

## Circular Economy and Corporate Social Responsibility

Progressively the consumers are awake for social and environment responsibilities as individuals and as part of vast interrelated organisations. Both terms of Circular Economy and Corporate Social Responsibility (CSR) are quite old, dating both to the 50's. After long years of debate, CSR is defining as to strategies that companies must put into action as part of corporate governance that are designed to ensure the company's operations are ethical and beneficial for society, while Circular Economy is characterized as "based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems."



The potential benefits of shifting to a circular economy extend beyond the economy and into the natural environment. By designing out waste and pollution, keeping products and materials in use, and regenerating rather than degrading natural systems, the circular economy represents a powerful contribution to achieving global climate targets. In similar ways, successful CSR initiatives take organisations beyond compliance with legislation and leads them to honour ethical values and respect people, communities and the natural environment. CSR is sustainable in the sense that involving activities that organisation can maintain without adversely affecting business goals.

Both topics are crucial for the awareness of not only individuals, but as well large corporates, SMEs and micro enterprises that make every effort to be both sustainable and social just, and so aim to receive certain certifications, as a proud badge. With the increase of the importance of sustainable processes and products, is witness an increase of greenwashing as well, that is when organisations actions aren't for environmental interests and sustainable development, but for the construction of a positive public image of "environmentally friendly" which is not consistent with the real, negative and environmental degradation management.



Reason why, certifications such as Global Recycle Standard, Reach, B Corporations and Fairtrade are so important, since they have in place the procedures to evaluate that organizations and business meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

Nowadays, society is on the verge of transition to more empowerment of the consumer to revendicate towards large corporations to follow sustainable and social regulations. Consumers and individuals look more and more for said certification as a sign of trust and continuous investment in those organisations or products, which represents the ability to influence the actions of multinationals and local business. Both terms are already and will continue transforming economies, corporations, and individuals, Enso Group strives to participate in such positive change and motivates you to do so.

### Sources:

Valor, C. (2005). Corporate social responsibility and corporate citizenship: Towards corporate accountability. *Business and Society Review*, 191–212.

<https://www.ellenmacarthurfoundation.org/circular-economy/what-is-the-circular-economy>

<https://corporatefinanceinstitute.com/resources/knowledge/other/corporate-social-responsibility-csr/>

<https://bcorporation.net/about-b-corps>