

Corporate Social Responsibility: An International Study

The Case of CGD (Portugal), Vale (Brazil), TechnoLogica (Bulgaria) and IndianOil (India)

José António Filipe¹, Manuel Coelho², Manuel Alberto M. Ferreira³, Selvarasu Appasamy Mutharasu⁴, Ivo Cunha Figueredo⁵, Desislava Yordanova⁶

¹Instituto Universitário de Lisboa (ISCTE-IUL), BRU/UNIDE, Lisboa, Portugal
jose.filipe@iscte.pt

²CIRIUS, SOCIUS; ISEG/Technical University Lisbon - Portugal
coelho@iseg.utl.pt

³Instituto Universitário de Lisboa (ISCTE-IUL), BRU/UNIDE, Lisboa, Portugal
manuel.ferreira@iscte.pt

⁴Department of Business Administration, Annamalai University, Tamilnadu, India
aselvarasu@gmail.com

⁵Instituto Universitário de Lisboa (ISCTE-IUL), Lisboa, Portugal
ivofigueiredo@ig.com.br

⁶Department of Business Administration, Sofia University "St. Kliment Ohridski"-Bulgaria
d_yordanova@abv.bg

Abstract – There are many studies in the area of Corporate Social Responsibility but the presentation of several cases in one study reveals some particular aspects to be considered and to be had in account when CSR is studied. There are developments on this matter showing that progressively an increasing number of companies are concerned about their performance on this subject and about reaching their objectives involving CSR. Corporate Social Responsibility shall have self-regulating mechanisms through which responsibilities shall be monitored. Companies shall ensure that law is guaranteed as far as ethical standards and international norms shall be assured as well. According to the 2001 European Commission Green Paper, Social Responsibility conceptualization is associated with the idea of companies deciding, in a voluntary base, to contribute for a fair society and a cleaner environment. Corporate social responsibility deals with the organizations' actions intending to get a positive impact on several areas, such as environment, consumers, employees or communities, for instance. It demands a set of duties and obligations, to be induced on the relationship with the communities and the society in general in which the organization is integrated. In some countries, the corporate social responsibility is still a big challenge, since often the actions of social responsibility have not contributed effectively to develop the life situation of much people. This study emphasizes the general perspective of CSR in each one of these countries. CGD - Caixa Geral de Depósitos (Portugal), Vale (Brazil), TechnoLogica (Bulgaria) and IndianOil (India) are important companies concerned with the development of CSR activities; they have some very interesting results in this area.

Keywords: Social Responsibility, Sustainable Development, Environmental Sustainability.

1. Introduction

Corporate Social Responsibility is nowadays important enough to make that organizations put very challenging objectives in this area. Many companies feel, in fact, a strong need of commitment with society and environmental concerns.

In Portugal, companies have a long tradition in social intervention which remounts to the century XV and the foundation of the Mercies. Recently environmental concerns have contributed to the important performance and developments in CSR area in some important Portuguese companies. The development of many companies' strategies move across the CSR objectives.

In Brazil, the basic needs of large segments of the population are still not being met. Issues related to survival, hunger, unemployment and social exclusion, among others, lead discussions about social responsibility of business to a lower level. In this sense, it is necessary an important debate on the corporate social action in Brazil.

In Bulgaria, companies are going through new realities and CSR is going as a new experience to implement a new attitude facing the new reality.

In India, there is yet a strong gap between Indian business needs and current practices. The Indian business begins to go into the international markets, what makes that becomes crucial that CSR philosophy develops to be

integrated in the business goals for long-term sustainability in economic, social and environmental areas.

The purpose of this study is to emphasize the perspective of CSR applied to four companies: one in Portugal, another one in Brazil, another in Bulgaria and the other one in India. Through the case studies of Caixa Geral de Depósitos, Vale, TechnoLogica and IndianOil it is intended to analyze the strengths and weaknesses of the development of measures of social responsibility in this area in each one of these countries.

2. Corporate Social Responsibility: A Commitment

According to the 2001 European Commission Green Paper, the conceptualization associated with the idea of social responsibility concerns the situation according to which companies decide on a voluntary basis, to contribute to a fairer society and a cleaner environment.

Based on this assumption, the company management cannot/should not be guided towards the only fulfilment of interests of the owners of the company, but also of other stakeholders' interests (employees, local communities, customers, suppliers, public authorities, competitors and society as a whole).

Corporate social responsibility is the continuing dedication to a responsible business, behaving in ethical premises and contributing to economic development, improving the life quality of workers, of their families and of local communities, aiming to have a positive contribution for the society as a whole.

The organization must be active and lead to the economic, technological and human development. To that extent, its performance requires full respect for human rights, investment in personal enhancement, environmental protection, combating corruption, compliance with social norms and respect for ethical values and principles of the society in which it operates.

Social responsibility requires a set of duties and obligations to be accomplished by individuals and firms in relation to the society and to the communities. Social responsibility deals with companies' actions aiming a positive impact in many areas as the environment, consumers, employees or communities, for example.

3. CGD: A Portuguese Banking

In 2009, the Caixa Geral de Depósitos (from now on "Caixa" or "CGD") joined the United Nations Environmental Programme for the Financial Sector (UNEP FI) and became the first Portuguese bank to join this program.

Since 1991, when it was created, the UNEP FI works the themes of sustainability in the financial sector with the aim of promoting good practices in the international

financial institutions. This program reflects the recognition by the United Nations concerning the role of this sector in promoting sustainable development in that the processes of financial intermediation have repercussions in investment programs and, indirectly, in the allocation of natural resources.

Sustainable Development is aimed at rational utilization of natural resources while maintaining capacity for renewal and ecological stability and respect for inter-generational solidarity. According to the Brundtland Report (1987), sustainable development is one that meets present needs without compromising the ability of future generations to meet their needs.

The accent on the issue of environmental sustainability and eliminating poverty are key aspects of this new vision, which is raising the banner of growth with quality of life based on three pillars: economy, society and environment, combined with the issues of governance.

This adherence to the Program highlights Caixa concerns with the long term and confirmed its activity in supporting environmental sustainability. The basis is the conviction that the principles of Sustainable Development will form the basis of guidelines for future development. According to Mr. Faria de Oliveira, President of CGD, the times where structural changes are the ethical, environmental and social have been gaining weight. There are conditions to innovate and develop a better society and that membership of the UNEP-FI is a public commitment to sustainable development.

Note that this commitment of CGD with environmental sustainability and Corporate Social Responsibility in general seems to be, according to the statements of those responsible, the "genetic code" of the company / group.

Built in 1880, the Caixa Económica Portuguesa, as then called, revealed at once their social concerns being intended to receive the savings of the less wealthy and providing a "nest egg" in the long term. By 1885, with the reform, Caixa Nacional de Aposentações (National Fund for Retirement) was born. After, Caixa was going to be established as Caixa Geral de Depósitos e Instituições de Previdência. In the Estado Novo regime, Caixa became a key institution in the operations of agricultural credit and industrial and in 1969 assumed a central role in housing loans. All these aspects permit to understand the role that public authorities were successively assigning to the Caixa Group, the largest institution of public nature on the financial sector.

As you can read in a text of the Office of Historical Heritage (Gabinete do Património Histórico) of CGD – "From the History of the institution over 133 years, Caixa served various aspects of Portuguese society, having had in mind the moral principle of social intervention".

The great values that guide the work of Caixa and are the basis of its performance in terms of Social

Responsibility is appreciable in the Code of Conduct issued by the institution and designated in the Good Government report.

The commitment of Caixa is immediately identifiable, if we hold fast to its mission.

According to published texts, CGD's Mission is:

- Consolidating its position as a Group structuring the Portuguese financial system, distinguished by strong accountability and relevance of its contribution to economic development and to strengthen the competitiveness, innovation and internationalization of Portuguese companies;
- The stability and soundness of the financial system;
- As market leader, finding a balanced development between profitability, growth and financial strength, always within a prudent risk management.

In this context, the Group's strategic priorities defined for the three years 2008 -2010 included:

- The development of a human resources policy based on the pillars of Values and Culture of Enterprise, Knowledge, Communication and Performance;
- The supporting of the cultural and social development, promoting sustainability and being a reference to the Good Government in Portugal.

There is a set of clearly identifiable concerns about the wishes that pursue social responsibility.

These guidelines are then translated into 19 management priorities that include, among others:

- To boost the performance at the cultural level, and promote social sustainability;
- Proactive in developing best practice governance and ethical conduct;

The Code of Conduct establishes the rules and principles of professional conduct, being that the CGD staff on business principles of ethics, accuracy, truth, transparency, stability and security in relationships with customers.

Caixa has adopted the principles of Good Governance and public sector undertakings (Council of Ministers Resolution 49/2007) and undertook initiatives for compliance including preparation of an annual business plan by continuing to implement their mission and objectives of company as well as a report of compliance with these objectives and integrating sustainability analysis in the economic, social and environmental.

3.1 Caixa 2010, Zero Carbon Strategy

By the end of the twentieth century humanity faces the challenge of climate change and overuse of natural resources, issues that dominate the UN agenda. This has promoted a fundamental discussion about a new development model.

As we saw, according to the Brundtland Report this new model is identified with a development that meets present needs without compromising the ability of future

generations to meet their own needs, ie, the Sustainable Development.

The scientific evidence of the phenomenon of climate change (refer to the reports of the IPCC-Intergovernmental Panel on Climate Change): disasters, suggest a range of impacts that are not only environmental but also economic and social. The impacts are being felt in politics, markets and quality of life, affecting employees and customers of Caixa, worldwide.

So, to combat this we must build an economy with lower emissions of GHG (greenhouse gases) per unit of wealth created. For the EU this may represent, in the spirit of post-Kyoto negotiations a 20% reduction in emissions in 2020, compared with 1990 levels, or even 30% if accompanied by other developed countries. According to the negotiation of the G8 summit of June 2007 the reduction is expected to reach 50% by 2050 (U.S. listed.)

It is clear that this new reality changes the logic of economic decision imposing new requirements for investment and risk management, while encouraging new markets (such as renewable energy) and adding new financial solutions. Caixa sees this and recognizes this as an opportunity.

In this line, promoted by Caixa since 2007, the program Caixa Zero Carbon is a strategic program that aims to help reduce the environmental impact of its activities while it induces good practices among its employees, customers and society in general.

These are ambitious objectives involving:

- More knowledge about the carbon footprint / emission levels of the activities of Caixa to allow the setting of reduction goals;
- More economic and energy efficiency, including through the adoption of measures to gain the use of renewable energy,
- Monitoring and evaluation of performance at this level;
- And new business development to strengthen the group's position in the domestic market - with new solutions to support and incentives to customers of cash to change their energy bill, support for demonstration projects in the fields of energy efficiency and promoting education and literacy carbon to employees and customers.

This action, through a course of action and dissemination, consistent and coherent, around climate change to help differentiate the profile of Social Responsibility, Caixa intends to improve the reputation of its brand. The Caixa Zero Carbon Program 2010 implements the strategy acting on five axes:

- a. Information - Case reports on carbon reductions
- b. Internal Action - Caixa reduces energy consumption and carbon emissions

- c. Compensation - Caixa offsets carbon emissions inevitable
- d. Market - Caixa promotes low carbon business
- e. Communication - Communicate through Caixa Carbono Zero

3.2 The Projects

Central Solar Térmica (Thermal Solar Central)

One of the most visible projects to the reduction of CO₂ emissions was the installation of solar panels on the roof of the headquarters building of CGD, transforming this building, located in Lisbon, in a huge Central Solar Thermal.

The installation of one hundred and fifty of solar collectors on the roof (1 600 m²) of the headquarters building at Avenida Joao XXI, allows the production of energy used to heat water for air conditioning systems and plumbing. In total, there is a saving of more than 1 million kWh of electricity per year (about 5% of global consumption).

The plant has a system for monitoring the energy produced, allowing to analyze the performance of the facility, and outlining a possible expansion of the use of solar energy to other buildings in Caixa.

The Thermal Solar Central CGD, along with other energy efficiency measures already implemented, results in electricity savings equivalent to annual consumption of about 2,000 people, thus preventing the annual emission of more than 1,700 tonnes of CO₂.

This office building has a Certificate of Energy and the Ambient Air Quality, issued by ADENE-Energy Agency, with the highest A + rating.

The policy of energy saving is extensible to the network of agencies that is being gradually equipped with PV.

Dia a Dia Carbono Zero (Day to Day Zero Carbon)

Along with new technology and with the direct participation of employees, Caixa has been producing a kind of guide on best environmental practices to adopt in our daily lives, whether at work or at home, which is available (PDF) in the site of Caixa.

The mission of awareness extends to the general public through the production of the TV show "O Planeta Agradece" (The Planet Appreciates), an item on the radio and a "blogue". This program is part of the Caixa Zero Carbon Program 2010, and aims to promote behaviours that help Caixa to reduce her own emissions. Simultaneously, it is to be replicated in a larger universe, to help the country meet its international commitments in this matter. Day by Day Zero Carbon is a program involving customers and employees around the world in combating climate change.

Floresta Caixa (Caixa Forest)

Of vital importance to the planet as CO₂ sinks, the forests have, also, been addressed in the program.

The forests are a major renewable resource of Europe and the most important component of nature within EU. In Portugal (occupying nearly 40% of the country) forest constitutes an important area of activity that involves more than 150 thousand workers. Forests are also essential in promoting biodiversity, protection against soil erosion, correction of water regimes and air quality. It is therefore essential to promote effective forest management as a way to preserve and foster an important renewable resource, while contributing to meeting the emission limits set for Portugal under the Kyoto Protocol.

The program FLORESTA CAIXA represents a set of initiatives aimed to contribute to the construction of a new forest in Portugal. These are developed in partnership with some major environmental groups and linked to the stakeholders in the sector such as QUERCUS and ANEFA (National Association of Business - Agriculture, Forestry and the Environment).

The actions that the program will materialize: recovery of areas burned and the creation of sustainable forests with preservation of native species. It includes several projects for forestation and raising awareness of the importance of the forest.

Environmental Awareness

In the field of the FOREST ENVIRONMENTAL AWARENESS - CAIXA includes initiatives aimed to promote the adoption of appropriate environmental behaviour. In addition to the above set of actions we can cite the sponsorship of the Conference of Al Gore in our country and Portugal's edition of the book "An Inconvenient Truth."

In the "lounge" area of the headquarters of Caixa there are several brochures available on forests and on the theme of climate change. Shares of Christmas "for a better future" call attention in this court, to the importance of forest preservation... and for indigenous species to be preserved.

It also counts the support measures to forestation with children and young people from schools, participation of employees and their families.

Cartão Caixa Carbono Zero (Caixa Card Zero Carbon)

One of the recent innovations in this field gives the name of Caixa Card Zero Carbon (the card that embedded in nature, according to advertising copy CGD) and represents another step in implementing the strategy of CGD in combating Climate Change. It is a card truly innovative, unique of its kind in Portugal.

Integrated in the Program Caixa Zero Carbon 2010 (Market axis), this Caixa Card Zero Carbon intended to

be a means of encouraging a lifestyle of low carbon and allows its user to offset emissions that cannot avoid.

The Card provides special conditions in the purchase of goods and services with greater energy efficiency and better environmental performance, providing a solution that simultaneously reduces emissions, preserving the planet, and provides a significant financial savings for its user. Presents a set of features that make it attractive for the user, in particular, on favourable terms involving the return of annuities according to their original use and the amounts reached in the transactions, the flexibility of the conditions and terms of payment and in consideration of an interest rate of operations truly competitive.

Caixa Card Zero Carbon is a genuine product of low carbon, in which key elements were designed to minimize the effects of climate change. Firstly because it is a credit card made from recycled material, free of chlorine and that fosters communication by electronic means, thus thought to cause minimal effects on climate. By contributing to projects that absorb or prevent CO₂, the card offers a portfolio of carbon credits to offset unavoidable emissions permits, making the day-to-day more "user-friendly" environment. In choosing this card, customers have access to special discounts on the purchase of goods and services more energy efficient, including a cash-back program that offers them carbon credits to offset emissions. The Card gives therefore CO₂ credits, which means that the amount accumulated in the cash-back program is channelled to projects that absorb or prevent carbon dioxide. Emissions from the production and distribution of the card are quantified and compensated. To that extent, it can be said that the name Card Zero Carbon is justified-it is a card with no effect on climate.

Tapada Nacional de Mafra is the first project to benefit from funds provided by the Card Box Carbon Zero. This is an area of 50 hectares, which is strongly affected by the fires of 2003. Integrating project in forest area, the Card came enable the proper management of this area, with special attention to newly installed stands and processes of natural regeneration. It is intended to ensure sustainable forestry, fire protection and enhancement of biodiversity. The project ensured the monitoring of the action over 30 years. The project includes the development and implementation of a management plan that will allow carbon sequestration of a total of about 3000 tons. CO₂ equivalent (CO₂e).

The recent innovation in this area is called Cash Carbon Calculator. Installed at the site of the institution allows the user to calculate their carbon footprint quantifying the emissions associated with daily life from issues that relate to two key areas: housing (domestic consumption) and mobility (use of means of transport).

Support Scientific Research

Along with these actions that directly target the environmental, Caixa is integrating its activities in the promotion of scientific research as central to the evolution of knowledge and change attitudes and mentalities.

The role of education is central to sustainable development. Hence: Firstly, and according to the desideratum of increasing the financial literacy of potential users, Caixa has created mechanisms that are simple, practical and accessible, to encourage savings. This has created a financial education program, called Positive Balance, with access to the Net (www.saldopositivo.cgd.pt) to customers and non-customers. The contents are useful application in the daily management of the family budget, and include suggestions for energy saving approach of diagnostic tools to prevent financial indebtedness, financial products etc..

For young people there is a Program – Ciclo da Poupança (Cycle of Savings) which points to the need for savings and simple formulas to achieve them. It led in 2007 to a game with hundreds of agencies and students of 1st and 2nd cycles, on the celebrations of World Savings.

Most interesting, the Programa Nova Geração de Cientistas Polares (New Generation of Polar Scientists Programme) results of a collaboration with the Portuguese for the International Polar Year. It assigns scholarships to young scientists for studies to focus on relevant issues of Climate Change and its effects (Biology, Physics of the Atmosphere, etc.) on Antarctica Region. Simultaneously, Portuguese started a major campaign in Antarctica with the participation of Portuguese scientists held until 2009, Nov. The Committee for the polar year, consisting of researchers from several universities in Portugal and its action promotes the integration of young scientists in the work of teams who are developing this area of science, creating critical mass and promoting the image of the Portuguese Science World.

The lectures "Um Alerta Global para o Desenvolvimento Sustentável" ("A Global Warning for Sustainable Development"): in this field, there are alerts for sustainable development by supporting a series of conferences in Culturgest promoting discussion of relevant issues and with the participation of some of the most significant researchers (with themes such as Climate Change, Human Rights, Sustainable Development and the Information Society, Architecture responsible).

A way that promotes the development of skills in the area still refers to the Concurso de Design de Mobiliário com Materiais Reciclados (Furniture Design Competition with Recycled Materials) that challenged

the young people of Portuguese universities and polytechnics to display their talents, contributing to the development of proposals for Eco-Design and thereby furthering rows of recycling.

And others:

- Publications (the magazine “Azul”),
- Renewable energy credit programs, with special conditions for acquisition and installation of equipment;
- My Energy Program, in partnership with EDP - integrated solution of micro-generation solar thermal, photovoltaic and wind power for small and medium consumers.

Obviously that environmental sustainability should not be disconnected from the other two pillars of development: economic and social. We do not want to enlarge this communication, but we would like to stress the importance of Caixa’s solidarity actions, as well as actions to support culture and sport of its employees and the Community, or their efforts on the transparency of information.

4. Vale (a Brazilian Mining Company)

The company Vale is the second largest diversified mining company in the world in market value. World leader in the production and export of iron ore and pellets, and an important producer of nickel, copper concentrate, bauxite, alumina, potash, kaolin, manganese, ferroalloys and coal, the company has offices and operations in over 30 countries on five continents. Vale was the first Brazilian company to achieve the rating of investment grade and the first Brazilian company to trade its shares on Euronext (Paris).

The company has gained an enormous strength with the ore extraction in the Amazon, more specifically in the Carajas region, located in the southeastern state of Para Company, in its first year, produced 40 tons of iron ore, equivalent amount that is loaded per hour today. Vale has diverse activities within the mining sector.

The company operates in the segments below:

- Ferrous: iron ore and pellets, manganese and ferroalloys.
- Non-ferrous: kaolin, potash, copper and nickel.
- Logistics: Railroads, port terminals, coastal shipping and logistics solutions.
- Aluminum: Bauxite, alumina and aluminum.
- Energy: Eight hydroelectric dams, seven of which are already in operation.
- Coal: The Chart 1 shows the diversity of work, identifying what each product represents in the composition of gross revenue.

CVRD holds maximum production of nickel, bauxite, alumina, copper, thermal coal, cobalt, platinum group metals and precious metals. The company guarantees

sales maxima of iron ore, nickel, copper, alumina, cobalt, precious metals, platinum group metals and thermal coal.

Privatized in May 6, 1997, the company had a net worth in 1997 of U.S. \$ 350 million, with a market value around \$ 10.5 billion by offering 11 thousand direct jobs. In less than a decade after massive investment, the company increased nearly 10 times its gross revenue, according to data presented in chart 2.

The privatization of Vale, which sale is even nowadays questioned, brought to the company an enormous investment sum. On August 11, 2006, CVRD made a public offer of \$ 18 billion for Inco, Canada, which owned the largest reserves of nickel in the world. This business became an historic deal. It was the biggest investment made abroad by a Brazilian company. Vale has become one of the largest nickel producers in the world, with a production of 234,900 tons in 2006.

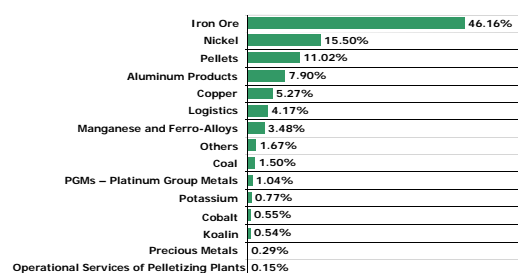


Chart 1. Composition of gross revenue (Source: Vale)

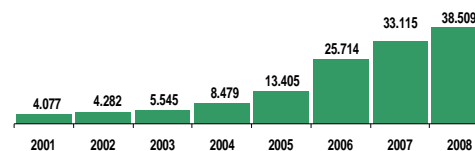


Chart 2. Gross Revenue in Millions (Source: Vale)

The transaction increased the market value of Vale and in December 2007 the company was valued in U.S. \$ 151,711 billion, with a number of employees of 152,724 in 2007.

In 2008, the company was considered the mining company that most invests in its production processes, as shown in the chart 3:

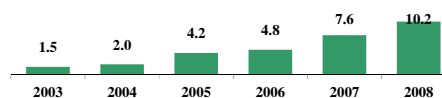


Chart 3. Investments of Vale in the World (Billions) (Source: Vale)

According to the data, Vale has invested more after its privatization in 1997 (and has increased its profitability).

4.1 Vale and the Environment

According to the company report, the essence of its work is the search for a balance between socio-economic development of territories and maintaining the quality of natural resources, biodiversity and life.

To do so, Vale has made continuous investments in the management of environmental impacts of operations and research of new technologies that improve the environmental control systems. The guidelines that guide its actions are explained in the policy of sustainable development of Vale, a document that guides the process from decision making to the actions performed on the day to day operations.

Vale considers the respect for the environment a key component of its sustainability strategy, seeking to balance environmental protection and economic development. To come to this end, the company has an Environmental Policy, in which commitments to environmental aspects are clearly explained.

The company's main points of its environmental policy are as follows:

- Maintain an environmental management system, aiming to ensure that activities comply with applicable laws and standards set by the company, in the absence of specific legislation, Vale will implement the best measures of environmental protection and minimizing risk.
- Educate and train employees to act in an environmentally responsible, ensuring the implementation of environmental policy.
- Develop research and incorporate new technology for continuous improvement activities, aimed at reducing environmental impacts and consumption of energy and matter.
- Maintain on-going dialogue with its employees and the community, aiming at improving environmental actions.
- Strive to their subsidiaries and affiliated companies to adopt practices consistent with this environmental policy.
- Request their products and services suppliers with proven environmental quality.

Vale policies, standards and environmental procedures are defined by the Department of Environment and Sustainable Development, which coordinates the Management System for Environmental Quality (SGQA) of the company, setting guidelines and targets, monitoring the development of environmental performance and providing tools for managing the environmental aspects related to the activities, products and services of Vale.

The Environmental Policy with the subsidiaries is still in process of discussion and alignment. In the context of the Management System of Environmental Quality are

developed measures for monitoring, conservation, environmental protection and recovery which ensure the maintenance and recovery of ecosystems in which Vale operates.

The environmental management system is based on the guidelines ISO 14001 (International Organization for Standardization). Periodically, the operations are subject to external audits.

In recent years, important achievements were obtained in the rational use of water and energy, waste disposal and the awareness of people to environmental quality. Follows the environmental performance of the last three years. Vale is in fact aware that there are opportunities for improvement and is committed to the continuous improvement in building an environmentally friendly business model.

According to the report of the company, Vale has a great concern for environmental issues, and as a consequence there are significant investments in the environment. Its commitment is not limited to the environmental control systems that are required. The environmental aspect is an important component of the evaluation of new projects and decision-making investment for expansion of the company. Expenditures are monitored monthly and reported quarterly to the public opinion, and it counts with periodic financial audits.

The relationship with the various stakeholders is present in Vale environmental management. In each area where Vale acts, the company tries to be an agent of change, listening from outside and proposing alternatives and looks for integrating other social actors in the effort of finding solutions to environmental issues.

In 2008, Vale volume of resources invested in the environmental area was U.S. \$ 678 million, almost 50% higher than that achieved in 2007. Most of the resources were allocated to three lines of expenditure:

- acquisition and implementation of environmental control equipment, aiming to improve performance in existing operations;
- maintaining environmental and geotechnical safety of dams and waste dumps;
- Reforestation and rehabilitation of degraded areas, which form the program Florestar Vale.

Environment Quality

The management system of environmental quality determines the development of effective monitoring, conservation, environmental protection and rehabilitation, aiming to ensure the maintenance and recovery of ecosystems in which Vale operates. The system is based on the guidelines of ISO 14001 (International Organization for Standardization) to which additional aspects were added making up the standard of environmental quality in Vale. Aiming to assess the management and guarantee the evolution of

performance, multiple transactions are submitted periodically to internal and external audits.

Policies, standards and environmental procedures of a general nature are defined corporately, and management is under responsibility of operations and business areas.

4.2 Social Aspects

The quest to build a positive social, economic and environmental legacy in regions where Vale operates is one of the principles that underlie the Sustainable Development Policy of Vale.

Activities, especially mining, are limited to the lifetime of the mineral deposit and therefore the presence in a particular place, in general, is finite.

Along the mineral cycle, there is a challenge to Vale: to make that actions are catalyst for regional economic development based on regional competences, which can ensure the perpetuity of social welfare in equilibrium with the environment. In that search, Vale performs management actions that enhance the positive effects of the presence of Vale, reducing the social risks of operations and at the same time, contributing to strengthening the foundations for local development in the long run.

Vale invests in integration, in cooperation with public and social agents, to encourage:

- The hiring of local employees and suppliers;
- Education for human development, for work and income generation;
- Planning the use of taxes generated by the operations of the company;
- The diversification of local economies;
- The strengthening of institutions;
- Environmental conservation and cultural heritage.

Thus, Vale tries to build social transparent networks, based on dialogue and permanent respect for the culture of each community. At the same time, tries to invest in management tools to foster the development of the territories. The intention is to build, considering society as a whole, the foundation for continuous improvement of quality of life.

4.3 Management of Local Development

Vale has several programs and tools, in different areas and regions of operation, to manage social and environmental impacts arising from the activities.

In the analysis of the feasibility of implementing projects, the methodology Front-End Loading (FEL) is adopted covering social, health, safety and environment, and economic and operational risks.

Furthermore, based on environmental, social and economic assessments, performed in the EIA/RIMA (Environmental Impact Assessment and Impact Report for the Environment), potential impacts of the presence

of Vale are considered in the regions already in the phase of licensing and deployment projects.

These tools, together with the socioeconomic diagnoses made by Vale Foundation, conduct the Management Programs of Environmental and Socioeconomic Impacts, intending to find the mechanisms to avoid or minimize negative impacts and to maximize the positive impacts on the performance of Vale. These programs are implemented according to the needs of each project and consider the particularities of each region. Through these tools, it identifies the main impacts associated with the presence of mining. Among them stands out:

- Direct economic impacts
 - Positive: Generation of Employment, Vocational Training, Increased taxes, Hiring of local products and services, investments in infrastructure.
 - Negative: Environmental impacts such as dust and noise, interference with land use, risks of accidents.
- Indirect economic impacts
 - Positive: increase the wages, benefit income making, Leverage of other economic sectors, suppliers attraction, development of local suppliers, attraction of investments from various spheres of public and private sectors.
 - Negative: Pressure on infrastructure and public services, due to population increases; speculation in remote areas, due to the low housing supply and high demand; generation of economic leakage effects, due to the hiring of suppliers and employees of other regions, due to the lack of local businesses and experts.

4.4 Programs and Management Impact Practices

In order to leverage and maximize the positive outcomes of Vale in the territories, Vale works with structured programs considering the various relationships that Vale has set.

4.4.1 Qualification

Vale seeks to maximize the hiring of residents of the localities where it operates, especially in developing countries and remote areas.

Vale invests in professional training programs related to mining activities and other activities of the local economy. Through these programs, Vale aims to contribute to employment and income generation and diversification of the economy of the communities where it operates.

4.4.2 Relationship with Communities

At all stages of the company's ventures, from the start to the closing of operations, Vale counts with an Institutional relations and communications team. There are programs for establishing relationships with the communities that are based on a permanent and participatory dialogue between the community and Vale. Programs include visits to mining communities, meetings with leaders and participatory forums. In addition, it is intended to establish a direct and transparent dialogue with not only the community but also with the local government in order to build a harmonious relationship.

4.4.3 Relations with Traditional Communities

Vale gives special attention to the traditional communities in the localities where it operates. The basic guideline of the Interaction Program with Indigenous Communities is to ensure that the benefits generated by the project are enjoyed by the indigenous communities, respecting their cultural traditions in order to avoid, minimize or offset any adverse effects that the activity may stimulate.

4.4.4 Culture Appreciation

It is understood that anyone can contribute and participate in programs of recovery, revitalization and protection of cultural property. Projects are supported and agreements settled to the restoration of cultural and archaeological heritage of places where it operates. An example is the project of rescuing the language of the Kanak communities.

Besides these programs, implanted directly in the units, Vale Foundation works for the development of communities where Vale is present, helping to empower people and respecting local cultural identities through social programs structured.

4.5 Investment in Infrastructure

Over the past three years, the amount applied was approximately \$ 169 million. There is a fall in the investment in infrastructures in 2008 due to the completion of current projects.

In the following years, southeastern Pará may have significant investments to remedy deficiencies in existing social infrastructure and prepare the region for a projected economic growth of 18% per year. To deal with these investments, the municipalities have counted with an ability of own investment which may have generated gross savings of \$504 million between 2006 and 2010.

This is one of the main conclusions of the Integrated Socioeconomics Diagnostic of Southeastern Pará, a study made between 2006 and 2007, by Vale and Vale Foundation, under the auspices of Diagonal Urbana, a Brazilian consultant, specialized in integrated social

management that counts with the participation of communities.

Although a significant structural deficit, the Southeast of Pará has great opportunities for sustainable development. After all, it is one of the richest regions of the world in natural resources and one of the major mineral provinces in the world. Since it has begun operations in the region, in the 80s, Vale has been supporting the development of the municipalities that are in its area of influence, while helping to preserve an area of 8 thousand km² of native forest in Mosaico de Carajás.

Investments in infrastructure, urban sanitation, education and culture have contributed significantly to the development of the region. Even the company's growth over this period brought more opportunities for skills and employment for residents, more business for local suppliers and increase tax collection by government agencies, contributing to the local socioeconomic development.

Vale has currently 15 projects in the area and intended to make new investments, trying to reach the total value of U.S. \$13 billion (from 2003 to 2010). To increase its presence and be more effective and socially responsible, Vale and its Foundation have decided that, first, it was necessary to know the region, understanding the present moment and projecting the future in the region.

Diagnostics marks only the beginning of the Plano de Gestão Integrada em Socioeconomia do Sudeste do Pará (an Integrated Management Plan for Socioeconomics of Southeast of Pará), which also includes the steps of preparing and implementing the Action Plan. The Plan, which is already being prepared in 2007, determines what should be done in the investments area and how each party should participate. The action already implemented is a stage of implementation of improvements, including efforts to seek financing. "This is a powerful tool that allows Vale to contribute to the sustainable development in regions where it operates", according Vale Foundation. The Plan includes six municipalities (Parauapebas, Canaã dos Carajás, Curionópolis, Marabá, Ourilândia do Norte and Tucumã), and influences the Eldorado dos Carajas.

4.6 Health and Safety Activities and Policies

In 2007, Vale has continued to carry out the strategy for health and safety through various activities, among which are:

- Policy Review Health and Safety - the new text of the policy specifies the commitments and the basics of managing Health and Safety, which embody the value of respect for life.
- Elaboration of Requirements for Systemic Health and Safety - the standard defines what must be done to ensure the proper development of the organizational processes of Vale. These

requirements stem from the Health and Safety Policy and its Principles. They are the ones that underlie the procedures, tools and performance indicators of health and safety management.

- Elaboration of Requirements for Critical Activities (RACs) - The requirements established for the execution of critical operational activities, with the purpose of preserving people's lives, ensuring the integrity and protect health in all areas of the company, so as in its subsidiaries and affiliates. The 10 activities of greater risk appetite for Vale are working at height, motor vehicles, mobile equipment, blocking and signalling, cargo handling, confined space, machine protection, slope stabilization, and detonated explosives and chemicals.
- Implementation of Information System Health and Safety - in order to improve the management and flow of information from Health and Safety, begins the deployment of a single information system for Vale in Brazil. The tool will support management decisions, according to the results of business areas.
- Membership in the Global Business Coalition on HIV / AIDS, Tuberculosis and Malaria - GBC (Global Business Coalition against HIV / AIDS, Tuberculosis and Malaria) - joins the group of more than 200 member companies of the GBC, an organization aimed at mobilizing resources for initiatives for combating and prevention of HIV / AIDS, tuberculosis and malaria.
- Event "Construction" - in June and July 2007, approximately 2.5 thousand leaders in Vale gathered in 19 cities of Brazil, to build together the foundations of a culture of prevention in health and safety.

The new Health and Security Policy of Vale, released in March 2008, establishes the following commitments:

- To control all risks associated with activities, processes, facilities, products and services.
- To act proactively in managing risks to health and safety of persons and facilities.
- To meet the legal requirements of health and safety and to take voluntarily.
- To continuously improve the performance in health and safety through the improvement of activities, processes, products and services, focusing on the use of innovative solutions and developing people competences.
- To encourage the development of performance in health and safety service providers.
- To maintain communication channels with the communities where operate and other stakeholders, so as to remain always alert to the influence of its operations in the health and well-being of people.

Since 2006, the performance goal of workplace safety (accidents with remote and internal corporate standards) is tied to variable pay of employees. In 2007, the process changed so that in contemplating the health data. The set of actions already implemented and the beginning of the process of cultural transformation have already shown some results.

Between 2005 and 2007, various measures to improve management of health and safety are implemented, for example, setting targets covering issues of health and safety for all departments and the intensification of awareness campaigns.

Starting in 2007, a process of improvement of registration procedures and data collection on health and safety began. The standards of classification of accidents were implanted according to the rules Occupational Safety & Health Administration (OSHA), the Agency for Safety and Health at Work in the United States, and several initiatives for training and for employees awareness were held in order to standardize the recording of information.

With the implementation of this process, in 2007 some improvements were got.

Regarding the rate of accidents with lost time, a significant reduction was got over the period 2005 to 2007. This means that the accidents of greater severity were reduced. The perspective is that in the coming years, accident rates may continue to reduce, both because of the improvements implemented as because of the stability in the form of gathering and recording data. In this sense, the participation of Vale began in a working group of ICMM (SCHEBenchmarking) in order to align indicators of health and safety and occupational hygiene.

With regard to risk prevention and health guarantee, Vale maintains a rigorous system for identifying health risks in all its units. The goal is to use this information to the creation of specific programs that can be deployed, promoting an attitude of prevention by employees, relatives and the communities in which Vale operates. By the end of 2007, risks for the following diseases were identified:

- Occupational: musculoskeletal diseases, back pain, risk of hearing loss and pneumoconiosis.
- Endemic: intestinal parasites and diseases carried by animals, dengue, malaria, chagas diseases, yellow fever, hepatitis A and B, HIV / AIDS, leishmaniasis, and worms. Among the programs maintained by the company are: campaign to prevent sexually transmitted diseases - STD / AIDS, World Day to Combat AIDS, workshops on alcohol and smoking, and prevention campaigns against cancer and diabetes; support group for diabetics, hypertensives and people with cardiovascular risks; program of gym work, education program affective-sexual (Vale Youth - developed by Vale Foundation),

aimed at young people from nearby communities in order to guide the sexual life and preventing the occurrence of sexually transmitted diseases; campaigns of vaccination against influenza, and inspections to prevent and treat dengue and yellow fever. Besides these initiatives, Vale offers health plans to its employees and third parties as described in the job session and People Development.

Such efforts have earned public recognition. The Healthy Living Program, of Albras, won in 2005, the Social Value Award (jury of experts and jury) in the category "Quality of Working Environment" and, in 2007, Lennart Levi Award in the category "Poster Enterprises", VII Congress of Stress of ISMA (International Stress Management Association). Vale invested U.S. \$ 25.2 million by the mid 2009.

According to the testimony of some local politicians, royalties would be a form of compensation to alleviate the problems acquired with the implementation of Vale projects in EPC. The royalties would also help to solve problems such as sanitation, health, etc., that are considered by municipalities as socially critical areas, which solutions would not be viable only with the transfers from state and from Union resources.

5. TechnoLogica

TechnoLogica is one of the biggest Bulgarian software companies. TechnoLogica's business is to help companies and organizations to implement and to take advantage of new information technologies in their developments and projects. According to the last two CBN Bulgaria ICT Ranks™ TechnoLogica is the largest Bulgarian-owned software company. TechnoLogica has been active on the Bulgarian market since 1990. Today, the company has offices in Sofia, Plovdiv, Varna and Skopje (Macedonia) and is a member of various business associations and chambers.

The company Mission is to meet and exceed clients' expectations by significantly improving their activity through the implementation of leading information technologies.

In order to stay competitive as the provider of technology transfer services, TechnoLogica follows a target-oriented policy of innovation by anticipatory implementation, adaptation and further development of new information technologies and building of technological software tools. TechnoLogica is an intellectual capital company, which actively participates in the development of the knowledge-based economy. Among the most recent acknowledgements of TechnoLogica's achievement in this area are the 2008 first prizes in the „Investor in Knowledge” category awarded by the Bulgarian Business Leaders Forum and in the „Knowledge Management” category in the annual HR awards of the Bulgarian Human Resources

Management and Development Association. Business ethics makes an integral part of TechnoLogica's corporate culture, because if the Company wants to be sought after as a valuable technological partner in the projects of its partners, its name must stand for a guarantee of high technological level and exceptional business ethics. The business of TechnoLogica as a technological partner requires that the Company be easily accepted by the other players in the field of information technologies. The Business Ethics Certificate was awarded to TechnoLogica personally by Prince Charles in the year of 2003.

TechnoLogica does business that is socially responsible. The management of the Company recognizes social benefit as a touchstone of every action TechnoLogica undertakes. As a company that is dedicated to innovation, TechnoLogica considers social issues as providing challenges and opportunities.

5.1 Young People and Education Benefit Projects

TechnoLogica traditionally supports and consistently accomplishes the idea for close cooperation between business and the academic circles. The management realizes the necessity for the business to contribute to the quality education and professional fulfillment of the young people in Bulgaria as well as the benefits of such cooperation for TechnoLogica's strategy realization. TechnoLogica has long years of experience in cooperating with the academic circles. Yet in 1993 the first summer internship of students from the American University took place thanks to the initiative of TechnoLogica. The company has made donations to almost all universities of Bulgaria and aims at being a catalyst for a stable cooperation between business and education. TechnoLogica participates actively in the Business Master Classes organized by the Bulgarian Business Leaders Forum (BBLF) with lecturers in the Information Technologies and Human Resources modules.

The latest program of the company for the benefit of young people and education is being developed at the Faculty of Mathematics and Informatics (FMI) of the Sofia University "Kliment Ohridski". The program consists of several projects related not only to the students but also to their professors. At the TechnoLogica Education Centre for Professionals we regularly organize workshops for students from the Master's Programs at the FMI. It is already a tradition that certified practicing professors train the faculty professors and system administrators in the newest technologies free of charge. This is done in order to facilitate the process of implementing new technologies and also to provide resources for it. Following this trend a specialized free of

charge training in Microsoft starts from academic year 2006/2007. This training is a part of the approved academic curriculum and is lead by certified professionals from TechnoLogica. TechnoLogica regularly accepts trainees from the faculty who get the opportunity to continue working at the company on full time employment agreements after the completion of their internship programs. In 2006 TechnoLogica announced a contest for “The Lecturer in a Subject in the Information Systems Field Best Appraised by the Students” with a prize fund amounting to 5 000 leva.

As a company specialized mainly in information systems development, by means of this annual award TechnoLogica expresses its gratitude and respect to the professors who have contributed to teaching the students useful knowledge that could later on be used in their practical work. Through direct voting on the FMI web site the students chose the three lecturers with the greatest contribution to their professional growth as IT specialists. A challenge to the young software specialists is also the contest called “Wings for Your Ideas” which aims at looking for new and original ideas for software products, instrumental tools and technologies. The company will invest in the best ideas and will facilitate their actual implementation in all aspects and all the projects that have participated in the contest shall be published on a special web site and popularized among the companies in the IT sector. The authors of the ideas preserve their copyright over those ideas and all additional conditions for their implementation will be organized in the form of a contract. TechnoLogica was the first to respond to the charity campaign for an elevator for students with disabilities in the FMI building and donated 10% of the needed 100 000 leva. By doing so TechnoLogica hoped to give a good example of charity activities in the IT sector and also expected that the kids with disabilities will receive an equal start for education and professional fulfillment, just like their healthy peers. At the end of 2006 the gathered amount comprised 50% of the sum necessary for building the elevator.

The “Engineering Education – Solid and Working” program started at the end of 2003 as a model for bringing business and education closer and it develops successfully and gives good results for the students as well as for the production enterprises. Even then the initiators of the program forecasted the strong demand for engineers which already is a proven fact. The program started with the donation of a software with a trade price amounting to 2.5 million dollars – an act of support by the American corporation, software producer, SolidWorks. It encompasses six universities and numerous Bulgarian industrial enterprises, the donation thus being only a part of the initiative. The goals of the program are improving the quality of the engineering education, increasing the interest towards it and

stimulating the joint practical developments of the universities and the enterprises. Thus, simultaneously will increase the competitiveness of the Bulgarian companies and the opportunity for successful professional fulfillment of such specialist will arise. DiTra, the CAD/CAM center of TechnoLogica and official representative of Solid Works for Bulgaria and Macedonia, made an installation of the donated software, trained the lecturers and supplied studying materials. In April 2006 was published the new SolidWorks textbook – “SolidWorks – User’s Book. Functionality, Examples, Guidelines”. It is sold on preferential prices to students. The industrial enterprises actively participate in the initiative by means of offering guest lecturers, workplaces and practical help. Within the bounds of the initiative are carried out university days, seminars, job fairs, master classes as well as the student contest for working with SolidWorks. The student contest takes place in two categories - for best project done with SolidWorks as well as for speed, skillfulness and ability to work with the software. The contest finals take place at the annual meeting of the friends of SolidWorks where young engineers can demonstrate their abilities in front of potential employers. The winners receive the annual TechnoLogica scholarship. Almost all finalists from the contest find good jobs at prestigious Bulgarian companies. That was the main objective of TechnoLogica and the American software producer SolidWorks – to fill in the gap in the education of engineers and to establish a lasting connection and engagement between employers and students. In the year 2006 another producer of software joined the program – Delcam, who offered licenses of the CAM system FeatureCam to the technical universities in Sofia, Varna, Rouse and Gabrovo. DiTra in its turn taught the professors how to work with the software. DiTra, as an official representative of SolidWorks for Bulgaria and Macedonia, annually maintains the working capacity of the installed software and right now the universities work with the latest actual version.

As a result of the work and desire of all the participants in the program, the students at three different faculties of the Technical University in Sofia, as well as the Technical Universities in Varna, Rouse and Gabrovo and the University of Food Technologies in Plovdiv study and work with SolidWorks and SolidCAM, just like their colleagues at the Massachusetts Institute of Technology. In the year 2006 DiTra opened a Laboratory for Assistance of Innovative Processes in Industry which has at its disposal the latest software tools. It is equipped with a high class machine for rapid prototyping of Stratasys and a 3D scanner. Apart from the advantage to the Bulgarian companies, the functioning of that laboratory is also related to the next big step in the “Engineering Education – Solid and Working” program and more

precisely, its turning into a model for other similar laboratories at the Technical Universities in Bulgaria. Still in 2007 the University of Rousse “Angel Kanchev” became the first academic institution with a similar laboratory. Thus, the first step to the goal was made – for the Bulgarian Technical Universities to be promoters of the latest technologies and centers for their pilot application in the industry, as well as for the scientific potential of universities to meet the necessities and projects of the industrial enterprises. That is a meeting which could bring many benefits to both parties.

5.2 Carting for Employees

The main resource in the software branch is the human capital. A spirit of innovation is one of the important criteria in the selection of personnel at TechnoLogica. The firm has created an atmosphere of creativity and it is a given that everyone working here is willing to be a professional and an innovator, and that these qualities must be stimulated. One very important quality that TechnoLogica is proud of is free communication. The management is not only open to innovative and daring ideas by everyone about anything, but it is also proactive in the process of conceiving of and formulating the ideas of its employees. At TechnoLogica, 15% of each employee's working time is dedicated to research and training. Most often it is used for collecting information about new technologies, and for analysis of their potential and applicability. Given the speed at which the field of information technologies has been developing, these require special attention and sufficient resources for up-to-date introductory training. Appreciating the importance of high-quality training, in 1995 TechnoLogica created the first certified training centre for IT professionals in Bulgaria. Professionals there are educated on the basis of specifically designed training programs and backed up by the financial support of the world's software leaders, who certified all the tutors teaching in the programs. The facilitated access to teaching materials on new technologies provides an opportunity for constant and consistent learning on the part of the trainees. Internal training courses have also been developed on issues regarding the latest technologies and the technological tools owned by the company. These courses are modified for clients and also as an element of the technological transfer offered to them by TechnoLogica. What is of utmost importance to TechnoLogica is to work for the formation and development of professionals on an international level. TechnoLogica helps its young employees develop as valuable professionals through arranging for the sponsorship of their certification courses by the leading IT corporations. All employees receive financial support when they marry or have a child. It is a common practice

that interest-free loans are provided to employees for the purchase of real estate property.

5.3 Community Benefit Projects

In 2007 on the occasion of the 50th anniversary of the National Polytechnic Museum TechnoLogica financed entirely the building of a new web site representing the activity and development of the museum and its branches. Following its strategy for supporting the Bulgarian cultural institutions, TechnoLogica also supported the National Polytechnic Museum in staging the “The Bulgarian Trace in Science” exhibition, prepared by the museum. So that the less popular facts from the Bulgarian scientific development, contained in the exhibition, could reach wider audience, TechnoLogica shall donate copies from “The Bulgarian Trace in Science” to different governmental and academic institutions.

Through the financial aid granted by the company the new and revised edition of the book of Prof. Isaak Passi “Motives of Human Behavior” appeared on the book market at the end of 2006.

Still in 1993, TechnoLogica, absolutely free of charge, for the first time in Eastern Europe used multimedia kiosks for new quality service for the visitors of a public forum, namely the Technological Fair in Plovdiv. The kiosks were equipped with touch-sensitive screens, and provided information about the exhibiting firms, the location of their stands, the exhibition town and the sightseeing places in Plovdiv responding to visitor-entered criteria. TechnoLogica provided for free a similar kiosk to the National Historical Museum, so that children can search by themselves for the information they are interested in and get used to working with a computer. TechnoLogica also created the first compact disc presenting Bulgaria's historical and cultural heritage.

The multimedia presentation of the Bulgarian Army, provided by TechnoLogica at the celebration for NATO's headquarters in Mons, Belgium 30th anniversary called for a new look at Bulgaria. The CD, enhanced with a presentation of the Atlantic movement in Bulgaria, was the official present of the Bulgarian delegation for NATO's 50th anniversary in Washington DC. The project received high acclaim from the Pact's Management.

TechnoLogica stimulates and promotes new modern methods of presenting Bulgaria and Bulgarian institutions to the world. The firm has created pro bono a number of websites for the Atlantic Club in Bulgaria, the Ministry of Internal Affairs, the first website of the Bulgarian Business Leaders Forum, to list but a few.

By donating software (HeRMeS) needed for building a database and releasing an Internet portal for potential employers, as well as for the supply and demand of

human resources among the retired military, TechnoLogica referred to the problem of military retirees' social adaptation. The project aims to establish connections with HR managers, services assisting former military in their adaptation, and with training organizations. A project with a similar objective featured the launching of a new interactive forum in the web-site of the Employment Agency, which contains profiles of job seekers, registered in all employment bureaus in the country. The company developed that forum at a symbolic price with the sole aim to demonstrate the capacities of technologies and their use for the public.

On the eve of year 2000, the Company decided to donate the sources it had spared for equipping a gym for its employees to the "Dara" Christian National Mercy Association in Stara Zagora for supporting parentless children.

Throughout 2006 the employees of TechnoLogica gathered clothes, toys and necessities and donated them to the children from the Medico-Social Care Centre in the town of Pernik. Apart from that all employees offered certain sums from their salaries and to every lev given by an employee the company added three more. The money was used for the purchase of new kitchen furniture for the Care Centre. During the Christmas and New Year holidays the team of TechnoLogica once again made a donation to the kids from the Care Center which was again multiplied by three. In 2007 the gathered amount will be used for the renovation of the sanitary premises at the Center. One of the kids prepared a Christmas card which TechnoLogica sent to all its clients and partners donating part of its circulation also to the needs of the Care Center.

Another charitable project in which TechnoLogica got involved was initiated by BAIT (The Bulgarian Association for Information Technologies) and the "Charity Doer" Foundation. The project is called "In the web" and the aim is to equip with computers and Internet connection the greatest possible number of centers for bringing up and educating parentless children. TechnoLogica participated in the campaign with a donation of color display monitors. At present around 350 kids have access to modern information technologies and make use of the vast amount of information offered in the Internet. Thanks to this stimulus more kids were motivated to make more efforts and act responsibly towards their duties.

TechnoLogica actively participates in the work of six non-governmental organizations (BBLF being one of them) and invests significant resources in them - approximately 1.3% of its annual turnover and two man/months per year for supporting their activities.

6. IndianOil

Indian Oil Corporation Limited (IOCL) or IndianOil is the largest commercial enterprise in India and the 125th highest ranked Fortune Global 500 Company in the country. For over five decades, IndianOil has been the leader in the petroleum business in the country with presence in downstream petroleum refining and marketing and upstream exploration and production. A visionary plan to diversify into petrochemicals, Gas marketing and globalization has enabled the company to grow as a diversified, transnational energy major company. Today, IndianOil has a presence in Sri Lanka, Mauritius and the Middle East. Its subsidiary IndianOil Mauritius is one of the major players in the petroleum business in Mauritius. In Sri Lanka, its subsidiary Lanka IOC has established itself as a benchmark for fuel retailing besides expansion into other related areas. At IndianOil, corporate social responsibility (CSR) has been the cornerstone of success right from inception in the year 1964. The Corporation's objectives in this key performance area are enshrined in its Mission statement: "...To help to enrich the quality of life of the community and to preserve ecological balance and heritage through a strong environment conscience".

IndianOil has defined a set of core values for themselves – Care, Innovation, Passion and Trust – to guide the corporate in all they do. IOCL is able to claim all countrymen as their customers. That's why, they coined the phrase, "IndianOil – India Inspired", in their corporate campaigns. Public corporations like IndianOil are essentially organs of society deploying significant public resources. Therefore, they are aware of the need to work beyond financial considerations and put in that little extra to ensure that they are perceived not just as corporate behemoths that exist for profits, but as wholesome entities created for the good of the society and for improving the quality of life of the communities they serve as a constructive partner in the communities in which it operates, IndianOil has been taking concrete action to realize its social responsibility objectives, thereby building value for its shareholders and customers.

The Corporation respects human rights, values its employees, and invests in innovative technologies and solutions for sustainable energy flow and economic growth. In the past five decades, IndianOil has supported innumerable social and community initiatives in India. The company has performed by touching the lives of millions of people positively by supporting environmental and health-care projects and social, cultural and educational programmes. Besides focusing primarily on the welfare of economically and socially deprived sections of society, IndianOil also aims to develop techno-economically viable and environment-friendly products & services for the benefit of millions of

its consumers, while at the same time intends to ensure the highest standards of safety and environment.

IOCL has had a task to prepare a 360 degree Media Campaign leverage IndianOil's CSR activities and to meet its marketing central goal. The problem perceived by IOCL as a large government owned company is that it takes a number of initiatives as part of its social responsibility program. However, it is not communicated to public at large. But, at a time when the new economy is in the forefront, IndianOil needs to project this aspect of the corporation for projecting a positive brand image and the same image can be leveraged to attain corporation's marketing objectives. The main objective of the company's CSR advertising campaign is to focus both on the core strength of the corporation as well as to create an emotional connection with public to enhance the image of the corporation and to leverage it to meet its marketing goals. Target consumers of the campaign are both male and female, general public, all India socio-economic classes. The advertising happens to be firstly in English language and further translated in various other official languages of India. In addition to print media, the campaign is inclusive of 360° branding proposal hoarding/ banner/ poster/ TV/ radio/ any other.

Indian Oil Corporation Limited (IOCL) is one of the top most leading Maharatna corporate companies spending the highest share of profit toward corporate social responsibility.

The most successful CSR advertising campaigns of IndianOil are 'Empowering 40000 women, planting 1 million trees and having 16.572 billion investments on research and development for green fuel projects' and yet 'The smiles we multiply in the deprived society'.

7. Some Final Notes

This study intended to present some successful cases in which some companies in different countries and regions in the world are concerned with Social Responsibility. Each one of these companies integrate a CRS perspective in their business core as a strategy for creating an image and promoting the company in the communities and society as a whole, considering sustainable practices but also seeing this way as an approach to keep ahead in the long term.

After the individual presentations, it is important to refer these notes about a global concern. It is relevant in these four cases to show the particular settings, adjusted to the specificities of each one of the countries in which they are inserted, convergent and divergently.

All the companies are concerned about the way to show the society the ideas they have about the way they are related with the society itself and the communities and environment.

It is important to highlight that corporate social responsibility must not be confounded with philanthropy.

The responsible positioning of all the companies must have some results in terms of their performances. And consequently, there is yet lot of research needed in terms of constructing economic indicators to reveal the impacts of the corporate social responsibility actions on the profits and other economic results of firms' activity.

This study reveals the importance of developing a research on the themes of business ethics in companies and the respective impact on organizational structure in companies and their relationship with stakeholders, both internal and external to the company.

Finally, this study is mostly an empirical based research. However, it also reveals that there are also theoretical issues related to corporate social responsibility that must be considered in the agenda of the researchers and scientists interested on these fields of investigation. For instance, there is a very innovative idea that must not be let out of consideration. Supposing the existence of some companies that create positive externalities to the society as it is the case of cultural organizations. In this case the economic theory prescribes that society must subsidize these institutions in what can be seen as an application of a negative Pigouvian tax. In this situation, what can be the corporate social responsibility? What kind of actions shall have these companies in relation to society? And how can social responsibility be defined in this opposite sense? Should society support indeed these companies in terms of social responsibility, in this sense?

It is too early to gauge the results of this strategy. The impact of the conduct of social responsibility, especially in this aspect of environmental sustainability can only be realized in a longer period. In any case, and a perspective that brings us closer to an ex-ante, it is possible to draw attention additionally to the following notes.

Companies with management strategy which believe in ethical and solidarity with their colleagues and with the Community share these processes as an important "capital".

Social responsibility is certainly not just philanthropy, but shall/should also include this activity. Increasingly, social responsibility, in general, and promoting environmental sustainability, in particular, carries out an operation more effective if integrated into the global perspective of business and relationship with their environs.

Before ending this study, it would be interesting to make a reference to the establishment of a whole strategy around climate change and policies considering the communities welfare that allows to avoid dispersion and to avoid to stray image of a policy or meaningless policy without clear objectives. Such a situation reinforces the brand image with a seal of pertinence and internal coherence that enables a more effective performance.

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