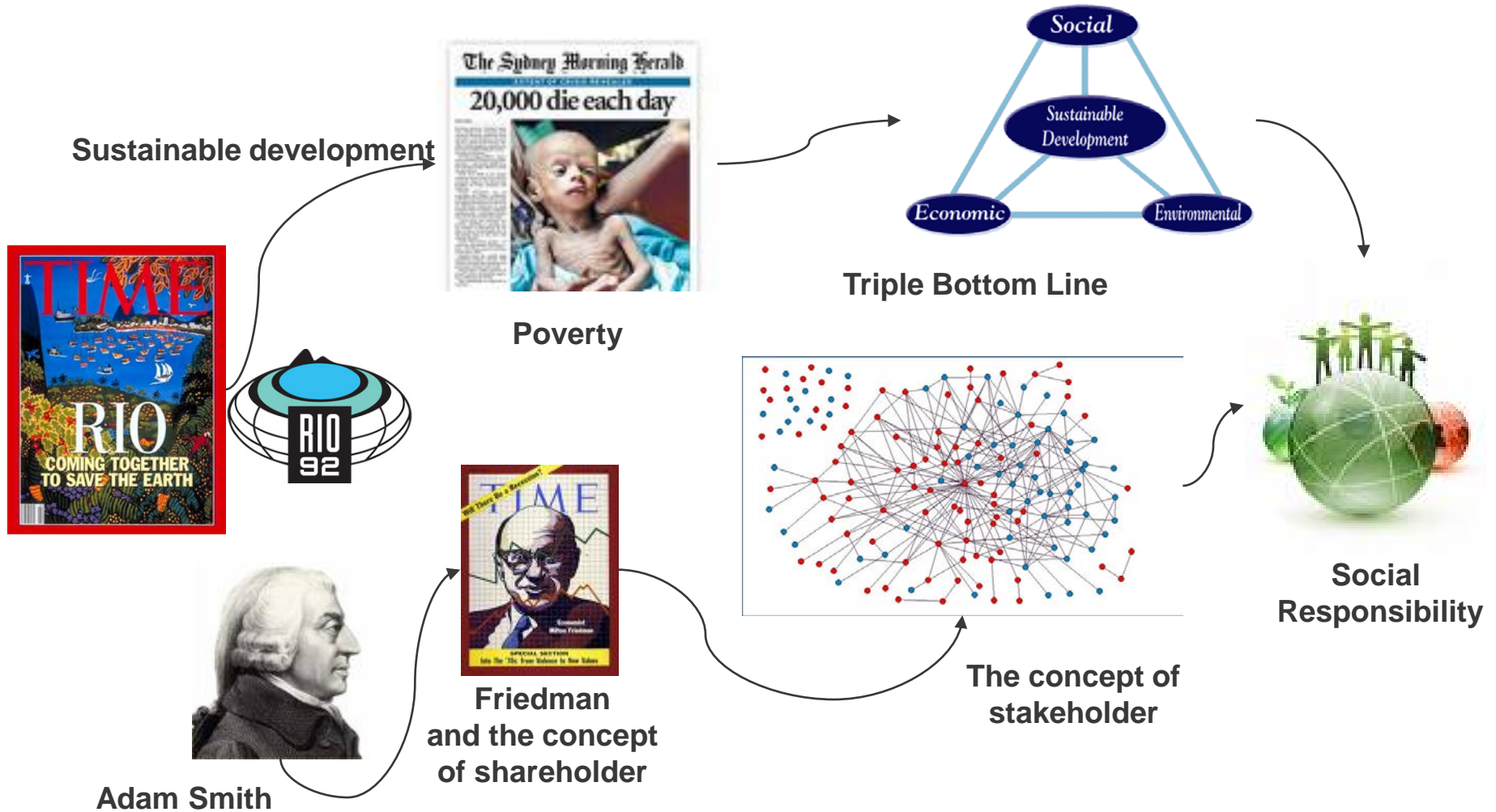


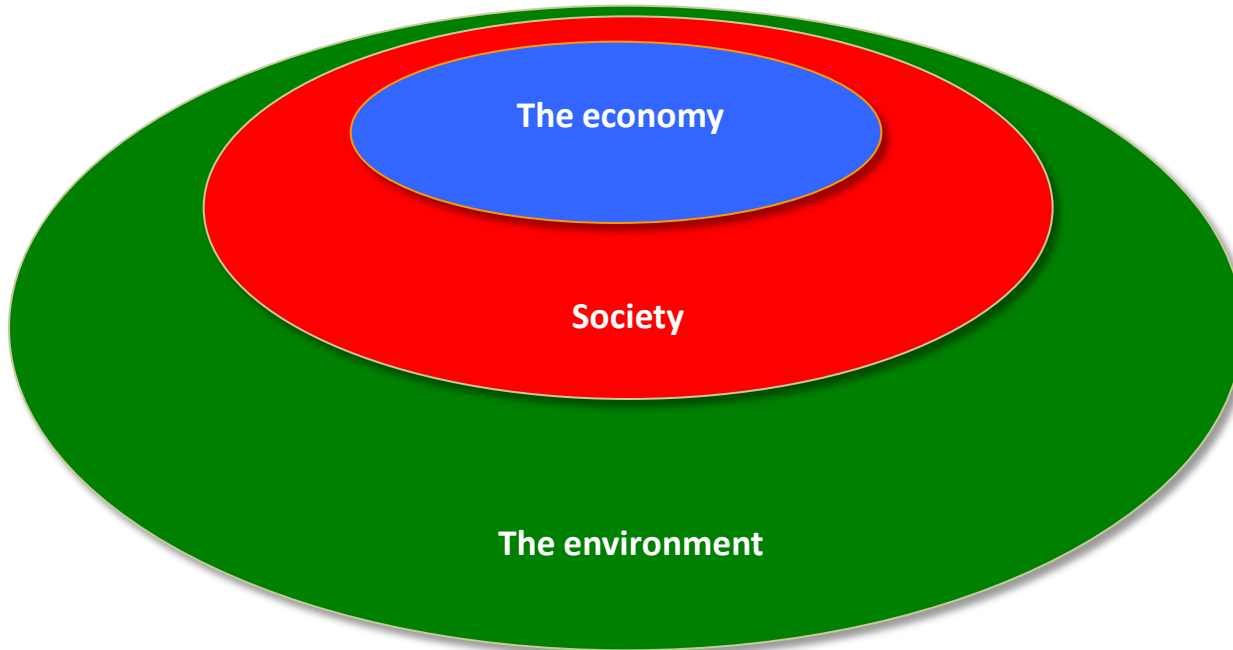
The SR concept building



Getting the language right

Understanding sustainability

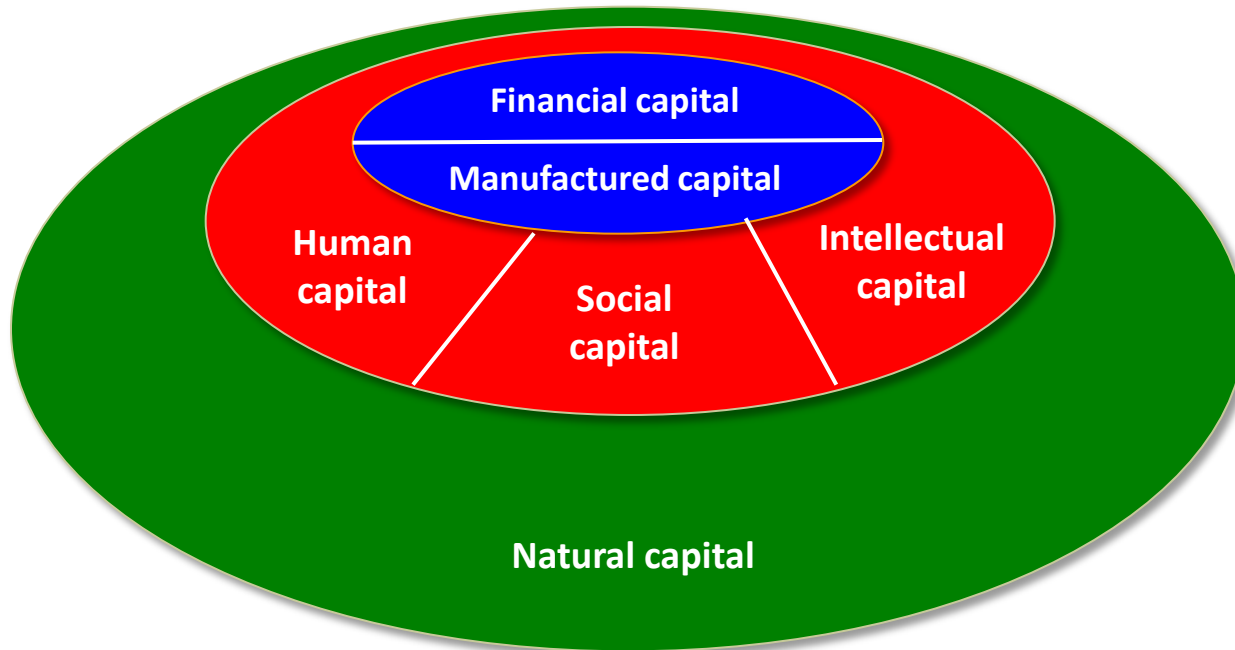
Sustainability: an approach to **creating value** that sustains or enhances the systems and resources upon which that value depends.



Getting the language right

Understanding sustainability

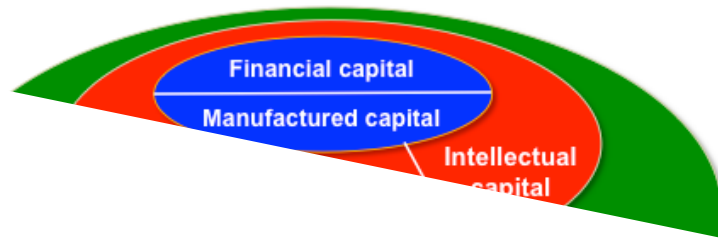
Sustainability: an approach to **creating value** that sustains or enhances the systems and resources upon which that value depends.



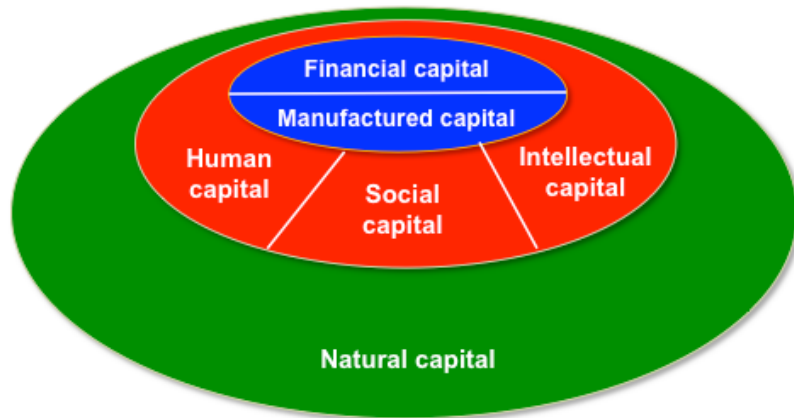
Challenging the status quo

The outdated approach to value creation

Our **business systems and valuation models** are better tuned to tracking financial and manufactured capital than social and natural capital.



Company analysts and financial journalists tend to focus primarily on **financial and manufactured capital** stocks.



Sustainability analysts push all companies to consider **all capital stocks** in their decision-making.

At the firm level, sustainability is a critique of business fundamentals (business model, strategy and valuations) that take inadequate account of **social, human, intellectual and natural capital**.

SR is Strategy – not a charity tool

- SR is on HOW an organisation does it's business – the what comes as a result of this change of paradigm.
- SR allows to move from Inefficiency to efficient management of financial, social and ecological basics of the organisation
- SR is about making money by being a good citizen and implementing a strategic approach to business.

Corporate Philanthropy vs. SR

- SR does NOT have to be a philanthropic activity.
- Philanthropy can be complementary to CSR.
- Philanthropy is **external** to a business.
- SR is both **internal and external** to a business.
- SR should be a part of a business's core strategy
 - This way, there can be a fundamental, long-term impact on poverty alleviation and social development by increasing national competitiveness.

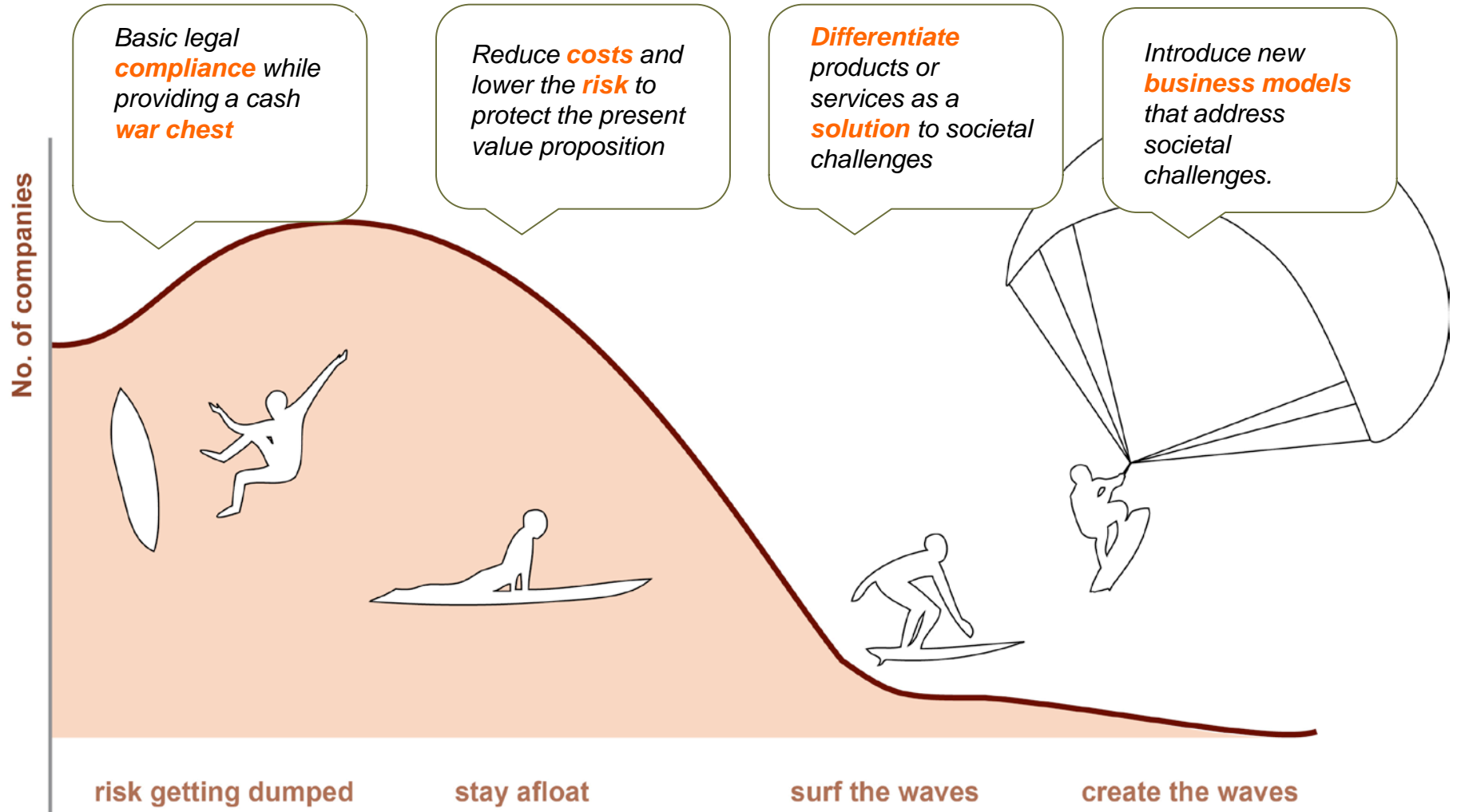
Globalization and Social Responsibility



BAHRAIN, 18TH APR 2009

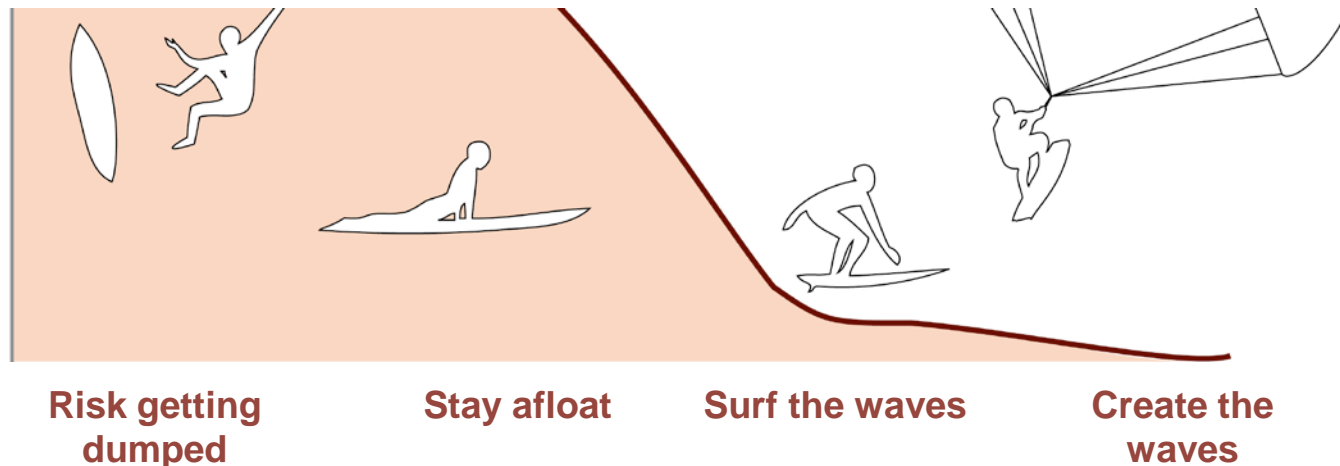
Positioning your sustainability strategy

Q2: What is the organisation's *strategic position* in the context of current societal trends?



Recognising the need for transition

Q2: What is the organisation's *strategic position* in the context of current societal trends?



Managing **risk**

Protecting value

“Batten the hatches”

Sees opportunity in **individual** need

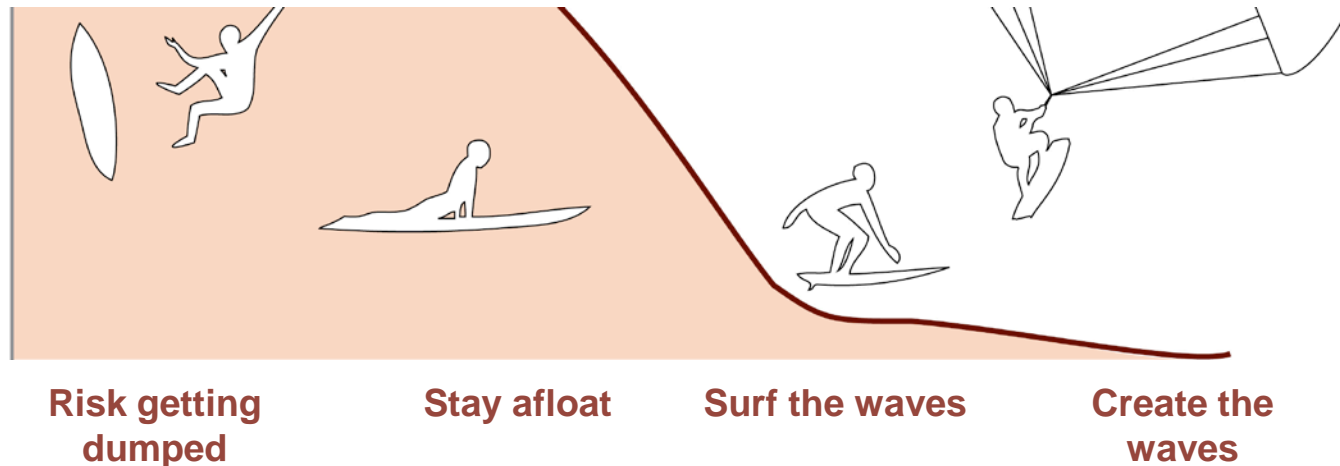
Continual **improvement**

Initially strategies tend to focus on the company's ability to **comply** with legal requirements, manage key **risks**, **optimise** resource use and protect the **brand**.

This is no different to mainstream business analysis. And similarly, it will not address the **big problem**.

Recognising the need for transition

Q2: What is the organisation's *strategic position* in the context of current societal trends?



Managing **risk**



Exploring **opportunity**

Protecting value



Creating value

“Batten the hatches”



“Bring it on”

Sees opportunity in
individual need



Sees opportunity in
societal need

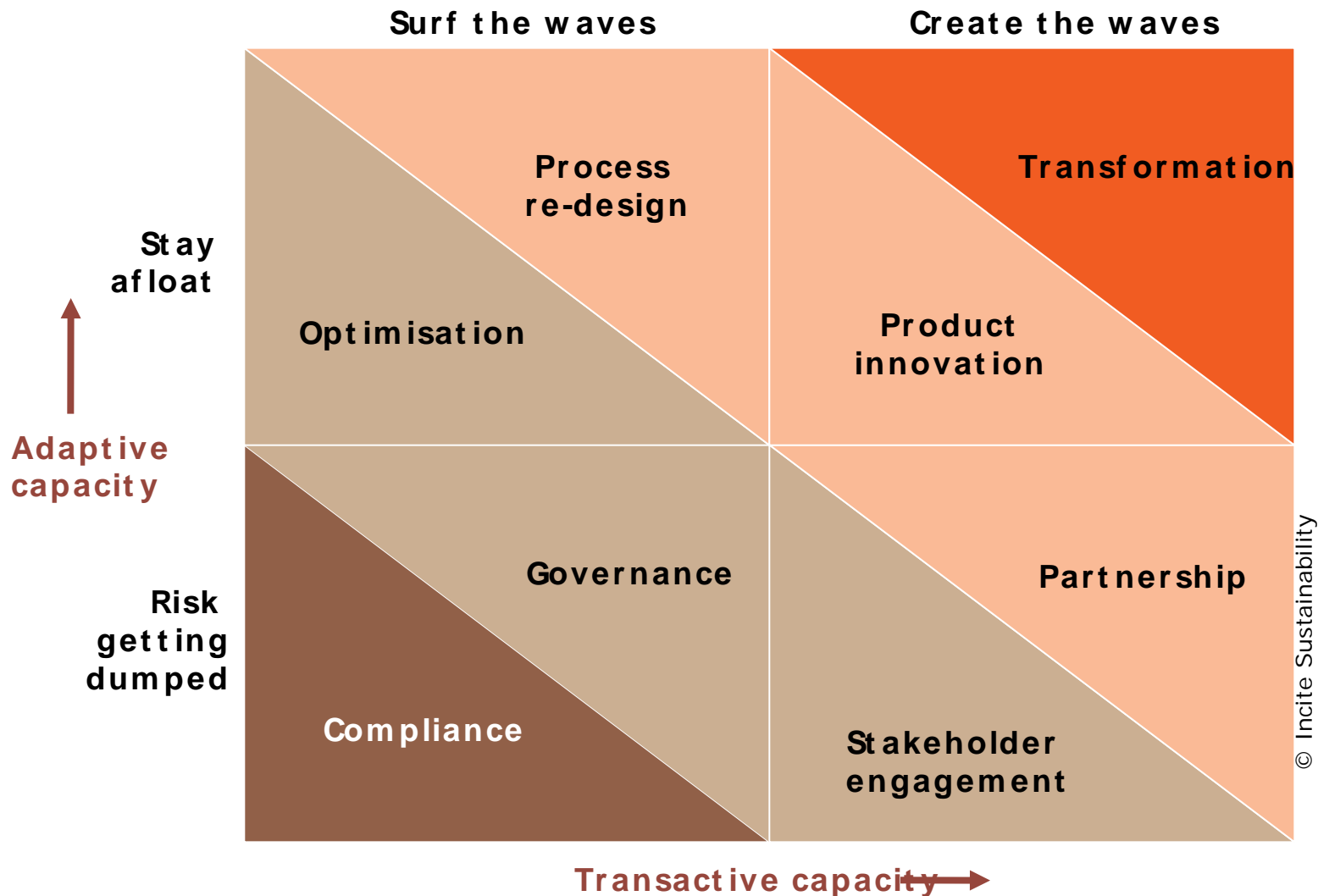
Continual
improvement



Business model
innovation

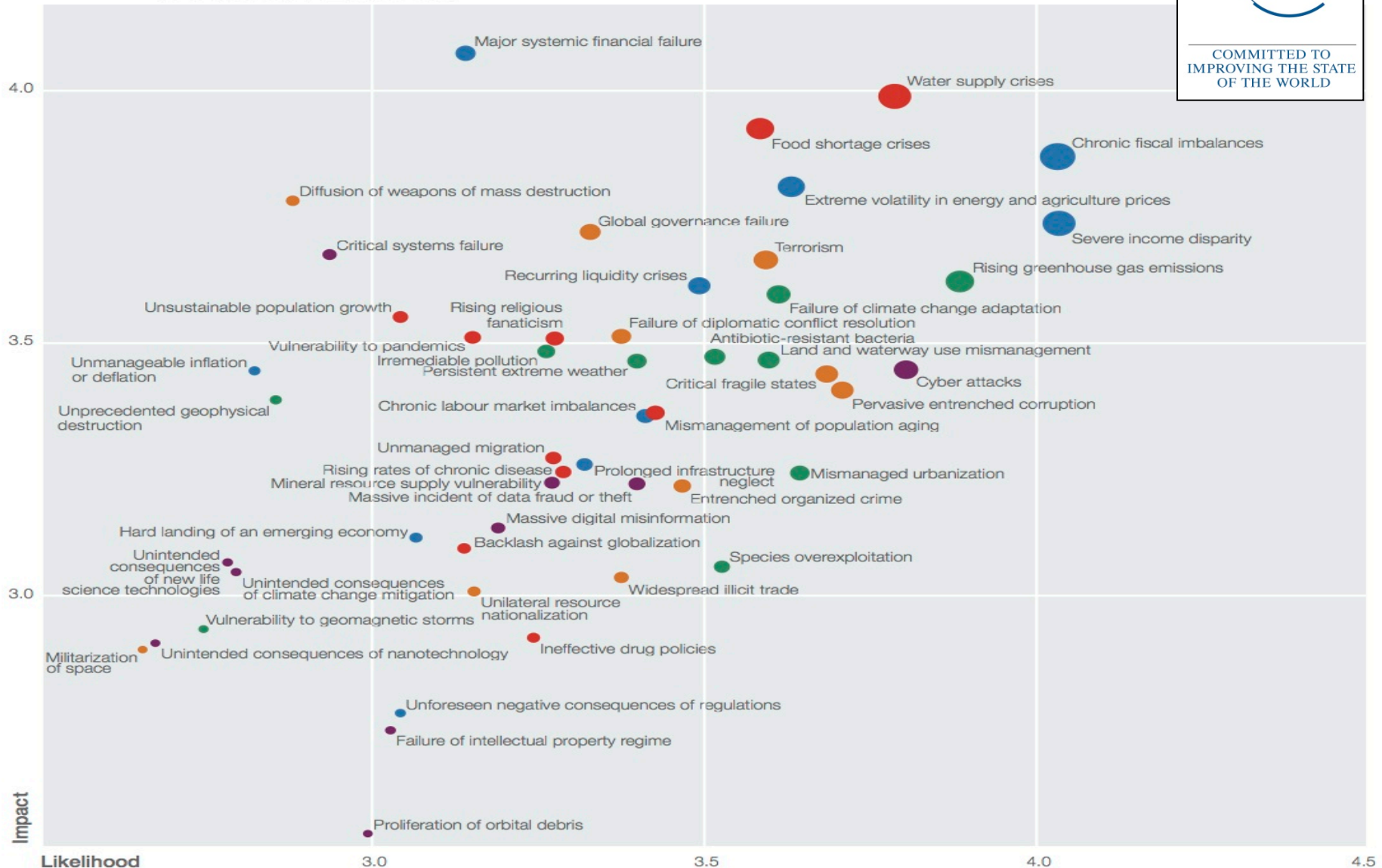
Transition competence areas

Q3. What *organisational competencies* are needed to prosper in a more volatile context?



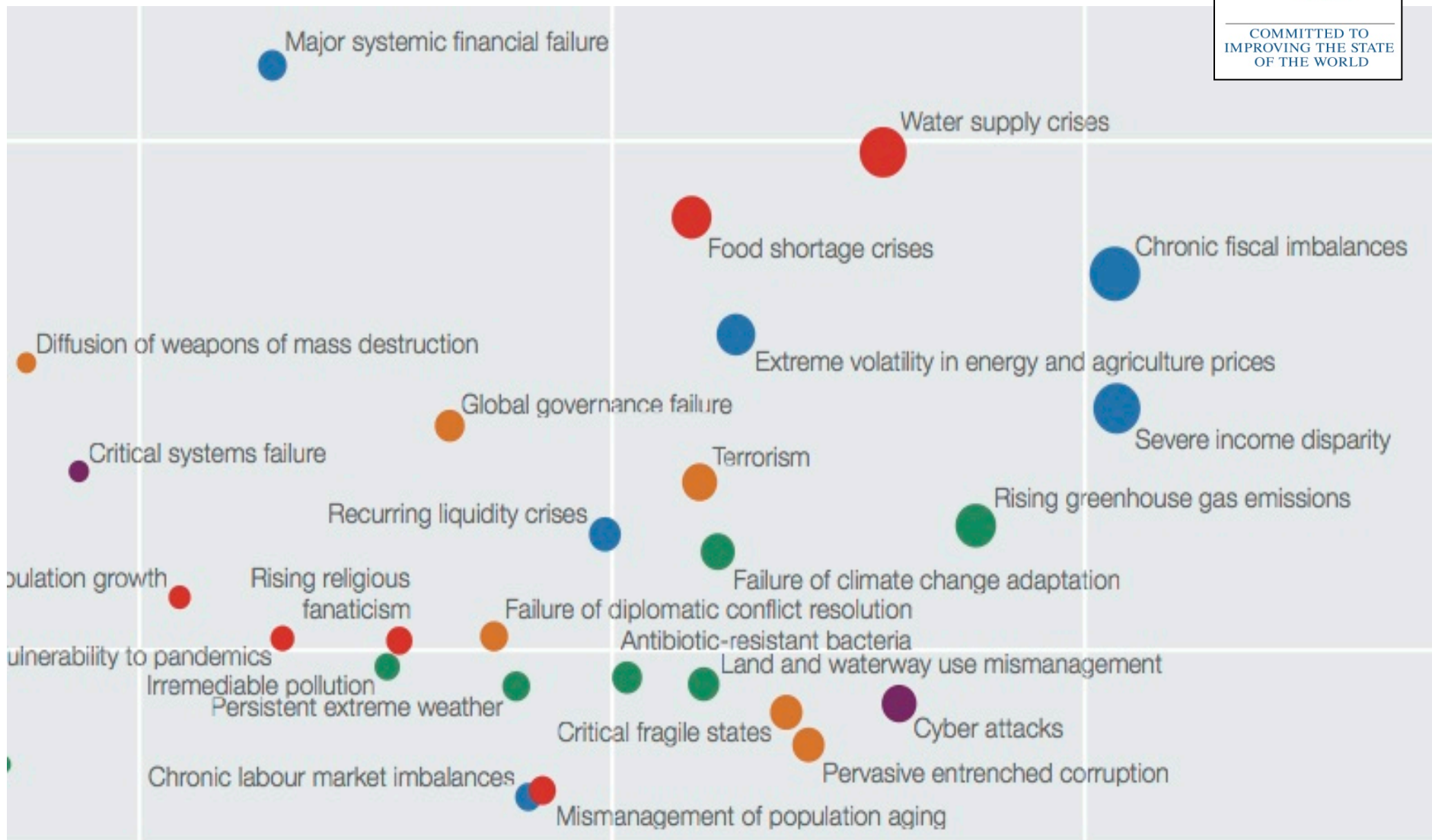
Doing business in the context of increasing volatility

Global Risks 2012 Seventh Edition



Doing business in the context of increasing volatility

Global Risks 2012 Seventh Edition



Introduction to ISO 26000



Scope

Clause 1

Guidance to all types of organizations, regardless of their size or location

Terms and definitions

Clause 2

Definition of key terms

Understanding social responsibility

Clause 3

History and characteristics; relationship between social responsibility and sustainable development

Principles of social responsibility

Clause 4

- Accountability
- Transparency
- Ethical behaviour
- Respect for stakeholder interests
- Respect for the rule of law
- Respect for international norms of behaviour
- Respect for human rights

Two fundamental practices of social responsibility

Clause 5

Recognizing social responsibility



Stakeholder identification and engagement

Social responsibility core subjects

Clause 6



Integrating social responsibility throughout an organization

Clause 7



Bibliography: Authoritative sources and additional guidance

Annex: Examples of voluntary initiatives and tools for social responsibility

Maximizing an organization's contribution to
Sustainable development

2.18 social responsibility

responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that:

- contributes to **sustainable development**, including health and the welfare of society;
- takes into account the **expectations of stakeholders**;
- is in compliance with **applicable law** and consistent with **international norms of behaviour**; and
- is **integrated** throughout the organization and **practised in its relationships**

Social responsibility: 7 core subjects



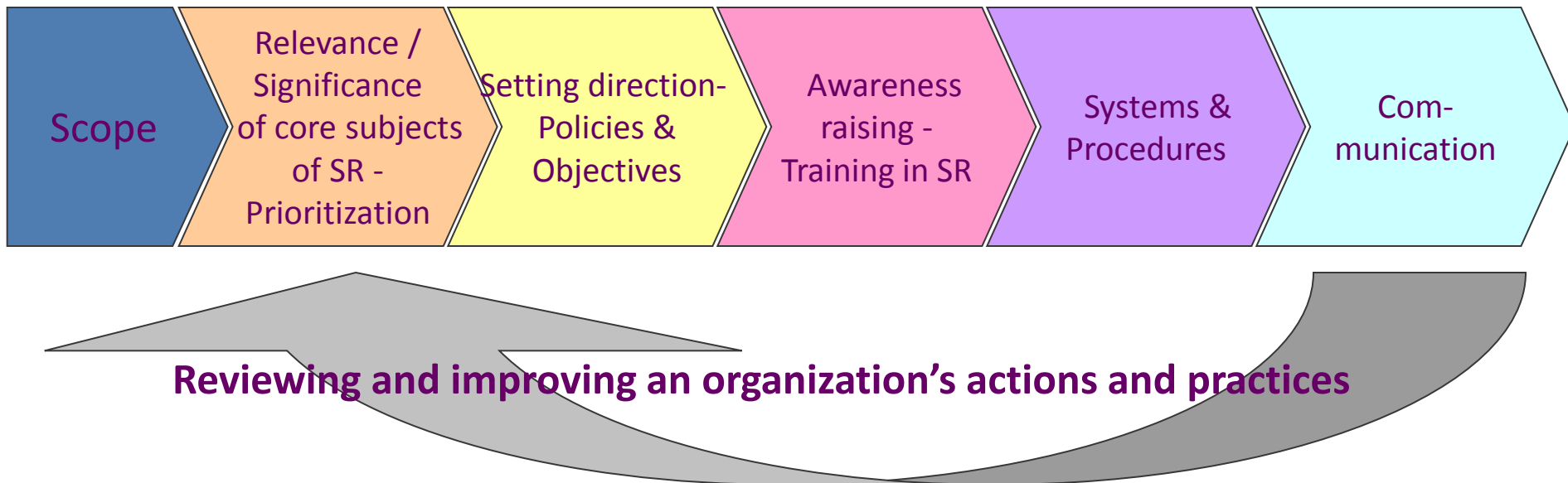
7.1 General



Figure 4 — Integrating social responsibility throughout the organization

Integrating social responsibility

7 : Guidance on putting social responsibility into practice



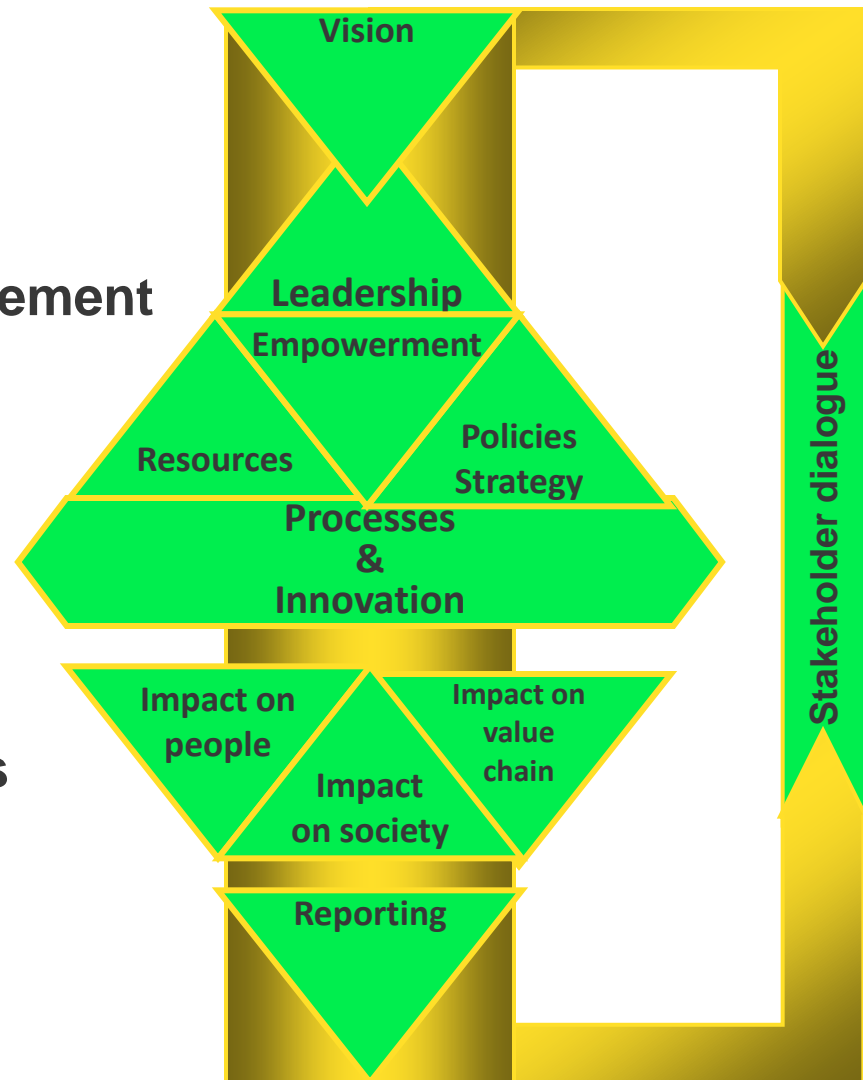
What kind of SR do we want ?



Integration

- Strategy & Planning
- Enterprise Risk Management
- Governance

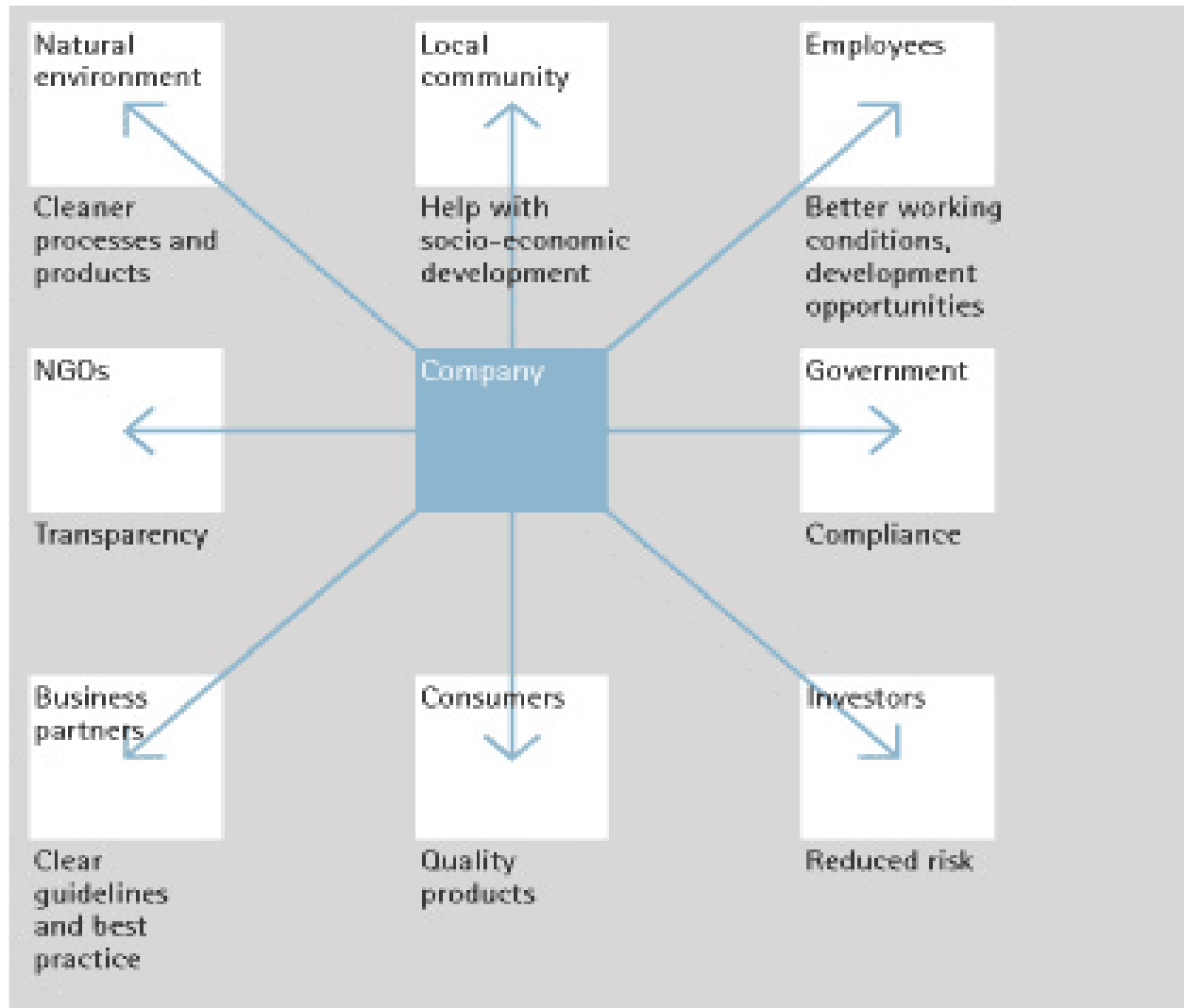
-
- Management Systems
 - Other Processes



Valuing stakeholder relationships



Valuing stakeholder relationships



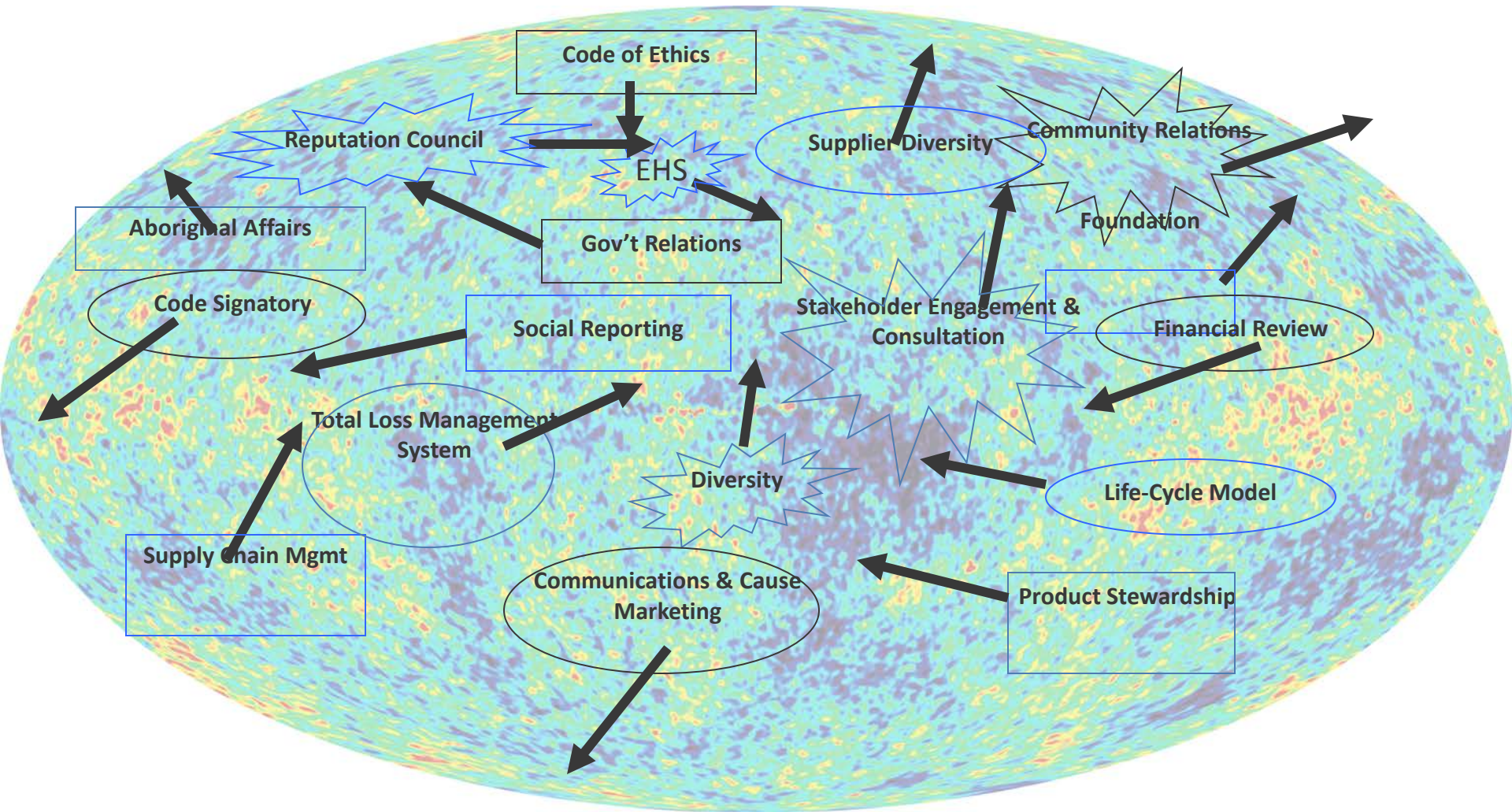
Strategy for Al Hosn Gas – key elements

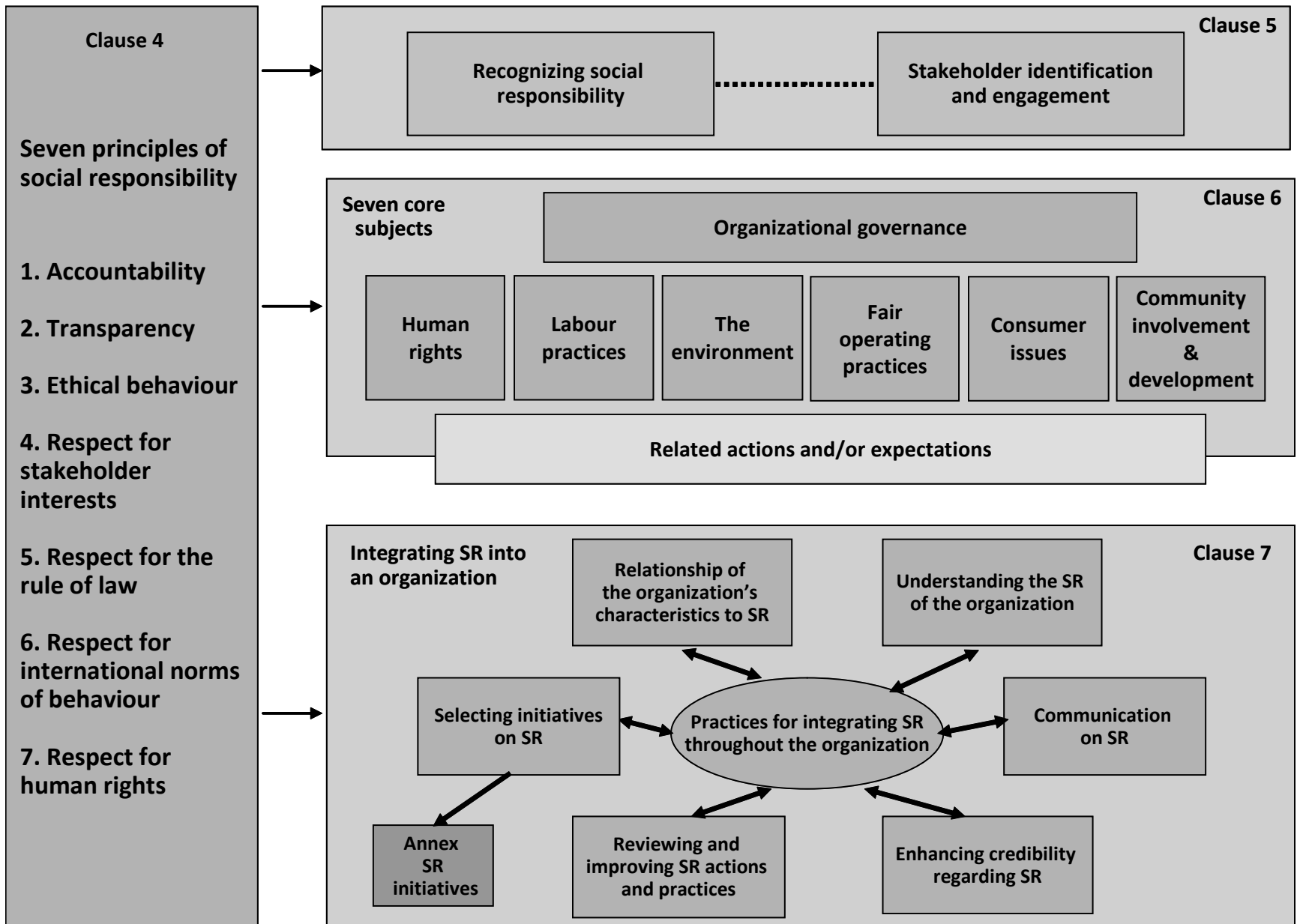
- Committed to transparent decision making processes including stakeholder involvement
- Providing a healthy and safe working environment for employees and business partners and empower them to enhance the business performance of the company.
- Al Hosn impacts the environment and therefore takes measure to ensure a healthy and clean environment within its sphere of influence to improve the life of all citizens.
- Following fair business practices is part of our corporate behaviour
- We are putting our community practice into our strategic framework

Sustainability – Activity Areas



Inefficiency



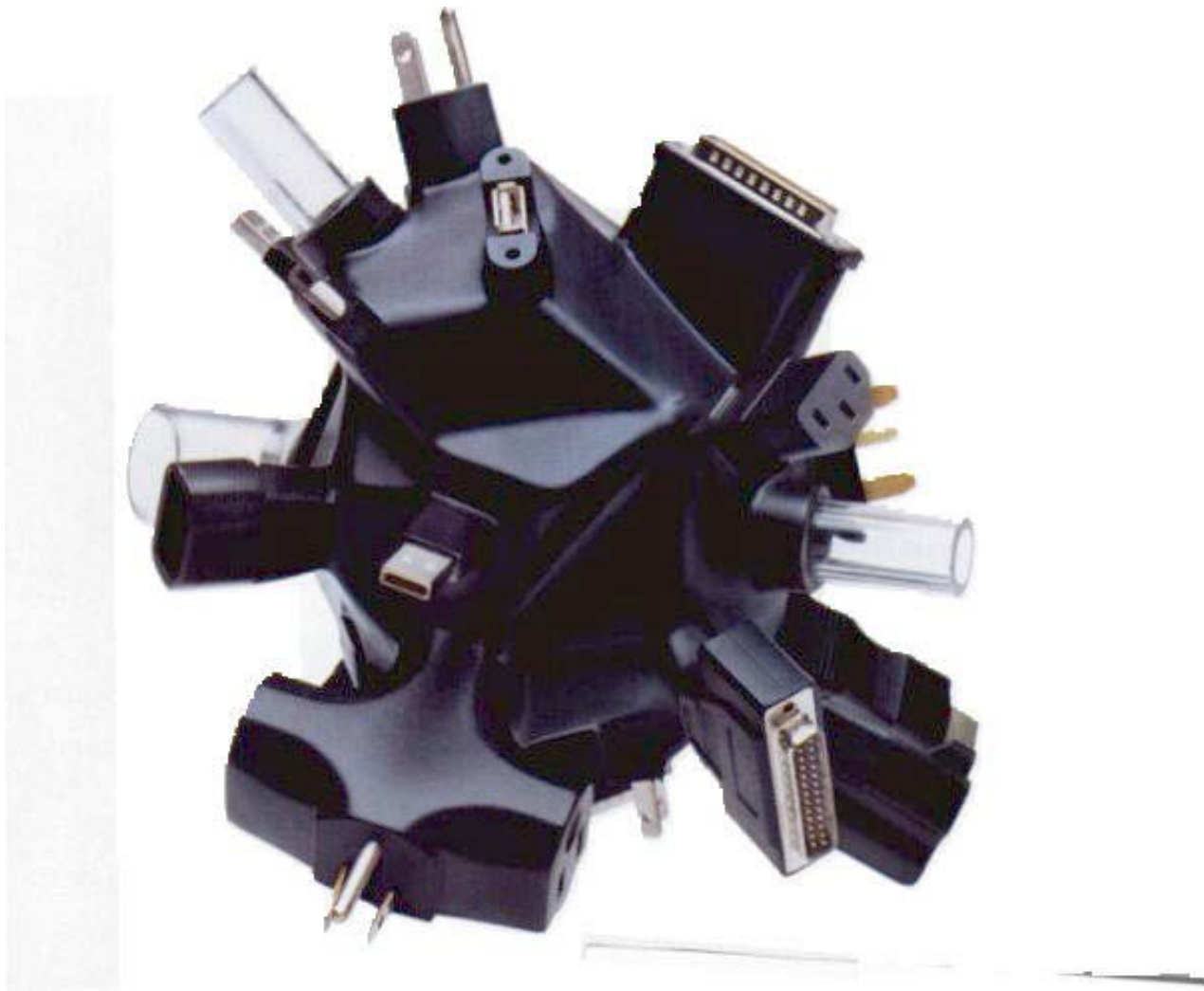


GAP ANALYSIS

MIND THE GAP

Stages of Social Responsibility

	Stage 0: Compliant	Stage 1: Engaged	Stage 2: Innovative	Stage 3: Integrated	Stage 4: Transforming
Citizenship Concept	Jobs, Profits & Taxes	Philanthropy, Environmental Protection	Responsible to Stakeholders	Sustainability or Triple Bottom Line	Change the Game
Strategic Intent	Legal Compliance	Reputation	Business case	Value Proposition	Market Creation or Social Change
Leadership	Lip Service, Out of Touch	Supporter, In the Loop	Steward, On Top of It	Champion, In Front of It	Visionary, Ahead of the Pack
Structure	Marginal: Staff driven	Functional Ownership	Cross-Functional Coordination	Organizational Alignment	Mainstream: Business Driven
Issues Management	Defensive	Reactive, Policies	Responsive, Programs	Pro-Active, Systems	Defining
Stakeholder Relationships	Unilateral	Interactive	Mutual Influence	Partnership	Multi-Organization Alliances
Transparency	Flank Protection	Public Relations	Public Reporting	Assurance	Full Exposure





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www.iso.org/sr