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<td>1(a)</td>
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Define the term mission statement.
Indicative content
Responses may include:
AO1 Knowledge and understanding
Clear understanding (2 marks)

A business statement/sentence/document (1) that sets out the purpose/goals/aims/values of a business (1), an example is often given – ‘To be carbon neutral by 2030’ (1)

Partial understanding (1 mark)

What a business stands for (1)
The goals/values of a business (1)

Accept all valid responses.
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<td>1(b)</td>
<td>
Explain <u>one</u> disadvantage to a business of having corporate social responsibility (CSR) as a business objective.
There are 3 marks for this question – 1 mark for knowledge and understanding and 2 marks for application/explanation
Indicative content
Responses may include:
AO1 Knowledge and understanding – 1 mark for identifying one disadvantage of CSR as a business objective

May add to business costs
May reduce profits
May result in stakeholder conflict
Business operations more transparent
Business may be deflected from bottom line objective
Competitors may take advantage

AO2 Application
2 marks for a developed APP of one disadvantage of CSR as a business objective
1 mark for a limited APP of one disadvantage of CSR as a business objective

CSR objectives may well involve additional costs for a business – profit not the sole objective.
CSR objectives may well mean stakeholder conflicts – shareholders concern for maximum dividends versus management commitment to ethical suppliers.
CSR businesses are in the public eye and likely to be scrutinised for all that they do – subject to criticism over the smallest acts or operations.
CSR implies more accountability and responsibility and requires sustainable actions – rather than ‘window dressing’ PR campaigns.
Sustainable resources may be more expensive
CSR companies may lose sight of their fundamental commercial/economic role as business organisation

Accept all valid responses.
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Answer	Marks
AO2 Application • The objectives of a business may include survival, growth, market domination, profit and the pursuit of any of these may well involve ethical dilemmas. • Ethical decisions will be required when pressures or demands develop which suggest that business performance can be improved through unethical actions. **AO3 Analysis** • A business may decide not to engage in unethical practices such as employing child labour, using inferior raw materials, engaging in questionable advertising or promotion activities. • A business could reject cheap production methods that pollute the environment and add to social costs. • A business could decide to be more responsible and avoid locating in countries with low inferior employment conditions. • A business could avoid supplying or promoting products that might damage health. • A business could avoid exploiting suppliers and develop strong, more trusting partnerships. • A business could subscribe to corporate socially responsible practices and objectives. • Such ethical decisions and practices will likely build and maintain a positive reputation and prevent financial and legal problems. • A commitment to ethical business activities will enrich the business culture and encourage more productive relations between customers, managers, and employees. Accept all valid responses.	
AO1	1
AO2	2
AO3	2