

## **BE and CSR**

### **Questions:**

**Answer all the questions :**

**Write each answer in minimum 250 Words:**

**1. Write in detail about Corporate ethics and its importance?**

Corporate ethics or Business Ethics is a form of applied ethics or professional ethics, that examines ethical principles and moral or ethical problems that can arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individuals and entire organizations.

### **Importance of business ethics**

- ☆ **Business ethics help the organization to protect their reputations .**
- ☆ **Business ethics is needed to make business activities fair and reasonable for consumers .**
- ☆ **Business ethics is especially important in dealing with customers , including customer service and customer issues .**
- ☆ **Business ethics help the organization in determining obligations and duties toward individual and groups outside the organization .**

**2. What are Corporate values? Explain in detail with examples?**

Company values, also known as corporate values or core values, are the fundamental beliefs upon which your business and its behavior are based. They are the guiding principles that your business uses to manage its internal affairs as well as its relationship with customers. They should affect every aspect your business, from employee benefit packages and workplace culture to marketing strategies and customers service.

#### Examples:

- **American Express:** Customer commitment, quality, integrity, teamwork, respect for people, good citizenship, a will to win, personal accountability.
- **Facebook:** Focus on impact, move fast, be bold, be open, build social value
- **H&M:** We believe in people, we are one team, straightforward and open-minded, keep it simple, entrepreneurial spirit, constant improvement, cost-consciousness
- **Virgin Airlines:** We think customer, we lead the way, we do the right thing, we are determined to deliver, together we make a difference.

### **3. What is Corporate governance? Write about corporate governance code?**

Corporate governance is the system of rules, practices, and processes by which a firm is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community.

The **Corporate Governance Code** sets out standards of good practice in relation to issues such as board composition and development, remuneration, accountability and audit, and relations with shareholders.

#### Principles of CODE

- Leadership
- Effectiveness
- Accountability

- Remuneration
- Relations with Share Holders

#### **4. Explain the importance of board of directors and share holders in corporate governance?**

##### **Board of Directors Importance in Corporate Governance**

Corporate boards have many duties and responsibilities. In every decision the board makes, they must consider how it will affect their employees, customers, suppliers, communities and shareholders.

Good corporate governance relies on distinct differences in the roles between board directors and managers. It was never intended for board directors to be directly involved in the daily operations of a corporation, and they certainly shouldn't engage in micromanaging the management. The main role of board directors is oversight and planning. Despite the differences, board directors may delegate certain powers to the CEO or CFO under certain circumstances.

##### **Share Holders Importance**

**Shareholders** have rights to vote on company decisions. They can vote on a variety of **corporate** matters including voting in officers, company acquisitions and mergers or liquidations of company assets. Voting on these matters generally take place when corporations have their annual meetings.

#### **5. What is Corporate social responsibility?**

Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives (“Triple-Bottom-Line-Approach”).

**Some of the Key CSR issues:**

Environmental management, eco-efficiency, responsible sourcing, stakeholder engagement, labour standards and working conditions, employee and community relations, social equity, gender balance, human rights, good governance, and anti-corruption measures.

**6. Explain with 4 examples the various CSR initiatives?**

Tata Group

The Tata Group conglomerate in India carries out various CSR projects. Through self-help groups, it has engaged in women empowerment activities, income generation, rural community development, and other social welfare programs. In the field of education, the Tata Group provides scholarships and endowments for numerous institutions.

Ultratech Cement

Its CSR activities focus on healthcare and family welfare programs, education, infrastructure, environment, social welfare, and sustainable livelihood.

Mahindra & Mahindra

Its CSR programs invest in scholarships and grants, livelihood training, healthcare for remote areas, water conservation, and disaster relief programs.

ITC Group

Their e-Choupal program, which aims to connect rural farmers through the internet for procuring agriculture products, covers 40,000 villages and over four million farmers.

## 7. Write about , role of auditors in Corporate governance?

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

1. Oversight of the company's financial reporting process

## 8. Explain global issues in corporate governance?

### New technologies

Pursuit of paradigm shift from fossil fuels to alternative sources; radio-frequency identification (RDF) of goods, animals and humans; nano-technology.

### Economic conditions

Impact of global financial market failure

### Political conditions

Transition from context of industrial and political structure of current mono-polar world to multi-polar world, 2020, mass-immigration, socio-political wars.

### Demographics

population growth, education workforce, movement, poverty

### Global Climate

floods, droughts

### Government Policies

New institutions like e.g. create new private/public institutions to manage consequences from climate change

## 9. Explain in detail about SA 8000?

### **Social Accountability 8000**

SA8000 measures social performance in eight areas important to social accountability in workplaces, anchored by a management system element that drives continuous improvement in all areas of the Standard.



## 10. Write about Corporate scams with examples?

Corporate Scam refers to activities undertaken by an individual or company that are done in a dishonest or illegal manner and are designed to give an advantage to the perpetrating individual or company.

Examples:

### 1. SATYAM (2009)

An accounting scandal where Ramalinga Raju confessed to having cooked up the accounts of Satyam Computers and inflated its bank balances.

### 2. KETAN PAREKH SECURITIES SCAM

Parekh was involved in circular trading and stock manipulation through 1999-2001 in a host of companies

### 3. SPEAK ASIA SCAM

An online business survey firm that collected thousands of crores of rupees from over 24 lakh investors, asking them to fill surveys and guaranteeing to quadruple their income in one year, Speak Asia was accused of running a Ponzi scheme.

### 4. HOME TRADE SCAM

A brokerage embezzling funds from over 25 corporate banks across Maharashtra by luring them with higher interest rates on gilt trading.

## **11. What is corporate philanthropy? Explain with examples?**

**Corporate philanthropy** is the act of a **corporation** or business promoting the welfare of others, generally through charitable donations of funds or time.

### **Examples:**

#### **1. Johnson & Johnson's Corporate Philanthropy Program**

Johnson & Johnson prioritizes women's and children's health, strengthens the healthcare workforce, and ensures access to essential surgery.

#### **2. Microsoft's Corporate Philanthropy Program**

The company donated \$1.4 billion in software and services to nonprofits worldwide last year. They work to empower people, strengthen communities, and protect the planet.

### **3. Google's Corporate Philanthropy Program**

Google recently announced a 5-year goal to award \$1 billion in grants and contribute 1 million employee volunteer hours. They bring the best of Google to nonprofits that are committed to improving education, economic opportunity, inclusion, and more.

### **4. Apple's Corporate Philanthropy Program**

Last year, Apple's total employee charitable giving program exceeded \$125 million and their employees volunteered more than 250,000 hours.

## **12. Write in detail about Corporate Sustainability reporting?**

- Corporate sustainability reporting communicates information that is relevant for understanding a company's long-term economic value and contribution towards a sustainable global economy by taking account of the company's economic, environmental, social and governance performance and impacts.
- We understand sustainability reporting as the disclosure of information concerning the significant economic, social, environmental and governance impacts and performance of a company.
- Triple Bottom Line Concept is also another concept that evolves from Corporate Sustainability Reporting.

## **13. Explain in detail about triple bottom line concept?**

The triple bottom line theory expands the traditional accounting framework to include two other performance areas: the social and environmental impacts of their company. These three bottom lines are often referred to as the three P's: people, planet, and profit.



### People

“People” considers employees, the labor involved in a corporation’s work, and the wider community where a corporation does business.

### Planet

The “planet” piece of the triple bottom line indicates that an organization tries to reduce its ecological footprint as much as possible. These efforts can include reducing waste, investing in renewable energy, managing natural resources more efficiently, and improving logistics.

### Profit

While every business pursues financial profitability, triple bottom line businesses see it as one part of a business plan. Sustainable organizations also recognize that “profit” isn’t diametrically opposed to “people” or “planet.”

## **14. What is global reporting initiatives? Explain in detail?**

The Global Reporting Initiative's (GRI) vision is that reporting on economic, environmental, and social performance by all organizations becomes as routine and comparable as financial reporting.

- GRI is an independent international organization that has pioneered sustainability reporting since 1997.
- GRI helps businesses and governments worldwide understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance and social well-being. This enables real action to create social, environmental and economic benefits for everyone.
- The GRI Sustainability Reporting Standards are developed with true multi-stakeholder contributions and rooted in the public interest.

## **15. Write about the environmental aspect of CSR?**

The major ingredients of **environmental CSR** are elimination of waste and emissions, maximizing energy efficiency and productivity and minimizing

practices that may adversely affect utilization of natural resources by coming generations.

Decrease in energy and raw material usage combined with reduced emissions and waste generation can tackle the environmental challenges facing the world.

### Some Examples

#### **Role of Packaging**

#### **Role of Clean Energy**

#### **Role of Environmental Reporting**

Pollution prevention, energy efficiency, eco-friendly design, and industrial ecology are emerging as top priorities for companies across all industrial sectors. Water, waste, packaging, energy and transport are being integrated into mainstream operations to facilitate sustainability.