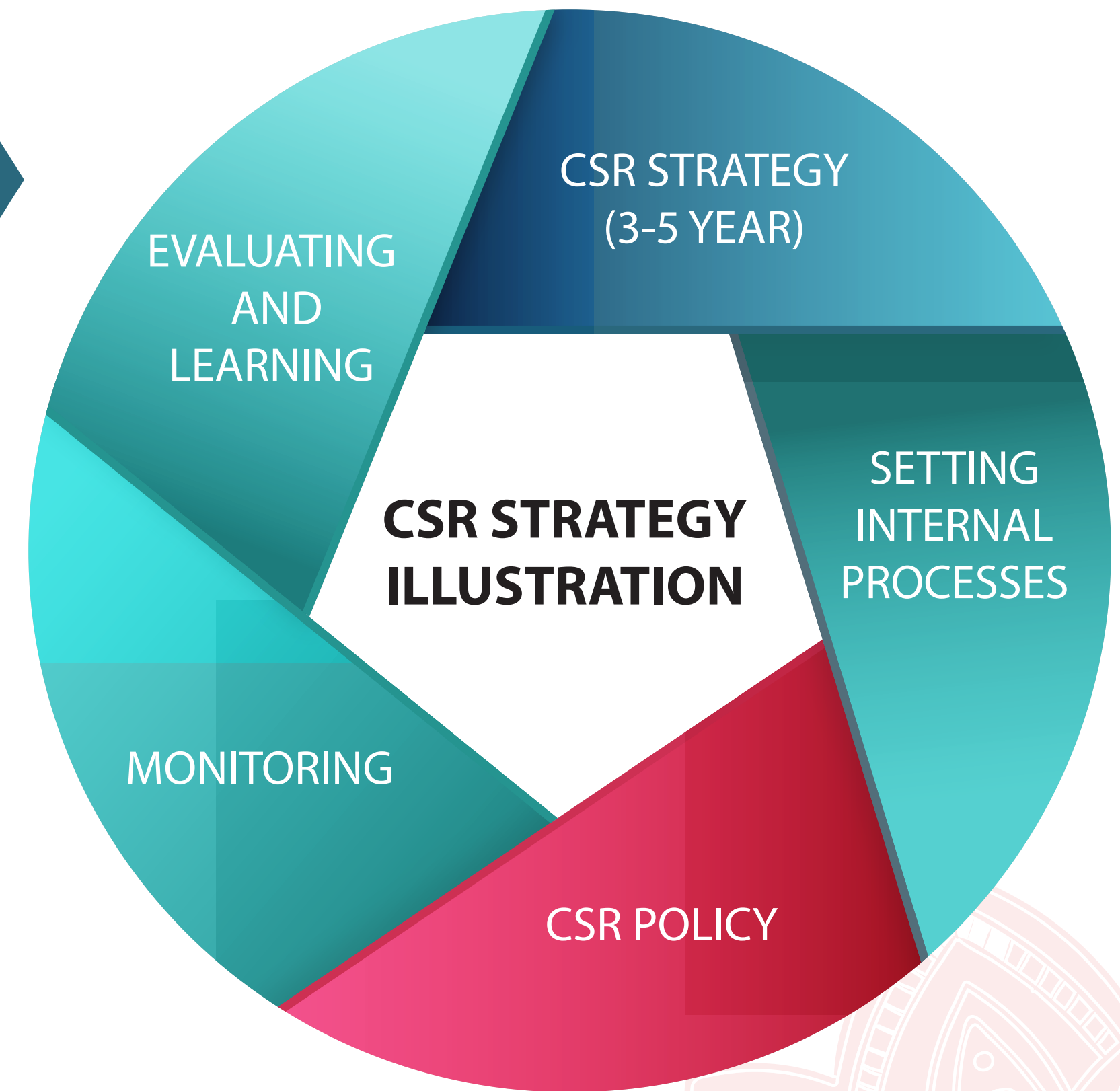




KARMAKONNECT

Corporate Social Value

Corporate Social Responsibility

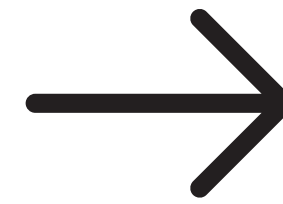


- Group Requirement
- Statutory Requirement

Corporate Social Value (CSV)

From Charity

- One-Off donations to different location
- CSR build on “Charity” and “Compliance”
- Lack of Employee Engagement
- Ad-Hoc approach
- Dependent on multiple NGO’s expertise areas



To Impact and Innovation

- Impact and Innovation /Shared Value Creation
- CSV built on “Strategy” and “Value”
- Integrated Employee Engagement
- Strategic / Well-Planned Approach
- Stakeholders delivering Corporate Focus Areas

Integrated Plan of Action to create sustainable IMPACT



CSR TO CSV

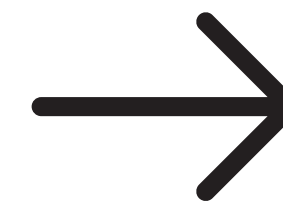
SOCIETAL
VALUE

SHARED
VALUE

ECONOMIC
VALUE

CSR

- Value: Doing Good
- Citizenship, Philanthropy, Sustainability
- Discretionary or in response to external pressure
- Separate from profit maximization
- Agenda is determined by external reporting and personal preferences
- Impact limited by Corporate footprint and CSR budget
- Example: Fair trade purchasing



CSV

- Value: Economic and Societal benefits relative to cost
- Joint company and community value creation
- Integral to competing
- Integral to profit maximization
- Agenda is company specific and internally generated
- Realigns the entire company budget
- Example: Transforming procurement to increase quality and yield

Shared Value is different from traditional CSR

	Corporate Social Responsibility		Corporate Social Value
Motivation	<ul style="list-style-type: none">• Corporate reputation	→	<ul style="list-style-type: none">• Competitive advantage
Main Driver	<ul style="list-style-type: none">• External stakeholders		<ul style="list-style-type: none">• Corporate strategy
Approach	<ul style="list-style-type: none">• Reactive		<ul style="list-style-type: none">• Proactive
Measurement	<ul style="list-style-type: none">• Spending, standard ESG metrics		<ul style="list-style-type: none">• Social and economic value created
Management	<ul style="list-style-type: none">• CSR / Public Affairs		<ul style="list-style-type: none">• Across the whole firm
Business Benefit	<ul style="list-style-type: none">• Risk reduction and goodwill		<ul style="list-style-type: none">• New business opportunities
Social Benefit	<ul style="list-style-type: none">• Successful projects		<ul style="list-style-type: none">• Large scale sustainable change

Corporate Social Value

Social Value

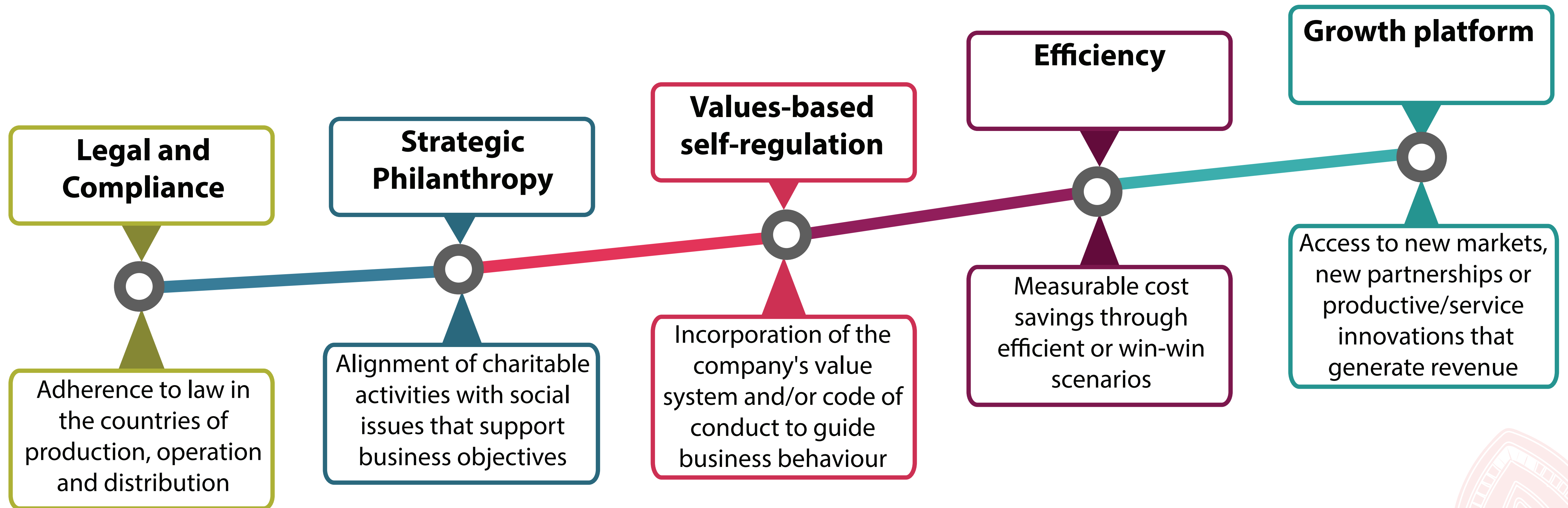
Corporate Social Value

Profit

	Philanthropy	Strategic CSR	Shared Value
Reasoning	Should do	Must do	Strategic competitive advantage
Drivers	External needs driven	External pressures driven	Internally & strategically driven

	Philanthropy	Strategic CSR	Shared Value
Motivation	Be generous	Be responsible	Be more competitive
Issue Selection	Address community needs	Advance stakeholder wants	Deliver strategic positioning
Social Value	More resources	Better resources	Long-term measurable solution
Business Value	Goodwill	Reputation	Long-term measurable profitability

CSV - Value Curve



Greater returns can be realized as companies move from left to right up the value curve, integrating corporate social responsibility into core business strategies.

Corporate Social Value Operates at Three Levels

1

Reconceiving Products and Markets

- Meeting societal needs through products
- Addressing underserved customers

2

Redefining Productivity in the Value Chain

- Changing practices in the value chain to drive productivity

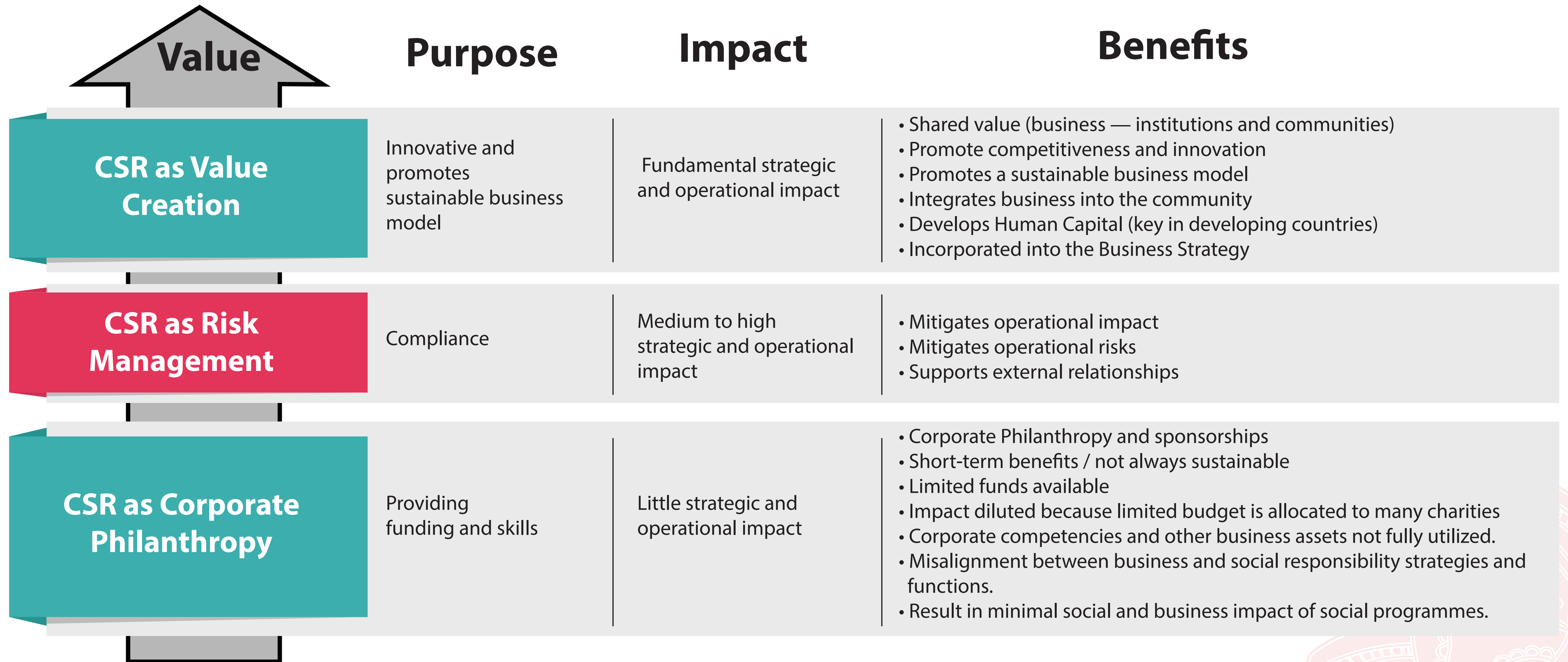
3

Enabling Local Cluster Development

- Improving the communities where a company operates to boost productivity, innovation, and growth

These levels can be overlapping and mutually reinforcing

Where should big corporations be spending their CSR resources?

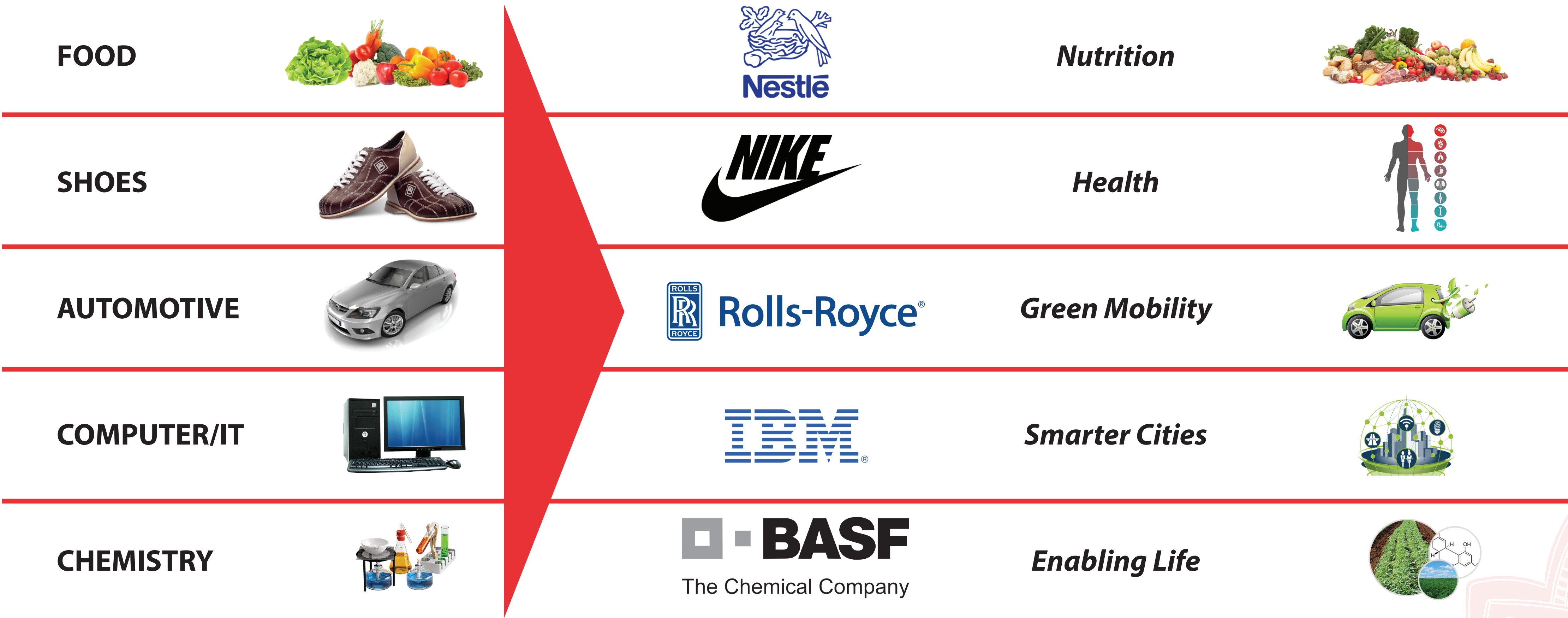


Employee Engagement and CSV

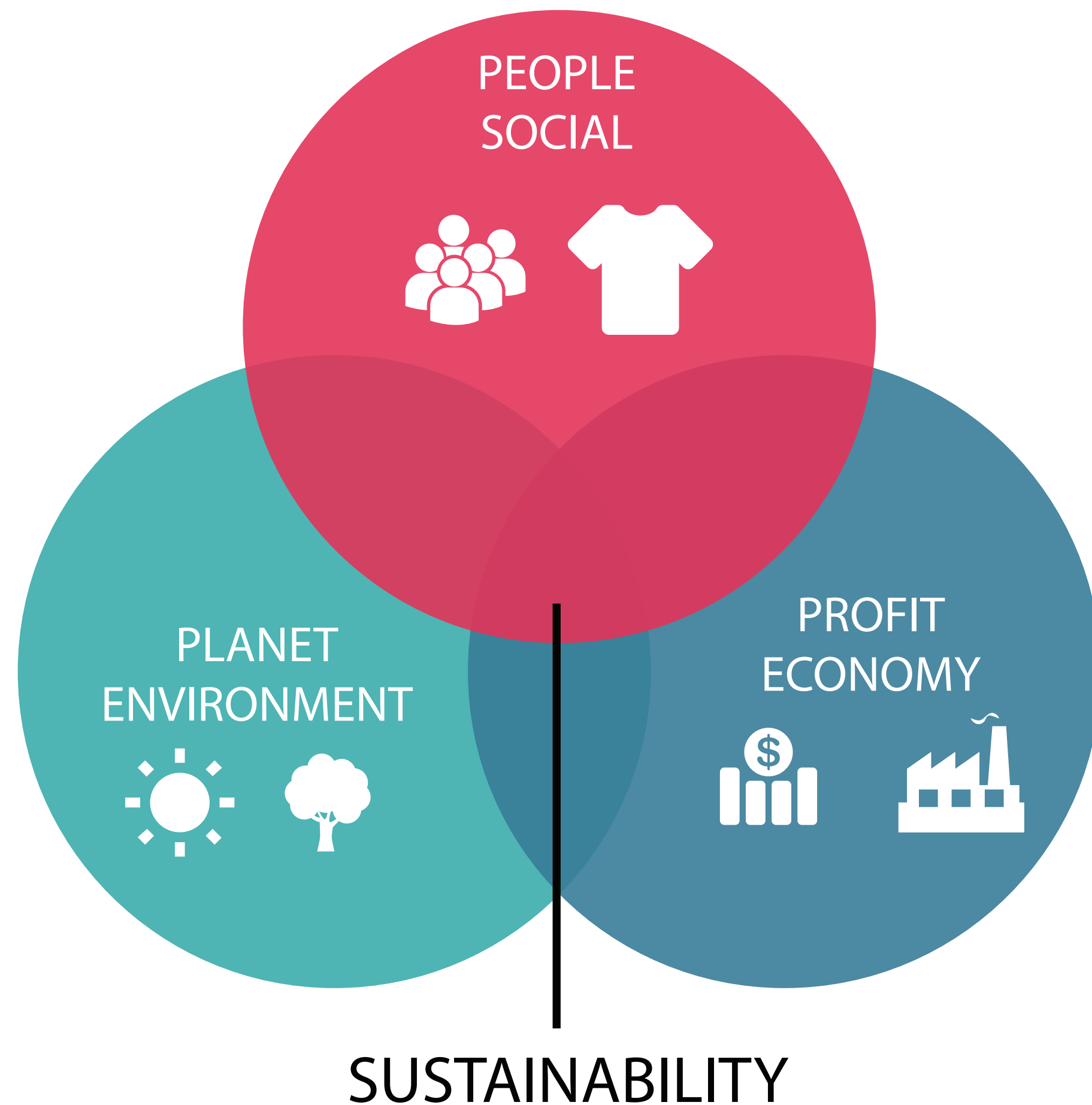
Managers who want to be strategic about CSR's leverage have to understand how their CSR "Inputs" translate into employee "Outputs" that benefit the company. This framework helps managers see the connections between Inputs - specific CSR initiatives - and Outputs in terms of employees' thoughts and behaviors

CSR Management Factor	Traditional Approach	Optimal Engagement
Measurement and control	Not clearly defined	Contingent Input-Output approach
Internal marketing objective	Change employee attitudes	Fulfil employee needs
Implementation	Uniform across company	Tailored to employee segments
Key indicator	Job satisfaction	Identification
Value creation	Top-down	Co-created
Employee role	Enabler	Enactor
Company role	Enactor	Enabler

Companies Are Moving to Purpose-Based Competitive Positioning



KarmaKonnnect Consulting Approach



Phases	Result for Companies
1) Engagement	Engagement with Top-Management to create a focused purpose and strategy in alignment with deeper needs.
2) Alignment	Aligning second and third level management to purpose and strategy and ensure high engagement and accountability level.
3) Execution	Broaden purpose and strategy into organization. Engage employees and define process.
4) Quality Control	Integrate monitoring and iterative improvement process. Integration of feed-back loops.

Roadmap for Institutionalizing CSV Processes in your Organization

- | | |
|--------|---|
| Step 1 | Build a Team: Build a cross-functional team; Engage top management |
| Step 2 | Identify Materiality: Earmark issues important to you and your stakeholders |
| Step 3 | Strategize Goals and Values: Outline goals with clear timelines, set deliverables, and assigned responsibilities |
| Step 4 | Stakeholder Engagement and Communication: Engage and incentivize internal and external stakeholders to brainstorm solutions |
| Step 5 | Prioritize and Implement: Pursue low-hanging fruits and identify implementation partners for strategic, long-term opportunities |
| Step 6 | Measure, report and communicate outcomes: Review and communicate results transparently on key metrics to measure progress |

Shared Value Is Found at the Nexus of Business Opportunities, Corporate Assets and Social Needs

