



# The Strategic Role of Corporate Philanthropy

GENEVA PHILANTHROPY SERIES



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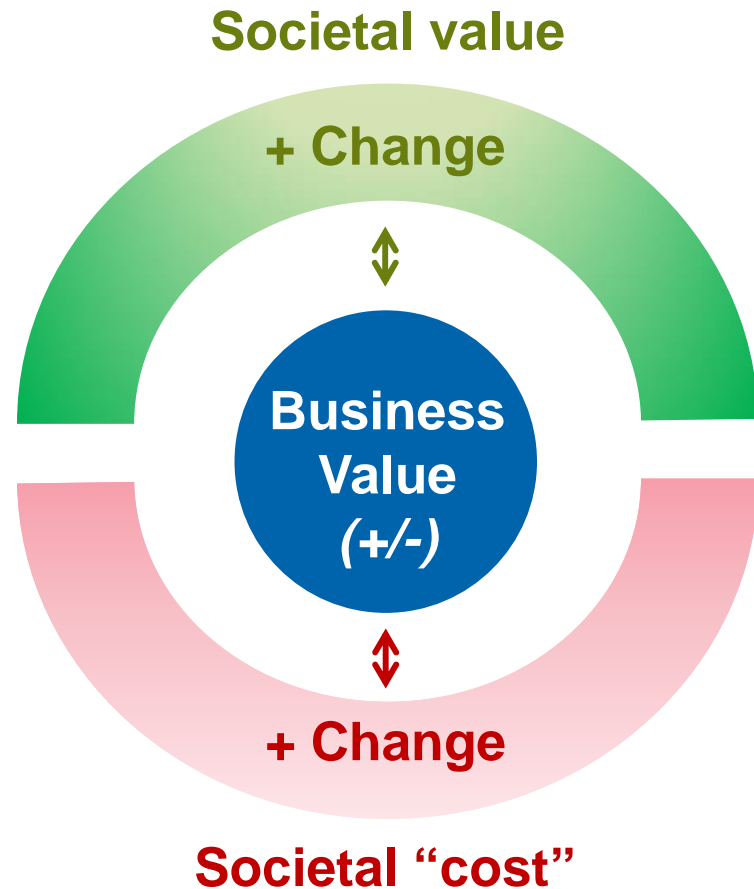
# The evolving role of business in society

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# Philanthropy, footprint mitigation and CSV are all valid “tools” in achieving sustainability

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- » Any business has positive and negative societal impacts...
- » ... Changing the levels of impact:
  - Either creates more business value (**shared value**)
  - Or lowers business value (**philanthropy, footprint mitigation**)
- » The goal: business creating high societal value at minimal cost

# Companies create shared value in three ways

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1

RECONCEIVING  
PRODUCTS &  
MARKETS

Target **unmet social needs**



2

REDEFINING  
PRODUCTIVITY IN THE  
VALUE CHAIN

Drive **resource and labor productivity**



3

IMPROVING THE  
COMPETITIVE  
CONTEXT

Improve **conditions**, affecting firm's **growth and productivity potential**



# Traditional and emerging role of corporate “philanthropy”

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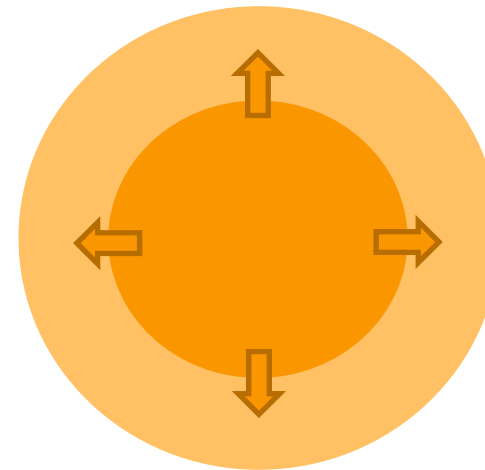
## 1 | Traditional

- Motivation: “moral obligation”
- Scope: often fragmented, finite ability to share profits



## 2 | Enabler of shared value

- Motivation: incubate social business models, address cluster conditions
- Scope: scalable in line with growth and productivity gains of the shared value strategy



# The strategic role of shared value “philanthropy”

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## Catalyzing Social Innovation

Develop **innovative products and services** that meet social needs, particularly when the **business model is untested** or the **market ecosystem underdeveloped**



*Verizon Foundation*

*Barclays Social Innovation Facility*



## Improving Framework Conditions

Create a **stronger competitive context**, including: reliable **local suppliers**, **flexible infrastructure**, **access to talent**, and **growing demand**



*New Employment Opportunities*

*Danone's Ecosystem Fund*





REIMAGINING SOCIAL CHANGE

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