



Advancing Innovation, Collaboration and Public Policy for the Future We Want

Executive Summary (as of 15:00h BRT, 18 June 2012)

The United Nations Conference on Sustainable Development – known as Rio+20 – aims to put the world on a more sustainable course, in the environmental, social, economic and governance spheres. Rio+20 is an opportunity to foster a stronger sense of shared purpose and collective responsibility between all actors – governments, corporations, investors, citizens, consumers, workers and educators – in order to move from the status quo toward a more sustainable future.

Business plays a vital role in this endeavour, through corporate sustainability – defined as a company's delivery of long-term value in financial, social, environmental and ethical terms.

While responsible business is a complement to, and never a substitute for, government action, it has great potential to help advance sustainable development on a broad scale in line with the Rio+20 agenda. Collaborative and solution-oriented engagement by the private sector can help launch widespread action in support of sustainability. Such actions, including foreign direct investment aligned with universal sustainability principles, can be an important complement to official development assistance in achieving UN objectives.

Progressive and promising work is underway. Transformative solutions by business exist with the ability to have profound impacts on areas including energy and climate, water, biodiversity, agriculture and food, corruption and gender equality. And business is increasingly moving into innovative and new opportunity spaces that drive corporate and investor success while delivering societal value, such as helping to lift people out of poverty through social enterprise or developing green products and processes.

Despite positive developments and shifting trends, corporate sustainability as practiced today is insufficient – a quantum leap is needed. With the right incentives and enabling environments, the private sector can make significant and lasting contributions to the sustainable development agenda – in Rio and beyond.

To that end, the Rio+20 Corporate Sustainability Forum was convened from 15 to 18 June 2012 to provide a launching ground for greater private sector and investor involvement in sustainable development, and to call on governments to take steps that would support corporate sustainability globally.

The Role of Corporate Sustainability

Two decades ago when the United Nations hosted the Earth Summit in Rio, few companies were exploring the notion of sustainable business and the long-term impacts of their operations on the environment and society. Today, there are thousands of companies advancing corporate sustainability through a number of global initiatives.

The UN Global Compact is the world's largest corporate sustainability initiative, with nearly 7,000 business signatories from 135 countries, in addition to thousands of other stakeholders. Each business participant has committed to align their strategies and operations with universal principles in the areas of human rights, labour, environment and anti-corruption, and then report publicly on their progress. Other key business- and investor-oriented organizations include the Global Reporting Initiative (GRI), the World Business Council for Sustainable Development (WBCSD) and the UN-backed Principles for Responsible Investment (PRI).

Despite progress, corporate sustainability has not penetrated the majority of companies around the world, nor have we seen the depth of action needed to address the most pressing challenges. To reach scale, economic incentive structures must be realigned so that sustainability is valued and profitable.

Businesses and other stakeholders are calling on governments to meet their own sustainability obligations and to help provide better enabling environments for companies to make their own contributions to sustainable development. Increasing the scale and intensity of sustainability efforts globally also requires the involvement of companies that have yet to embrace corporate sustainability and responsibility, the motivation of less advanced companies to deepen their commitment and efforts, and the inspiration of front runners to lead the way to the next generation of sustainability performance.

Rio+20 Corporate Sustainability Forum

In the days before the UN Conference on Sustainable Development, the Rio+20 Corporate Sustainability Forum convened nearly 3,000 participants – approximately half from the business and investor community and half from civil society, academia, cities, government and the United Nations.

The Forum comprised nearly 120 sessions focused along six thematic tracks aligned with top priorities of the Rio+20 conference: Energy & Climate, Water & Ecosystems, Agriculture & Food, Economics & Finance of Sustainable Development, Social Development, and Urbanization & Cities. The sessions were organized by the UN Global Compact Office, over 35 UN and strategic partners, and more than 20 Global Compact Local Networks.

Through the Forum, the UN Global Compact and its partners aimed to accomplish the following key outcomes:

1. *Prove that corporate sustainability is an essential element in achieving sustainable development, and underscore the urgent need for the UN to engage the private sector as a key partner.*
2. *Demonstrate that principle-based platforms and transformative partnerships are advancing critical issues – including sustainable energy, climate, water, food, women's empowerment, children's rights and good governance – with enormous potential to produce results if greater scale is achieved.*

3. *Highlight that there can be no sustainable development without respect for human rights*, and that, while the primary responsibility for ensuring their promotion and protection lie with governments, businesses have an independent responsibility to respect human rights.
4. *Showcase leading technological and social innovations*, emphasizing that many solutions to sustainability challenges already exist and can be more widely adopted with the right level of support, particularly from governments and investors.
5. *Show Global Compact Local Networks to be robust platforms for local business action*, with over 20 networks hosting sessions at the Forum. Of the 101 networks in place, a growing number are emerging as sustainability hubs, indicating that they have significant capacity to support participants and mobilize collective action.
6. *Demonstrate the critical influence of other stakeholders – including investors, stock exchanges, business schools and universities, and cities – in stimulating corporate sustainability*. Sessions held at the Forum by these groups – for example the Principles for Responsible Investment and the Principles for Responsible Management Education – aim to bring scale to their work.
7. *Motivate a rising number of companies to commit to universal sustainability principles and report on performance, as advanced by the UN Global Compact*.
8. *Mobilize a large number of commitments to action and partnerships by companies and other stakeholders*. To ensure these commitments translate into impactful actions, only those that have clear targets and commit to annual public progress reports have been accepted. The UN Global Compact has designed and managed this process whereby UN entities, as well as outside partners such as the World Business Council for Sustainable Development, can funnel commitments through business.un.org, the UN-Business Partnership Gateway.
9. *Provide inspiration and encouragement to governments to transition to a green economy, and to take steps to support responsible business practices globally*.

The Corporate Sustainability Forum served as a launching ground for hundreds of new activities, resources and commitments to action by individual businesses, multiple companies, and public-private partnerships, including:

- Approximately **200 commitments to action** announced by companies during the Forum, representing both individual and collective actions, in social, economic and environmental areas. Commitments will be documented in the forthcoming Rio+20 Corporate Sustainability Forum Overview (to be released 21 June 2012), as well as featured on the UN-Business Partnership Gateway website at business.un.org.
- The launch of a new corporate policy framework to assist companies in the development, implementation and disclosure of policies and practices related to **ecosystems and biodiversity**.
- The launch of a **social enterprise investment framework**, designed for large corporations, institutional investors and governments interested in incubating and scaling up for-profit startups and small enterprises with social and environmental missions.

- The announcement by the UN Global Compact and a group of companies and stakeholders in the food and agriculture sector committed to champion the development of global **voluntary business principles on good practice and policy for sustainable agriculture** – to develop a common understanding and agreement on what resources and impacts are needed to transform markets and agricultural supply systems.
- The release of a special Communiqué by 45 chief executive officers to governments on the importance of **achieving global water sustainability**, including examples of corporate commitments and actions and public policy recommendations needed to achieve this goal.
- Over 70 businesses, governments and international organizations endorsed the **Green Industry Platform**, an initiative to mainstream environmental and social considerations into corporate operations through efficient use of energy and raw materials, innovative practices and applications of new green technologies.
- The introduction of a global **Water Action Hub**, the world's first online platform that will unite companies, governments, civil society organizations and other stakeholders on water management projects at the local and catchment levels.
- The launch of a new platform to advance transparency and disclosure on gender equality issues in business by the **Women's Empowerment Principles** (WEPs), which are now endorsed by over 400 chief executives worldwide.
- The release of a corporate best practices guide on **Sustainable Energy for All** including priority actions and enablers for success across 19 industry sectors.
- Commitment by five **stock exchanges**, collectively listing over 4,600 companies, to promote sustainable investment – a first step towards a larger global call by stock exchanges for sustainability disclosure and performance by listed companies.
- A call by investors for **integration of sustainability issues within annual reports** of all listed and large private companies.
- Chief executives of 37 banks, investment funds, and insurance companies submitted a **Natural Capital Declaration** aimed towards integrating natural capital considerations into their products and services.
- The release of a **Declaration for Higher Education Institutions**, endorsed by over 60 major business schools and universities around the world committed to incorporating sustainability issues into teaching, research, and their own management and organizational activities.

The full Rio+20 Corporate Sustainability Forum Overview, to be presented to the UN Secretary-General on 21 June 2012 during the UN Conference on Sustainable Development, will outline leading corporate practices in key sustainability areas – and the wide spectrum of ideas presented at the Forum on innovations, collaborations and public policy recommendations – as well as an appendix of approximately 200 commitments to action announced by corporate leaders and other participants.