

Abstract:

In the last week of September 2015, German car giant Volkswagen AG was found to have used sophisticated software in order to mislead emission tests for almost 500,000 diesel cars for its model year 2009 to 2015 in US. If the corporate behaviour towards social concerns managed effectively, these enhance brand image and firm reputation, thereby opening global opportunities for sustainable profitable business and create value for stakeholders. Given this business environment, social responsibility in business must be central to global risk mitigation strategies in multinational firms. In addition to enhancing public image, environmental strategies anticipate an international framework that increases the economic cost of carbon emissions.