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CORPORATE SOCIAL RESPONSIBILITY IN CONTEMPORARY CONTEXTS: STRATEGIC MANAGEMENT, ESG, AND DIGITAL TRANSFORMATIONS

In the 21st century, corporate social responsibility (CSR) has emerged as a strategic instrument for business development. While CSR was traditionally viewed primarily as a form of corporate philanthropy, it has now become a cornerstone for long-term planning, risk management, and the enhancement of reputational capital. Companies that embed social, environmental, and governance principles into their core business processes are able to secure sustainable competitive advantages, attract investment, and mitigate regulatory risks. The transformation of CSR from a voluntary philanthropic activity to a strategic imperative reflects broader societal shifts, including heightened public awareness of climate change, growing demand for corporate transparency, and the rising importance of ethical consumption. Organizations are now expected to anticipate risks, demonstrate social accountability, and actively contribute to the well-being of the communities in which they operate

CSR constitutes a fundamental element of strategic management, as it helps reconcile a company's economic objectives with the expectations of its stakeholders. Freeman's stakeholder management framework [1, p. 25] is now further reinforced by contemporary demands for transparency, accountability, and sustainable development.

Notable studies by Carroll [2] and Porter and Kramer [3] have demonstrated that the strategic integration of CSR generates "Creating Shared Value," where profitability is aligned with social impact. In practice, this often requires cross-departmental collaboration to ensure that CSR initiatives are aligned with operational goals, marketing strategies, and corporate governance structures.

The contemporary stage of CSR development is characterized by several key trends [4; 5; 6]:

ESG integration and double materiality are among of the most important trends in CRS practices. Companies are incorporating Environmental, Social, and Governance (ESG) indicators into their KPI systems, making sustainability an integral part of corporate strategy. Investors increasingly rely on ESG ratings to guide capital allocation decisions, making these indicators critical for attracting funding and partnerships.

Regulatory transformation is necessary for smooth and transparent process and implementation of CSR and human rights protection. The EU Corporate Sustainability Reporting Directive (CSRD) [4] establishes new reporting requirements, while mandatory Human Rights Due Diligence (HRDD) [5] introduces legal liability for human rights violations in supply chains. Regulatory initiatives such as the EU Corporate Sustainability Due Diligence Directive (CSDDD) aim to ensure that companies identify, prevent, and mitigate human rights violations and environmental harm across their operations and suppliers. The new European Sustainability Reporting Standards (ESRS) provide detailed guidance on topics, methodologies, indicators, and reporting formats. Smaller companies are now also encouraged to adopt proportional reporting mechanisms to contribute to supply chain transparency.

Decarbonization, Biodiversity, and Climate Risk are of necessary consideration as of the main objectives of the corporations is to follow the Sustainable Development Goals according to Agenda 2030. Within the framework of the European Green Deal, companies are actively developing strategies to reduce CO₂ emissions, optimize resource use, and implement clean technologies. Beyond minimizing carbon footprints, companies increasingly focus on preserving biodiversity, natural ecosystems, nature-based solutions, and adapting to climate change. These strategies often involve innovative collaborations with NGOs, governmental agencies, and local communities to achieve measurable environmental outcomes.

Digitalization and AI are an integral part of the modern world and the civilizational development. The use of artificial intelligence, big data, and blockchain is becoming crucial for monitoring ESG metrics, identifying risks, and enhancing reporting transparency.

Shift in Management Paradigm is about adjusting management models to the up-to-date business environment development. Businesses are gradually transitioning from short-term financial goals to long-term models of shared value creation, where financial sustainability is integrated with environmental and social responsibility.

ESG and Human Capital Interconnections are fulfilled in the fact that ESG practices positively influence employee well-being, motivation, retention, and productivity. Governance practices often mediate these effects. Strong social practices help attract and retain talent, which is essential for long-term development. Moreover, employee participation in CSR programs can strengthen internal culture and foster a sense of purpose, further improving organizational performance.

Transparency, Reporting, and Combating Greenwashing. Reports from the first half-year of CSRD implementation [4] indicate that companies are providing more detailed information on emissions, resource use, water consumption, biodiversity impacts, and social aspects. Regulators and consumers require evidence and audits of these data, verification of claims, and sanctions for false or

misleading statements (greenwashing).

Stakeholders and Societal Pressure. Consumers, employees, and investors increasingly expect not only declarations but real actions, including transparency, ethics, inclusivity, and fairness. Attention is also paid to regional and cultural variations in stakeholder expectations.

Integrating CSR into Corporate Strategy is one of the company's priorities. This involves identifying key stakeholders and their expectations, developing policies on environmental protection, human rights, supply chain ethics, and corporate governance, implementing impact assessment systems (SROI, ESG metrics), and training personnel while fostering an internal culture of responsibility. Companies that have already adopted these principles demonstrate increased investment attractiveness and reduced operational risks.

Nowadays, corporate social responsibility is a strategic necessity rather than an option. It shapes a new business model where economic efficiency is combined with social justice and environmental sustainability. By 2025, key priorities include ESG integration, compliance with CSRD and HRDD, digital transparency, and developing human resources capable of implementing sustainable development values. Looking ahead, companies that embed CSR into their strategic DNA are better positioned to respond to societal expectations, regulatory developments, and emerging market opportunities. As global challenges such as climate change, social inequality, and digital disruption continue to intensify, the integration of CSR will increasingly define corporate resilience, reputation, and long-term competitiveness. Strategic CSR is not only a measure of ethical responsibility but also a driver of innovation, efficiency, and sustainable growth in an interconnected world.

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