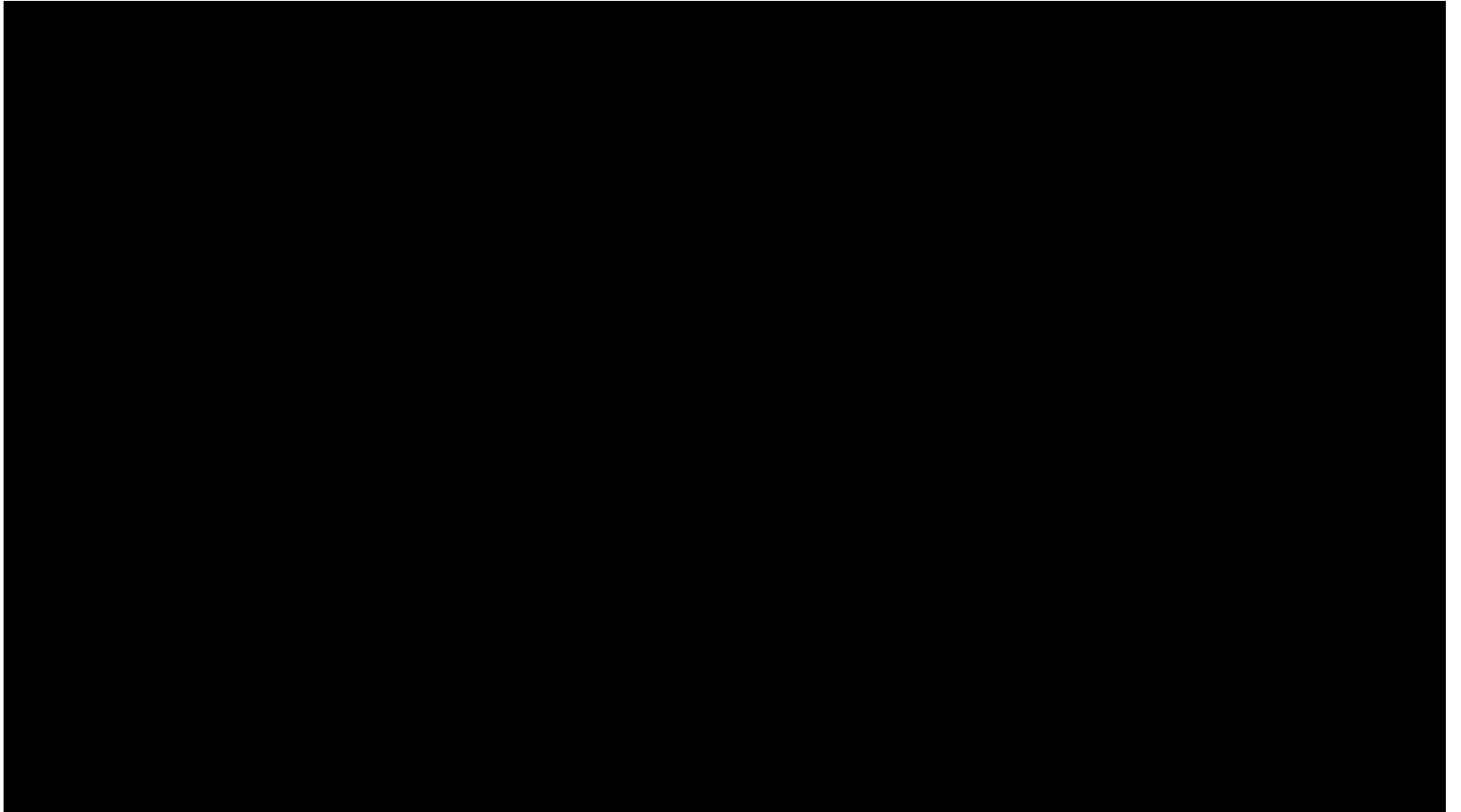
THE NEW WORLD ORDER



Traditional companies changing their products




Traditional companies changing their products



Slovak Government Approach


In 2010 – National Action Plan for CSR – has not been proceeded to government

Since 2017 – New Law on Accounting – Companies of “Public Interest“ have to include sustainability topics into their annual reports



Business Leaders Forum

Responsible Business Leaders' Recommendations for the Area of



MARKET

Topic: Corporate Responsibility Report

Dozens of Companies in Slovakia Are Required to Disclose Information about Their Corporate Responsibility

In 2015, the National Council of the Slovak Republic passed an amendment to Act No. 431/2002 on Accounting, as amended (hereinafter referred to as “the Act on Accounting”), which introduced a new obligation for companies to disclose information from the area of Corporate Social Responsibility and diversity policies in their annual report.

The Area of Corporate Social Responsibility

The content of the information from the area of Corporate Social Responsibility is determined by mandatory provisions in the Act on Accounting. Some companies include this required information in a report known as the CSR report. The amendment of this law is based on the EU Directive** on disclosure of non-financial and diversity information. The disclosure of information about non-financial performance of companies is important in order to change the mindsets of the companies and to help them understand the responsibility of companies for social and environmental impacts as well as the compliance with human rights and fight against corruption. The disclosure of non-financial information helps measure, monitor and control the behaviour of companies and their impact on society. Such a report contains information which can help us understand the development, behaviour and impact of company activities on the environment, employees, customers, suppliers or other partners – company stakeholders.

According to the amended Act on Accounting, the obligation concerns those public interest companies which average number of employees exceeds 500. This means that the obligation concerns certain banks, insurance companies, health insurance companies, management companies or even pension fund management companies. This obligation also concerns companies which have issued securities that have been accepted for trade on the regulated market of any EU member state.

The Area of Diversity Policies

Certain companies have additional obligations. Diversity reporting concerns companies which have issued securities that have been accepted for trade on the regulated market of any EU member state and which also meet at least two of the following requirements: the total value of their assets is more than 20 million euros, their net turnover exceeds 40 million euros or they have more than 250 employees. The annual reports of these companies must also include a description of the diversity policies that they apply in their administrative, management and supervisory bodies, especially in regard to age, sex, education and professional experience of the members of these bodies, the aims of these policies, the way they are executed and the results achieved in the reported period.

A complete list of public interest entities is presented in the box. It is estimated that based on these criteria the new requirement would apply to approximately 18,000 companies in the EU, out of which several dozen are located in Slovakia.

* Act No. 431/2002 on Accounting, section 20
** Directive 2014/95/ EU of the European Parliament and of the Council of 22 October 2014:
<http://eur-lex.europa.eu/legal-content/5K/TXT/?uri=celex%3A32014L0095>

Slovak Government Approach

Special opportunity for companies:

- Tax assignment to non-profit organization - 1% of income tax
- In case company donates amount corresponding to 0,5 % of tax, it can assignate 2% of tax

Example:

- Income tax: 1 million Euro
 - 1% tax assignation: 10,000 €
 - If donated as a gift 5,000 € then
 - 2% tax assignation: 20,000 €
-
- 10,000 € vs 25,000 € for corporate community programs



Business Leaders Forum



Business Leaders Forum

Členovia Business Leaders Forum

accenture

ADIENT



citi



Deloitte.



dm

DXC technology

embraço
POWER IN. CHANGE ON.

eset



HEINEKEN

Hewlett Packard
Enterprise

Johnson
Controls



KIA



Správna voľba

METRO

NOVARTIS



Pfizer

PHILIP MORRIS
SLOVAKIA



SKANSKA

SLOVENSKÉ
ELEKTRÁRNE



TESCO



TNT
THE PEOPLE
NETWORK

T-Systems

U.S. Steel Košice

VEOLIA

Volkswagen Slovakia



Čien
innogy

Whirlpool
EMEA

VÚB BANKA

ZSE

BLF Initiatives



Digital
Skills



Other activities

Social Innovations

Building social innovation capacities in Central Europe



Building social innovation capacities in Slovakia

- Festivals of Social Innovations
 - Bratislava: September 20th, 2018
 - Košice: November 5th, 2018
- Trainings and workshops in Slovak in Bratislava, Košice, Šamorín, Rimavská Sobota, ...
 - September - December 2018
- Webinar in English



Trainings and workshops in Slovakia

	Bratislava	Košice
Active Citizenship	26 September	6 November
Social Business	2 October	7 November
Technology and Creativity for SI	17 October	6 November
Stakeholders' Engagement	24 October	7 November
Impact Assessment	13 November	4 December
Impact Finance	27 November	4 December
Social Innovation Policy	6 December	4 December

www.nadaciapontis.sk/social-i-makers-1



Akadémia sociálnych inovácií
Workshop č.1: Aktívne občianstvo

KEDY: 26. september 2018
KDE: Satori Stage v Bratislave

Bud' súčasťou zmeny!



Online: <https://social-innovation-academy.teachable.com>

Lectures IntroductionInspira... x Social(i)Makers | Nadácia Poni... x +

← Previous Lecture Complete and continue →

89% COMPLETE

- Introduction (1:11)
- Lectures (9:39)
- Expert Interviews (2:38)
- Case Studies
- Tool and Assignment
- Additional Readings
- Discussion Forum
- Quiz

Social Business - Become an entrepreneur for social good

- Introduction (1:15)
- Lectures (15:01)**
- Expert Interviews (44:10)
- Case Study Interviews (34:16)
- Tool and Assignment
- Additional Readings
- Discussion Forum
- Quiz

Idea Development



Thank you

Michal Kišša

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