PARTNERSHIP AND NETWORKS TO PROMOTE SOCIAL RESPONSIBILITY

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Abstract:
Corporate Social Responsibility (CSR) is at the present time globally assumed to all organizations, public or private, governmental or non-governmental. It is also recognized that CRS implies developing actions considering several stakeholders, and partnership and networking it is crucial in this context. This paper aims to present a case of partnership and network to promote social responsibility in Portugal. The research focused on the National Network of Social Responsibility (Rede Nacional de Responsabilidade Social, RSO PT), which appeared as a project under the frame of the EU Community initiative EQUAL, and remains its activity after the end of this project. This network it is assumed as a platform to promote apprenticeship, creation, exchange and dissemination of knowledge, and best practices to promote CSR. RSO PT is an informal organization that aggregates several public, private and non-governmental organizations with CSR’s similar objectives. RSO PT is open, multi-sector and multi-functional, and integrates different segments and sectors committed to this topic. This study uses a qualitative methodology through an exploratory study to analyze the role of this platform to CSR in Portugal.

Keywords: case study; Corporate Social Responsibility (CSR); working networks; partnership; Portugal

COLABORACIÓN Y REDES PARA PROMOVER LA RESPONSABILIDAD SOCIAL

Resumen:
La Responsabilidad Social Corporativa (RSC) está siendo globalmente asumida en la actualidad en todas las organizaciones, públicas o privadas, gubernamentales o no gubernamentales. También se reconoce que la RSC implica desarrollar acciones que tengan en cuenta diversos grupos de interés, siendo la colaboración y el trabajo en red fundamentales en este contexto. Este artículo trata de presentar un caso de asociacionismo y trabajo en red para promover la responsabilidad social en Portugal. La investigación se centró en la Red Nacional de Responsabilidad Social (Red Nacional de Responsabilidad Social, RSO PT), que surgió como proyecto en el marco de la iniciativa Comunitaria EQUAL de la UE, y sigue su actividad tras concluir este proyecto. Esta red es una plataforma para promover el aprendizaje, la creación, el intercambio y la difusión del conocimiento y las mejores prácticas para promover la RSC. RSO PT es una organización informal que agrupa a varias organizaciones públicas, privadas y no gubernamentales con objetivos similares de RSC. RSO PT es abierta, multisectorial y multifuncional e integra a diferentes segmentos y sectores comprometidas con este tema. Este estudio utiliza una metodología cualitativa mediante un estudio exploratorio para analizar el papel de esta plataforma para la RSC en Portugal.

Palabras clave: estudio de caso; Responsabilidad Social Corporativa (RSC); redes de trabajo; asociacionismo; Portugal

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1. Introduction

The importance of Corporate Social Responsibility (CSR) is nowadays globally assumed to all organizations, public or private, governmental or non-governmental. It is also recognized that the implementation of several actions or proposals to improve or to introduce social responsibility in organizations are dependent from different organizations and could be well succeed if these partners action together with similar objectives.

Frequently organizations develop individually their framework to manage CSR, often anchored on their mission or even economic strategy. Nevertheless, CRS involves typically three dimensions related to economic, social and environmental issues, some of them depending from the external environment and from their relations with stakeholders.

This context could justify the establishment of partnerships between organizations to approach similar problems and to share and benchmarking the best practices. This type of partnerships is yet scarce, mainly when it not involves directly economic benefits to the partners. In this sense, the present research aims to contribute to theoretical and practical discussion about this topic bringing a relevant contribute based on a case study centred on a partnership to promote CRS in different organizations in Portugal.

To be precise, the structure of the paper is twofold: firstly, we present a literature review about CSR and also about the relevance of networks and partnerships to promote this goal inside organizations with different features and purposes; secondly, a case study focused on the National Network of Social Responsibility in Portugal (Rede Nacional de Responsabilidade Social, RSO PT) and its best practices is presented. RSO PT is an open, multi-sector and multi-functional informal structure grouping several organizations from different segments and sectors, committed to the theme of social responsibility.

Finally, we conclude with some recommendations and remarks provided by the research that could be interesting in order to improve public policies in the field.

2. Theoretical framework

There have been contributions properly aiming a conceptual frame for CSR since 1930s (e.g. Barnard 1938; Clark 1939) and just after this earlier period a more robust theoretical body about CSR appeared. Later on, in the last years the contributions to this field have increased significantly and new proposals were compared with the classic ones (Van Marrewijk 2003) in aspects as those related to corporate sustainability (Matten et al. 2003) and corporate citizenship (Wood and Lodgson 2002).

However, the conceptualization of CSR has not been and even nowadays is not a pacific task (Garriga and Melé 2004). On the one hand, it is considered as an essentially contested concept; on the other hand, it is regarded as internally complex due to the fact that the rules of its application are relatively open (Moon et al. 2004). Additionally, authors as Crane and Matten (2004) argued other difficulties in the definition process, linked with the variety of synonymous and the multiple links with other conceptions of business-society relations.

McBarnet (2007) argued that CSR is related with corporate actions that focus on enhancing stakeholder relations while aiming at enhancing social welfare. Previously, the European Commission proposed a widely diffused definition, referring to it as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (European Commission 2001, p. 6). Considering an empirical and descriptive perspective, CSR has also been defined as corporate practices and discourses shaped by a range of actors in the organizational field (Shamir 2005, 2008).

2.1. Theories on CSR

Instrumental theories consider CSR as a strategic tool linked with economic objectives. Friedman (1970) is the most popular author associated with this view and argued that the only responsibility of business towards society is the maximization of profits to the shareholders within the legal framework and the ethical custom of the country. Several authors referred to the importance of accomplishing some conditions to maximize the shareholder value (Mitchell et al. 1997; Odgen and Watson 1999) and achieve an acceptable/adequate level of investment in philanthropy and social activities for the sake of profits (McWilliams and Siegel 2001).
Some of these contributions present a positive correlation between the social responsibility and financial performance of corporations (Froaman 1997; Griffin and Mahon 1997; Waddock and Graves 1997; Key and Popkin 1998; Roman et al. 1999). In summary, the common perspective of instrumental theories considers the three following objectives: i) the maximization of shareholder value, measured by the share price, which commonly heads to a short-term profit orientation; ii) the strategic goal of achieving competitive advantages, in a long-term approach to produce profits; and iii) the marketing strategy.

Both in the first and the second case CSR is simply a question of enlightened self-interest (Keim 1978) and CSR actions are considered as a simple instrument for profits.

The political theories on CSR focus on the relations and connections between business and society and highlight the power and position of business in society and its intrinsic responsibility (Davis 1960, 1973). Nevertheless, according to the diversity of the approaches in this group, it is possible to distinguish two major theories:

- Corporate Constitutionalism, which explores the power that businesses have in society and the social impact of their power, and also clarifies that businesses are a social institution and must use the power of social responsibility.

- Corporate citizenship, which argues that certain factors have an impact on the relationships between businesses and society, such as the deregulation process and decreasing costs with technological improvements, and thus some multinational companies have larger economical and social power than some governments.

Integrative theories on CSR study how businesses integrate social demands and claim that businesses depend on society for their existence, continuity and growth. Society interacts with businesses and gives them a certain legitimacy and prestige towards social demands. Consequently, corporate management should consider the social demands and integrate them in the businesses operations in harmony with social values. These theories are divided in three groups:

- Issues management, defined by Wartick and Rude (1986, p. 124) as “the processes by which the corporation can identify, evaluate and respond to those social and political issues which may impact significantly upon it”. This approach allows minimizing uncertainty and surprises due political change and function as an early warning system for potential environmental threats and opportunities.

- The principle of public responsibility, as some authors have tried to provide content to limit and guide CSR as a principle (Preston and Post 1975, 1981; Jones 1980).

- Stakeholder management, which implies a CSR orientation towards stakeholders.

Finally, ethical theories on CSR are focused on the ethical requests that strengthen the relationship between businesses and society and propose the principles to support and achieve a good society. These approaches include:

- The normative stakeholder theory, according to which stakeholders are considered as the groups who have a stake in or claim on the firm (suppliers, customers, employees, stockholders, and the local community). Donaldson and Preston (1995) argued that the stakeholder theory has a normative core based on two major ideas: i) stakeholders are persons or groups of people with legitimate interests in procedural and/or substantive aspects of corporate activity (so stakeholders are identified by their interests in the corporation, whether or not the corporation has any corresponding functional interest in them); and ii) the interests of all stakeholders have an intrinsic value (that is, each group of stakeholders merits consideration for its own sake and not merely because of its ability to further the interests of some other group, such as the shareowners).

- Universal rights, as a basis for CSR, particularly in the global market place (Cassel 2001).

- Sustainable development, which is another value-based concept. The term became popular in late 1980s, and specifically since 1987, when the United Nations World Commission on Environment and Development published the Brutland Report. This report proposed that “sustainable development seeks to meet the needs of the present without compromising the ability to meet the future generation to meet their own needs” (World Commission on Environment and Development 1987, p.8).
2.2. Networks and partnerships for the implementation of CSR

Even when firms and non-profit organizations face challenges and difficulties in implementing CSR programmes, usually each organization implements its CSR programmes or practices without cooperation and the implementation is sometimes characterised by several unsystematic non-transferable practices tailored for specific contexts, and unsustainable in long term. Partnerships between the area of business and non-profit organizations (Seitanidi and Ryan 2007) or cross sector partnerships addressing social issues (Selsky and Parker 2005) are the most exciting and challenging ways in which organizations have been implementing CSR in recent years.

Waddock (1988, p. 18) refers to social partnerships as a “commitment by a corporation or a group of corporations to work with an organisation from a different economic sector (public or non profit). It involves a commitment of resources – time and effort – by individuals from all partner organisations. These individuals work co-operatively to solve problems that affect them all. The problem can be defined at least in part as a social issue; its solution will benefit all partners. Social partnership addresses issues that extend beyond organisational boundaries and traditional goals and lie within the traditional realm of public policy – that is, in the social arena. It requires active rather than passive involvement from all parties. Participants must make a resource commitment that is more than merely monetary”.

Social partnerships promote the “social problem-solving mechanisms among organisations” (Waddock 1989, p. 79) and are essentially focused on social issues (e.g. education, health, environment) combining organisational resources to propose solutions that benefit partners, as well as the society. Researches developed to study partnership for CSR goals focus on different dimensions, such as the strategic purpose of those relationships (Waddock 1988; Clarke and Fuller 2010), legal and ethical aspects (Crane and Matten 2004) and societal implications of such arrangements (Hamman and Acutt 2003).

The design and implementation of partnerships can be generally categorised into five areas: i) initial conditions; ii) structure and governance; iii) process; iv) contingencies and constraints; and v) outcomes and accountabilities (Bryson et al. 2006). Concerning the implementation, Googins and Rochlin (2000, p. 133) suggested six steps to be considered: “1) defining clear goals, 2) obtaining senior level commitment, 3) engaging in frequent communication, 4) assigning professional to lead the work, 5) sharing the commitment of resources, and 6) evaluating progress/result”. Additionally, Andriof (2000) suggested the consideration of “four Ps” of stakeholder partnership building, including:

a) the purpose of partnerships;

b) the pact between the partners;

c) the power relationships within the partners; and

d) the process of partnerships evolution.

The case study proposed in this paper analyse a partnership between firms, public sector and non-profit organizations to promote sustainable strategies to improve CSR.

3. The National Network of Social Responsibility in Portugal

This third section of the paper is based on a case study methodology. This approach was decided as case studies can be understood as an empirical research of a phenomenon in its natural environment, when the boundaries between the phenomenon and the context are not clearly defined, “having as objectives” explore, describe or explain (Yin 1994). In this concrete case, the study aims an exploratory purpose, and it is also aimed as a prelude to further development of social research on partnership projects to promote CRS.

Specifically, the research includes information from interviews and documental information directly collected at the headquarters of the National Network of Social Responsibility (Rede Nacional de Responsabilidade Social, RSO PT) as well as at the website of this project. The interview guide was early applied to a board member of RSO PT to test the methodological tool. Later on, in May 2015 two board members of RSO PT were interviewed using this guide as reference in order to achieve the main goals of this research. The semi-directed interview addressed the following subjects: characterization, members, coordination/communication between the members, sustainability factors, key issues for the future, and governance model.
The RSO PT had its genesis as a project funded under the EU Community initiative EQUAL developed between 2006 and 2008. Some of the project promoters boosted a pioneering activity in the CSR field, which was crucial for the future of RSO PT.

In a general sense, the EQUAL framework enabled the development of various projects in the area of CSR, such as: equality workshop (working equality from the school to the company); ResponseAbility - Investing on diversity; responsible SMEs; social dialogue and equality in companies; and RHXXI (human resources for the 21st century).

After the end of the EQUAL Community Programme in 2008, the members of the network desired to maintain the informal structure and, in order to promote RSO PT sustainability in long term, they provided the conditions to contribute with volunteer work from the different organizations.

Then, the RSO PT was presented together to other EQUAL projects at the National and International Meeting of Social Innovation “Designing the Future” that was held in Lisbon, by December 2008 and performed as an event closing the EQUAL Community Initiative at national and European level. At this event, the RSO PT was awarded an Honourable Mention “Best Solutions Equal”.

Such recognition contributed to maintain RSO PT with the support of EQUAL and perspectives of continuity and enlargement. In this context, the network emerged as an initiative promoted by a set of partners, involving several organizations and aiming to mobilize entrepreneurs, managers, administrators, technicians, managers of companies, governing staff in Public Administration, NGOs and workers to actions that can make or mobilize other contributions in their field of operation. The mobilization can occur within the organization (employees) and in relation to the external actors (such as suppliers or clients) and within the regions.

3.1. Characterization of RSO PT members

It is important to note that RSO PT has not had established practices to recruit new members. Each member has an important role in attracting new members through his personal and institutional networks and support the identification of new partners committed with the social responsibility topic.

In 2008 RSO PT had a total of 92 partners from several organizations. Some years later, in the second quarter of 2014, it has registered an important increase in the number of partners, up to 282 organizations from different sectors, sizes and legal forms: 9% were government entities, 44% non-profit organizations, and 47% companies. Micro enterprises represented about 27% of the total companies, while small and medium-sized enterprises were about 53%, and large enterprises about 20% of total. It is relevant to highlight that the preponderance of SMEs fits with the real distribution of companies by size in Portugal. The distribution of the partners among the three sectors of activity was the following: industry registered 11%; trade accounted about 3%; and services as the most representative sector with 86%.

However, even when in these period RSO PT has registered a growth in its membership figures, in most recent years it has registered a moderate growth. In 2013 and 2014 the rate of new members was increasing, respectively, in 6% and 8%. It should also be noted that the RSO PT does not develop a systematic approach to capture new members and the members do not have to face any regular payment and/or fee.

3.2. Mission of RSO PT

RSO PT is an open structure that includes several companies, NGOs and public institutions that have in common the promotion of CRS issues. All organizations have equal representation.

The 2014 Activity Report (RSO PT 2015) states that the concept of social responsibility is reflected in the voluntary integration of social, economic and environmental concerns by public and private organizations in their operations and their interaction with other stakeholders. The statement of the mission is carried out through the report of the social responsibility dimensions. This approach follows the concept of the Triple Bottom Line focusing on the “three pillars” of sustainability: social, environmental and economic issues.

Thus, CSR appears for the members of the RSO PT as: i) exercised voluntarily, that is, with the absence of a legal obligation to adopt a CSR attitude or a CSR system; and ii) a non-replacement of the law enforcement, but exercised as an action that complete and develop the existing legal procedures (i.e. which goes further than the law).
The RSO PT activities are developed according to ten principles: i) ethics and transparency; ii) fundamental human rights; iii) good governance; iv) dialogue with stakeholders; v) value creation; vi) human resource management; vii) diversity and equality; viii) environmental protection and management; ix) development of local communities; and x) responsible marketing.

These principles are part of the “Charter of Principles” which is signed by each member when joining the RSO PT. These guiding principles are present in the various initiatives that the members of RSO PT perform and CRS is applied according to them. As part of its mission, RSO PT conducts awareness of public and private institutions, and civil society for CSR. The network also receives and disseminates best practices and develop tools to promote CSR. Table 1 presents the main activities of RSO PT by year in the period 2006-2012.

In addition to the activities identified above, numerous activities were also developed, such as: dissemination seminars in CSR issues, publications as “Visit para Replicar” (“Visit to Replicate”), the “Glossary on Social Responsibility” (“Glossário de Responsabilidade Social”), or entertaining events aimed at developing the theme of social responsibility.

3.3. RSO PT governance

In order to accomplish its mission, RSO PT has adopted a governance model to facilitate the relational dynamics between the member organizations. In this sense, the use of a logistic-organizational governance structure is a distinctive feature, which seeks to effectively as possible in network management organizations. Figure 1 presents this organizational structure.

The RSO PT management unit is the Steering Committee (SC), which function is to stimulate and promote the activities in the network. In order to achieve the intended objectives, the committee ensures active and effective coordination of the activities, systematizes and makes available relevant information to all members and disseminates the information to the stakeholders and other audiences. Meetings are held quarterly, including founding members, others partners and the coordinators of the Working Groups (WG). The coordination of RSO PT is held on a rotating basis of the members over a three-year period.

The Administrative Office (AO) provides the regular activities and functioning of RSO PT. A member of RSO PT usually ensures this unit. The administrative tasks are mainly related to: i) support the steering committee activity; ii) support the activity of the thematic working groups; iii) represent the RSO PT in events; iv) facilitate contacts between network elements and stakeholders; and v) receive and forward new membership requests to the steering committee.

Table 1. Summary of RSO PT activities by year (2006-2012)

<table>
<thead>
<tr>
<th>Year</th>
<th>Activities</th>
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<tbody>
<tr>
<td>2006-2008</td>
<td>- Development of initial EQUAL Community Initiative Programme</td>
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<td></td>
<td>- REDE RSO PT formalization process</td>
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<tr>
<td>2008</td>
<td>- Internal organization process</td>
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<td></td>
<td>- General meeting RSO PT</td>
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<td></td>
<td>- Development of the regulations</td>
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<tr>
<td>2009</td>
<td>- Conducting a self-diagnosis procedure “Our Social Responsibility”</td>
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<td></td>
<td>- Realization of the 1st Convention of RSO PT</td>
</tr>
<tr>
<td>2010</td>
<td>- Realization of the 2nd Convention of RSO PT</td>
</tr>
<tr>
<td>2011</td>
<td>- Collaboration with the Spanish RED RETOS (Red de Territorios Socialmente Responsables / Network of Socially Responsible Territories)</td>
</tr>
<tr>
<td></td>
<td>- Realization of the 3rd Convention of RSO PT</td>
</tr>
<tr>
<td>2012</td>
<td>- Revision of the REDE RSO PT regulations</td>
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<tr>
<td></td>
<td>- Launching the newsletter Incentivar Atitudes (Encouraging Attitudes)</td>
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<tr>
<td></td>
<td>- Realization of the 4th Convention of RSO PT</td>
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</table>

Source: RSO PT (2013)
Members in a pro bono basis develop coordination activities in the RSO PT and the administrative office. The governance model in the network is characterized by the existence of interactions between members of the steering committee. This governance model is also characterized by the predominance in the decision-making core of the promotors-founders organizations. The decision-making process of the RSO PT is based on a top-down approach. The information, products and activities developed by working groups before their dissemination and availability to the community.

The Expert Groups (EG) integrate experts in various fields related to sustainability and social responsibility and providing support services for RSO PT. The Resources Database (RD) is the memory of the network, all information are recorded in this data. This database is aimed to provide open access regime to the network products, and register the effective involvement of its members in RSO PT network.

The working groups are organized into thematic groups. It is through these groups that RSO PT operationalizes their activities. In 2014 there were seven active groups, which were respectively focused on: i) responsible entrepreneurship; ii) ISO 26000; iii) observatory of social responsibility; iv) education and training; v) gender equality; vi) socially responsible procurement; and vii) communication and marketing.

Each working group develops its activities (for example: consultancy, research, dissemination, defining thematic indicators, training, etc.) in a subject, according to the strategy defined by the steering committee and the interests expressed by its members. The coordination of each working group performs the coordination of actions between the group’s interests and the strategy set by the committee.

3.4. Working groups and networking at RSO PT

In RSO PT the enforcement strategy developed from each group fits with its concrete topic. RSO PT members develop networking and relational capital through networks of contacts established between them. The working groups will allow the required conditions to interact, maintain and strengthen institutional relationships, encourage the sharing of interests and activities that have an impact on activity of organizations, and on the social, professional and day by day of employees. In this context, RSO PT members are constantly urged to rethink their social responsibility tools and are invited to get inputs from others members. The networking of RSO PT contributes to the creation of references to national and international social responsibility and reinforces the transparency of their action.

The networking is reinforced through the pursuit of the objectives of each working group, which aims to strengthen the development of CSR. Table 2 shows the goals of each working group according to the RSO PT 2014 activity report.

Regardless the working group in which they could be involved and/or interested, since the adhesion to the network members are committed with sustainability principles of RSO PT. In this sense, joining RSO PT requires the implementation of three actions: i) acceptance and subscription of the Charter of Principles; ii) acceptance of the Rules; and iii) answer to the survey “Our Social Responsibility”.

**Figure 1. RSO PT governance model**

![RSO PT Governance Model](image)

Source: RSO PT (2013)
These three actions/documents are considered as the first “initiatives” of the new members inside the RSO PT network. Specifically, as all member organizations are commitment to sustainable development objectives and cooperation with other stakeholders, the Charter of Principles is understood as a common identity to all members of RSO PT, uniting all organizations through coming regulated by a same set of principles. Members lose the link with RSO PT if they reveal unethical behaviour or put into question the principles of CSR stated in the Charter of Principles.

Furthermore, social responsibility is not considered as mere compliance with the legal obligations of the partners. In accordance, it includes the whole set of activities and processes developed by RSO PT member organizations which are observable by the community. In this sense, the measurement of the activities in the network is closely related to the following eight indicators: i) number of products launched; ii) number of new members; iii) new working groups established; iv) number of received invitations to participate in events; v) number of invitations received from entities that are not members of the RSO PT; vi) newsletter downloads; vii) number of visits to the RSO PT website; and viii) metrics related to the interaction on Facebook.

Regarding future, RSO PT plans to continue as an informal structure of organizations sharing common goals and strengthening strategies to ensure social responsibility. It considers crucial to strengthen the relationship between partners, stakeholders and society, and desirable that its members consolidate internal processes and interrelationships that can contribute to the development of broad partnerships and projects in the field of CSR. RSO PT also aims the reinforcement of its role as facilitator and disseminator of CRS good practices in organizations and in community to influence future practices and behaviours.
3. Concluding remarks

The case study under analysis relates to an example of good practices on partnership among companies, public sector bodies and non-profit organizations to stimulate sustainable strategies to promote CSR. The most active members of RSO PT tend to share the view that this network has developed an important role in the dissemination and implementation of good practices. The products and activities developed by RSO PT received favourable reviews from non-partners and community.

RSO PT faces major challenges. Firstly, its governance model is difficult to implement and manage and requires frequent adjustments and reflections to implement new improvements suitable with the challenges of the society and globalization. Secondly, it is hard to attract new members, and this is an important factor of sustainability in RSO PT. In this sense, the capacity to enlarge the net of partners allows the reinforcement of the links and improves the possibility to influence organizations and community to the implementation CSR practices.

The case study also suggests that large organizations tend to reveal, in a general sense, a lower involvement in network initiatives than the smaller ones. This maybe because large organizations tend to be more focused on their own CSR agenda than in the RSO PT activities. The agendas of the working groups in the network require the adoption in RSO PT of more effective communication processes. In fact, a more robust design of communication processes will contribute to the promotion of interaction among partners and will also highlight visibility and dissemination of CSR activities.

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