

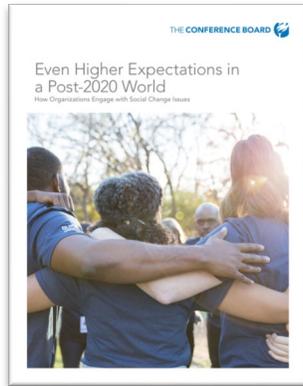


How Companies Can Navigate Difficult Social Issues



A Proud History of Helping Firms Fulfill their Social Responsibilities

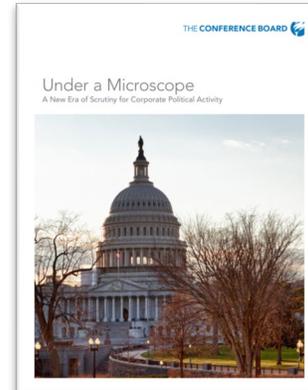
A Collaborative Focus on How They Can Address Today's Social Issues



[Even Higher Expectations in a Post-2020 World: How Organizations Engage with Social Change Issues](#) (HC, 2020)



[Higher Expectations: How Organizations Engage in Social Change Issues](#) (HC, 2019)



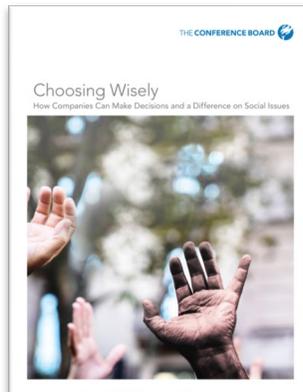
[Under a Microscope: A New Era of Scrutiny for Corporate Political Activity](#) (ESG, 2021)



[Corporate Political Activity: Addressing Rising Risk in a Midterm Election Year](#) (ESG, 2022)



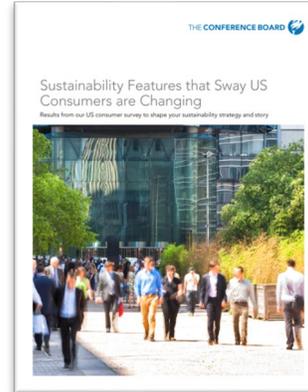
[Insights for Investors and Companies in Addressing Today's Social Issues](#) (ESG, 2020)



[Choosing Wisely: How Companies Can Make Decisions and a Difference on Social Issues](#) (ESG, 2021)



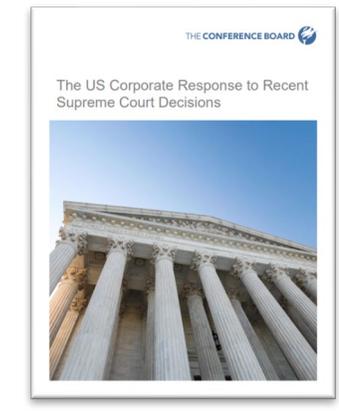
[Toward Stakeholder Capitalism](#) (All Centers, 2021)



[Sustainability Features that Sway US Consumers are Changing](#) (M&C, 2022)



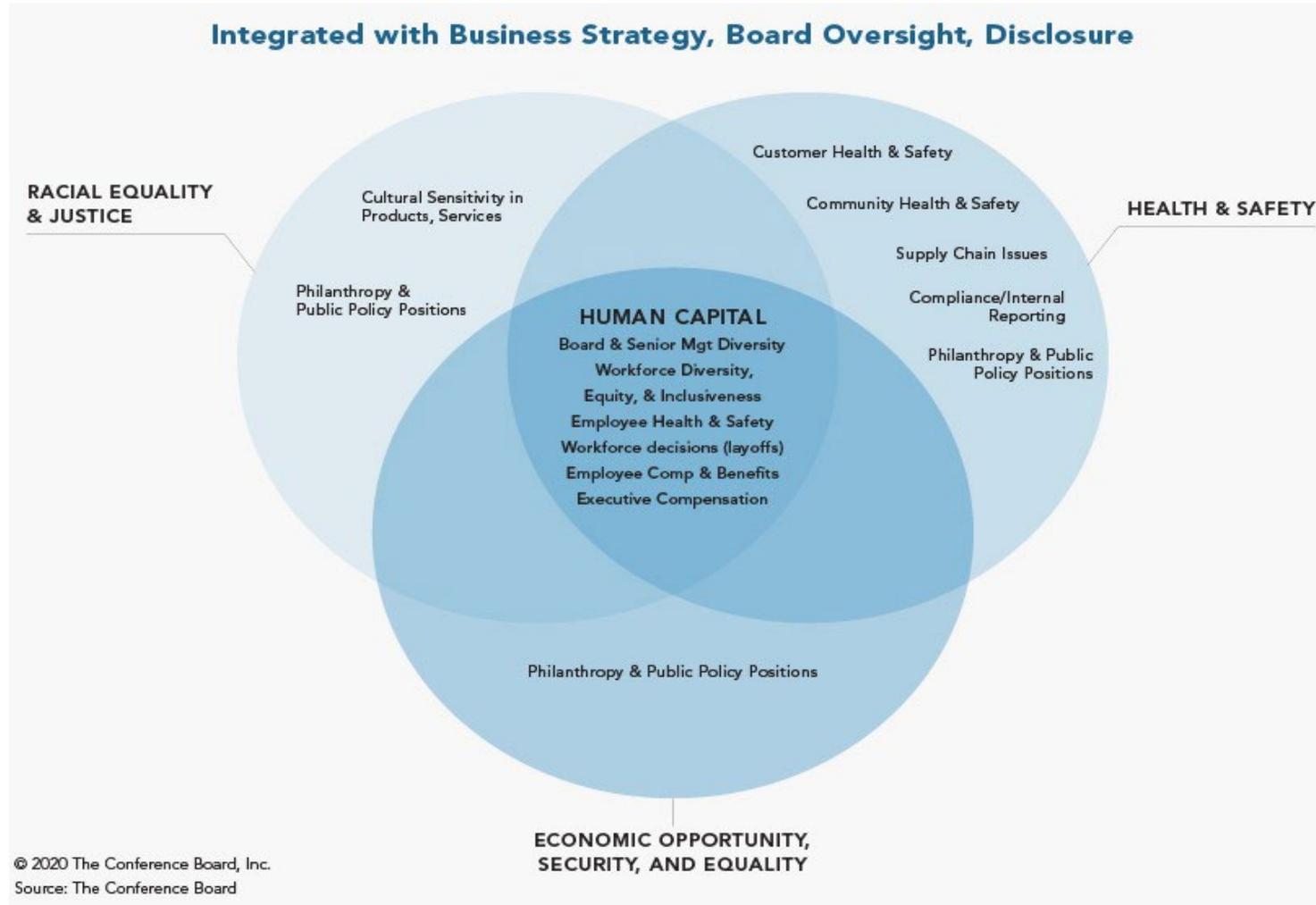
[C-Suite View of Volatility, War, Risks, and Growth for Global Business](#) (All Centers, 2022)



[The US Corporate Response to Recent Supreme Court Decisions](#) (All Centers, 2022)



Investors Want Companies to Focus on Social Issues Via Workforce

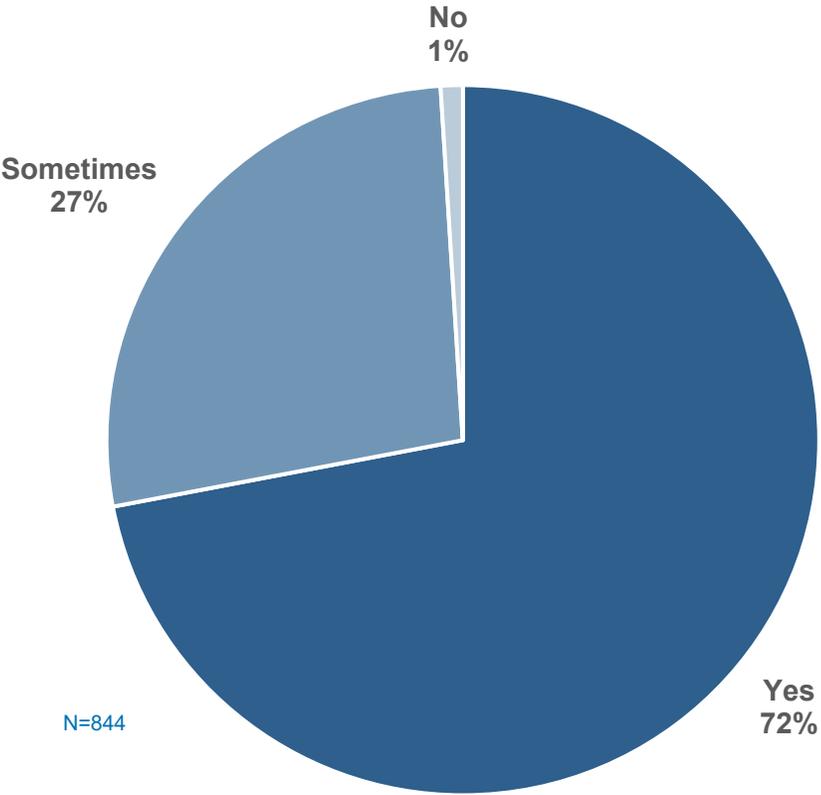


Source: [Insights for investors and companies in addressing today's social issues](#), The Conference Board, 2020. and [Brave New World: Creating Long-Term Value through Human Capital Management and Disclosure](#), The Conference Board, 2020

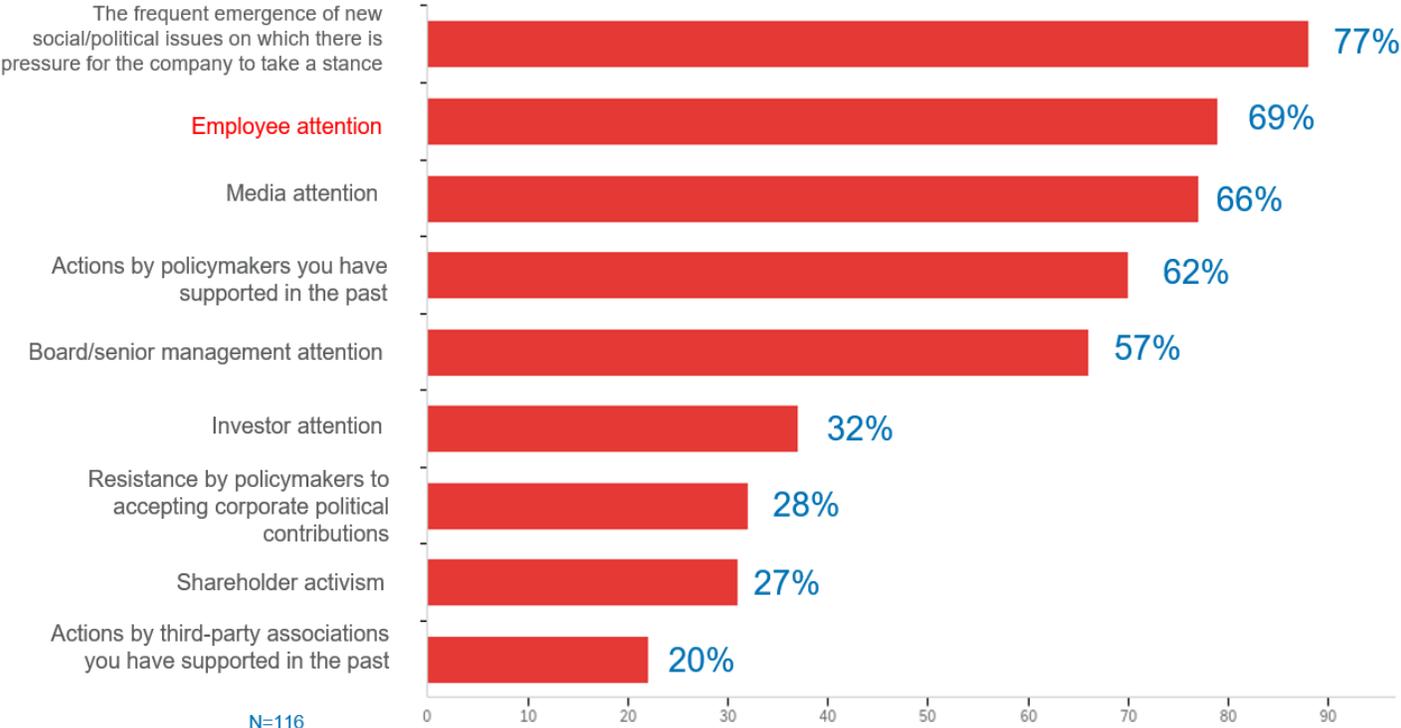


Employees Bring Expectations and Scrutiny to the Table

Do you think organizations should respond to social change issues?



If your organization found the 2021 political environment at least somewhat challenging, what factors contributed to this?



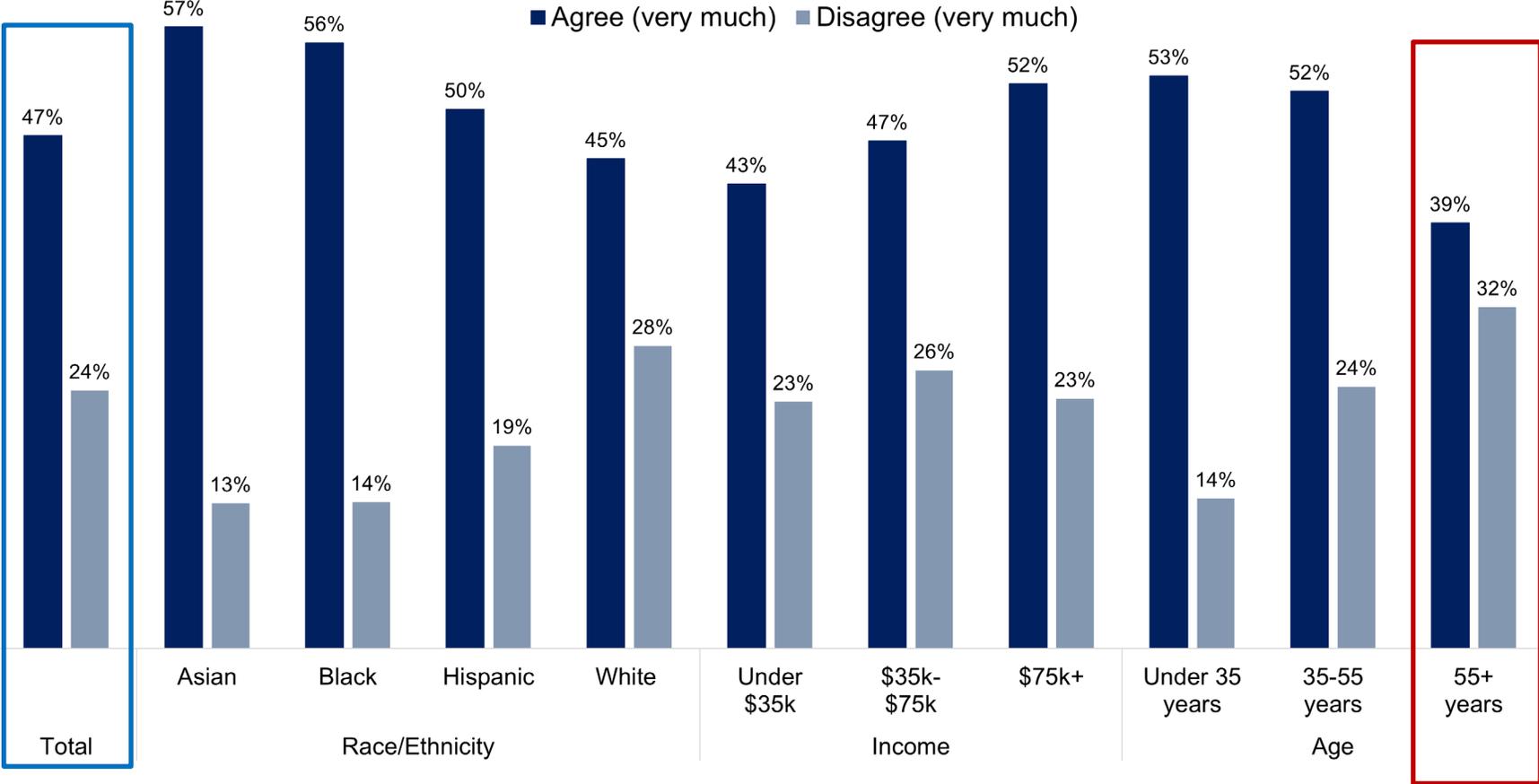
Source: [Higher Expectations: How Organizations Engage with Social Change Issues](#)

Source: [Survey by The Conference Board of Government Relations Executives, November 2021](#)



Young, non-white, higher-income consumers favor corporate social involvement the most

US consumers' opinion about whether companies should actively involve themselves in important social and political issues through words and action

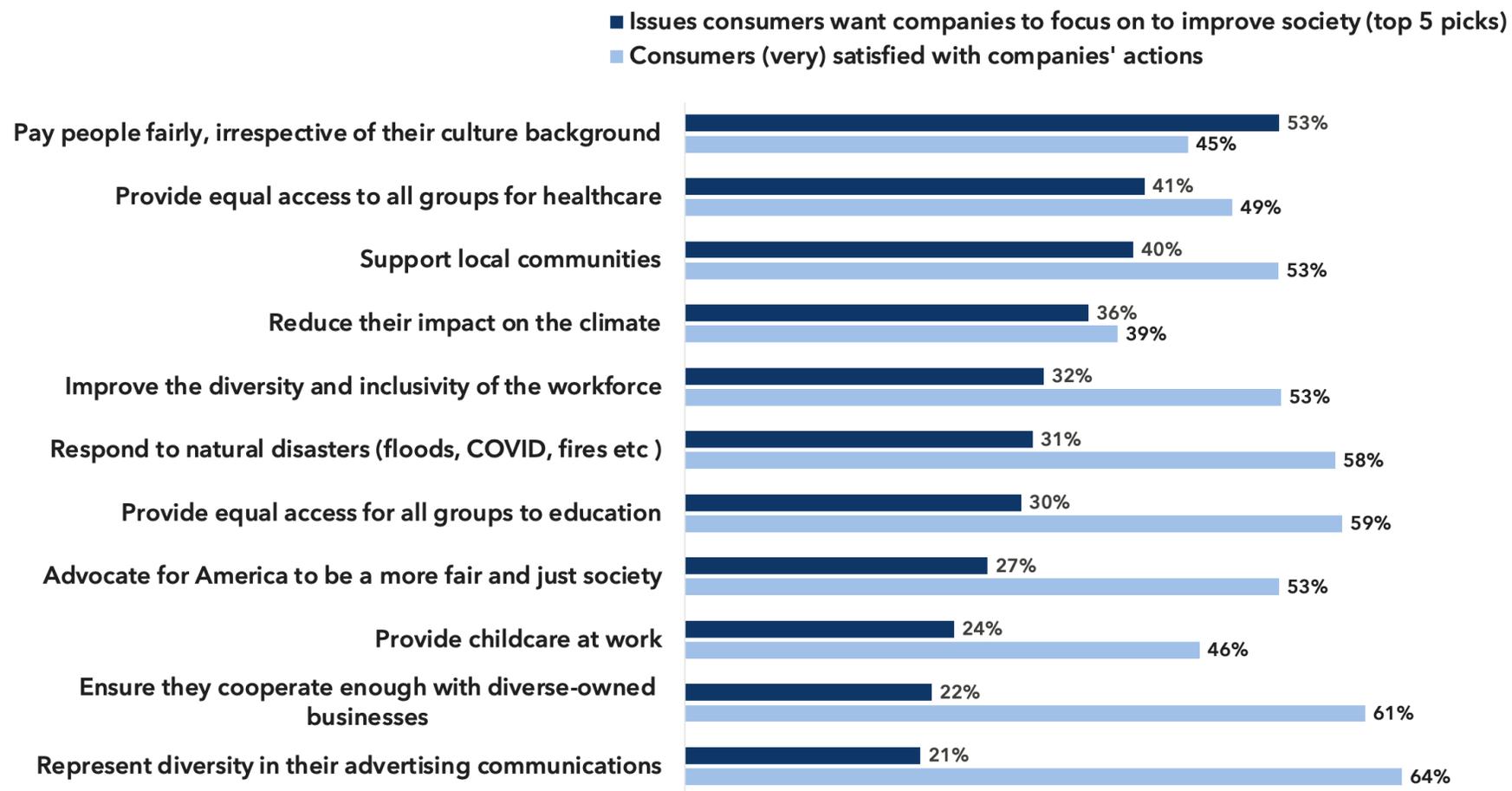


Source: Multicultural Consumer Survey Q2 2022, The Conference Board, 2022

Brands' Engagement in Social Issues Presents Marketing and Communications with Additional Responsibilities, The Conference 2022, <https://www.conference-board.org/publications/Q2-2022-brands-engagement-in-social-issues>



Equitable pay and health care top US consumers' wish list for corporate action

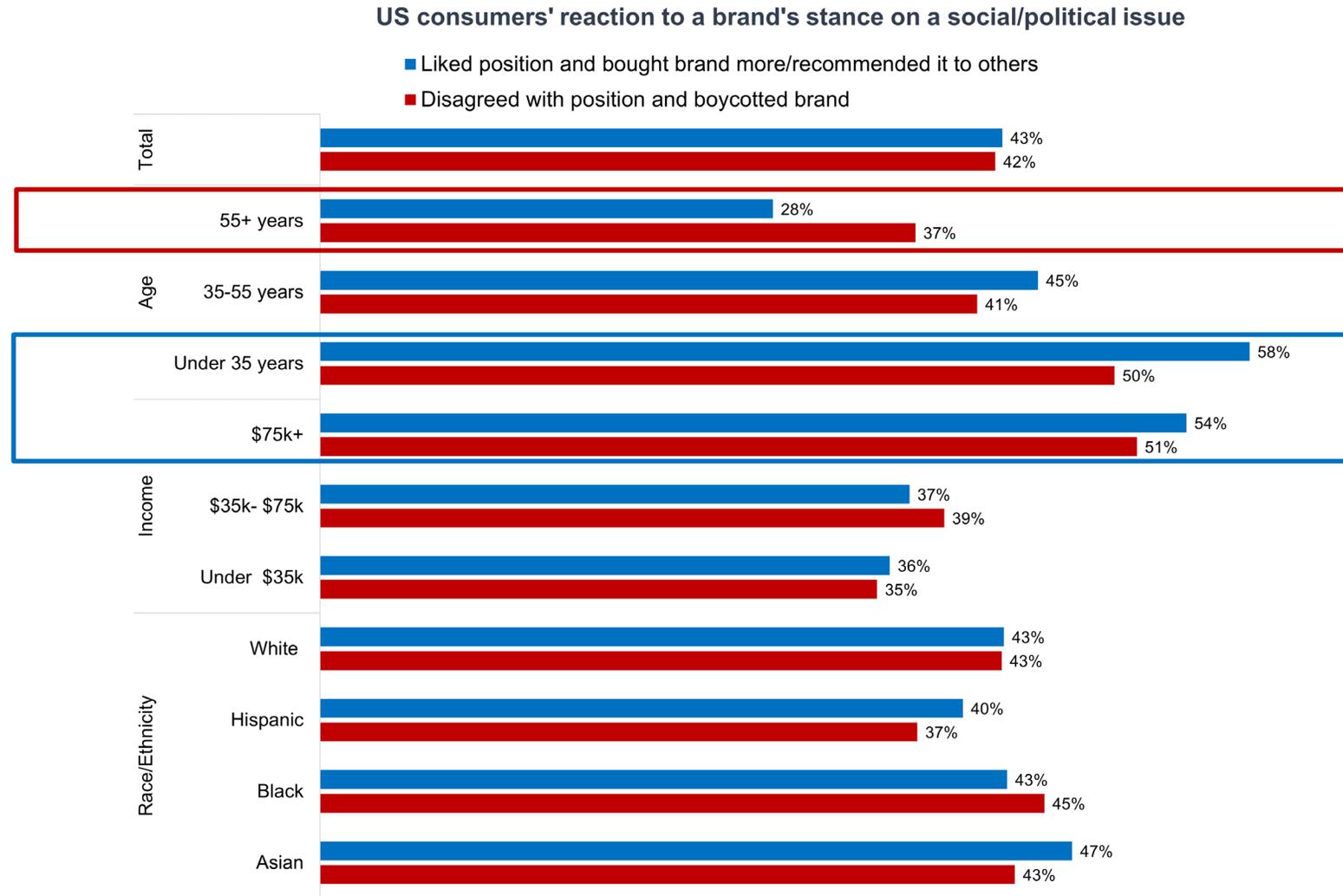


Source: Multicultural Consumer Survey Q2 2022, The Conference Board

Equitable Pay and Health Care Now Top Consumers' Wishlist for Corporate Social Initiatives, The Conference 2022, <https://www.conference-board.org/publications/consumer-wish-list>



Taking a stance helps overall, but not with some groups



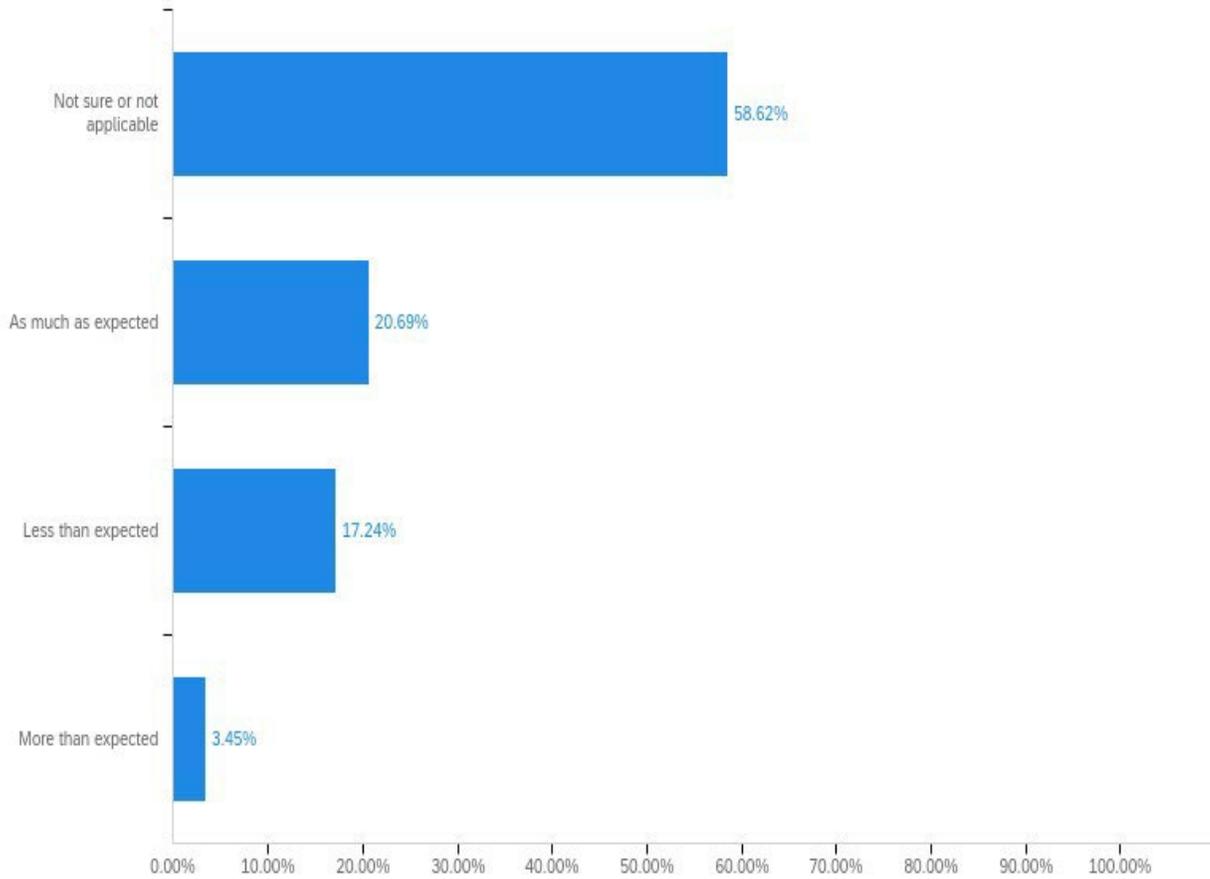
Source: Multicultural Consumer Survey Q2 2022, The Conference Board, 2022

Brands' Engagement in Social Issues Presents Marketing and Communications with Additional Responsibilities, The Conference 2022, <https://www.conference-board.org/publications/Q2-2022-brands-engagement-in-social-issues>

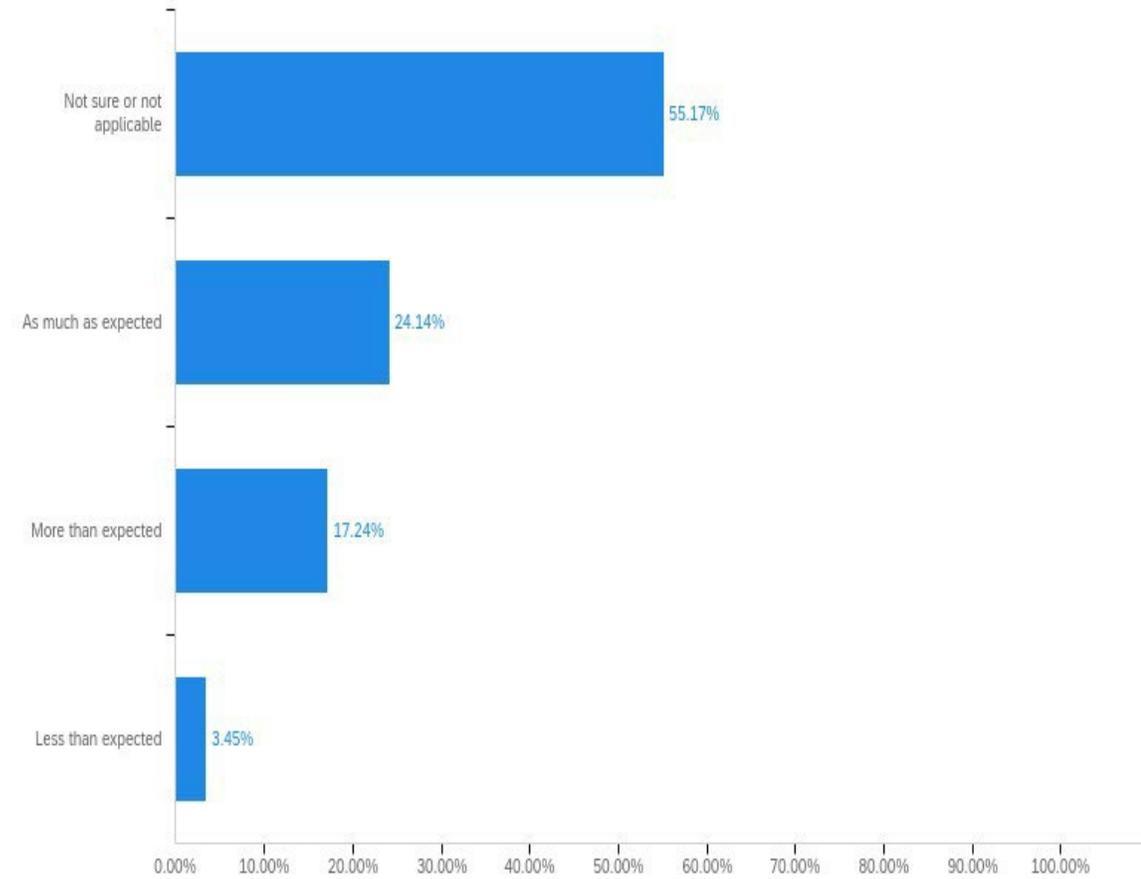


Companies Generally Don't Know If Taking a Stand Was Beneficial or Harmful

To what extent has your company faced negative consequences from taking a stand on social issues?



To what extent has your company benefited from taking a stand on social issues?



Source: [Choosing Wisely: How Companies Can Make Decisions and a Difference on Social Issues](#), The Conference Board, 2021.



Insights for Our Members for Deciding Whether and How to Respond

■ Whether?

■ Consistent Criteria

- ✓ Alignment with company's core values
- ✓ Connection between issue and business
- ✓ Internal and external expectations
- ✓ Significance of issue to society
- ✓ Incremental impact company can have
- ✓ Connection with existing CSR/Sustainability program

■ Clear process

- ✓ Have core group (e.g., communications, HR, legal)
- ✓ Consult more broadly as appropriate (business units, regional/international, ERGs)
- ✓ CEO tends to make final decision
- ✓ Avoid surprises with board

How?

✓ Levels

- Public leadership
- Public engagement/education
- Engage through employees
- Engage through third parties

✓ Considerations

- Prior track record
- Resources
- Ability to follow through



Lessons Learned on What to Do When Responding . . . Or Not

When Responding

- Empathy: what may be “new” to you is a way of life to others
- Inclusion: Ground company’s position in company’s values, not partisan or “charged” language
- Tailoring: Consult with regional/international leadership on how to present
- Follow through: Decide how to follow through *before* taking a stand
- Assess impact: Through surveys, data-based analyses, etc.
 - ✓ Gauge *reaction of stakeholders*
 - ✓ Measure *impact on issue*

When Not Responding

Engage

- ✓ Listen
- ✓ Explain
- ✓ Adjust

Emphasize other ways to address issue

