

Theme: From Extra to Essential

2022 was a transition year. Beset by the COVID-19 pandemic, we marshaled our resources and leveraged our networks to work towards a more secure, sustainable, and stable future.

Fast forward to the present: our hard work has begun to pay off, and we are now rising from the ashes of the pandemic with renewed energy and hope. But old challenges have not been fully addressed, and new challenges are rearing their heads.

The pandemic has intensified issues of climate change and food security, and the need for disaster-proofed resilient communities and relevant future-ready education for Filipino children has become more pressing than before.

As before, we turn to Corporate Social Responsibility (CSR) to help us better integrate concerns of sustainability and accountability in our day-to-day work. CSR is a management concept that integrates social and environmental concerns of the community into business operations and interactions with various stakeholders. It helps companies become more aware of the impact they are having on society, including in the social, economic and environmental spheres—and paves a way for companies to become socially accountable to themselves, their stakeholders, and the public at large.

Environment, Social and Governance (ESG) reporting also comes to the fore. ESG reporting refers to the non-fiscal performance of publicly-listed enterprises towards environmental, social, and governance factors in the Philippines. It is a framework that takes a holistic view by helping stakeholders understand that sustainability has social and governance aspects and thus extends beyond just environmental issues. ESG takes CSR forward by providing a measurable assessment of companies' sustainability—through determining the assessable outcome of a company's sustainability performance.

Sustainability and environmental considerations are significant components in today's corporate space. Recently, the Philippines has established laws and regulations aimed at improving the corporate sector's environmental and sustainability practices through making reporting mandatory. In February 2019, the Securities and Exchange Commission (SEC) released [Memorandum Circular No. 04](#) requiring publicly-listed companies in the Philippines to assess, manage, and submit a report on the performance of environmental, social, and governance aspects of their organization. And along with the regular annual reporting, the SEC has also been requiring enterprises, on a “comply and explain” basis, to attach sustainability reports starting 2020.



But the imperative for CSR and ESG transcends mere regulation. CSR and ESG are two sides of the same coin: while CSR helps businesses stay true to their social commitments, ESG helps companies quantify and measure these social efforts and commitments. Both CSR and ESG are thus direly needed in a country like the Philippines, which struggles with corruption, widespread poverty, unequal distribution of wealth and opportunity, subpar infrastructure, and environmental degradation—all of which have added complexity to life during the pandemic.

This year's CSR Expo theme, "From Extra to Essential", takes last year's theme forward by underscoring that, for the corporate sector to be on the right path towards sustainability, good and accountable citizenship and responsible stewardship of the environment are an imperative.

The theme is a rallying cry for the League of Corporate Foundations to lead and challenge the business sector to ensure not just compliance to the law, but also the full embodiment of the principles of good corporate citizenship through accountable governance that ensures the sustainability of the country's ecosystems.

The 2023 CSR Expo will elucidate the need, the requirement and value for both CSR and ESG Reporting, and spotlight the fact that both are necessary, particularly in the Philippine context.