



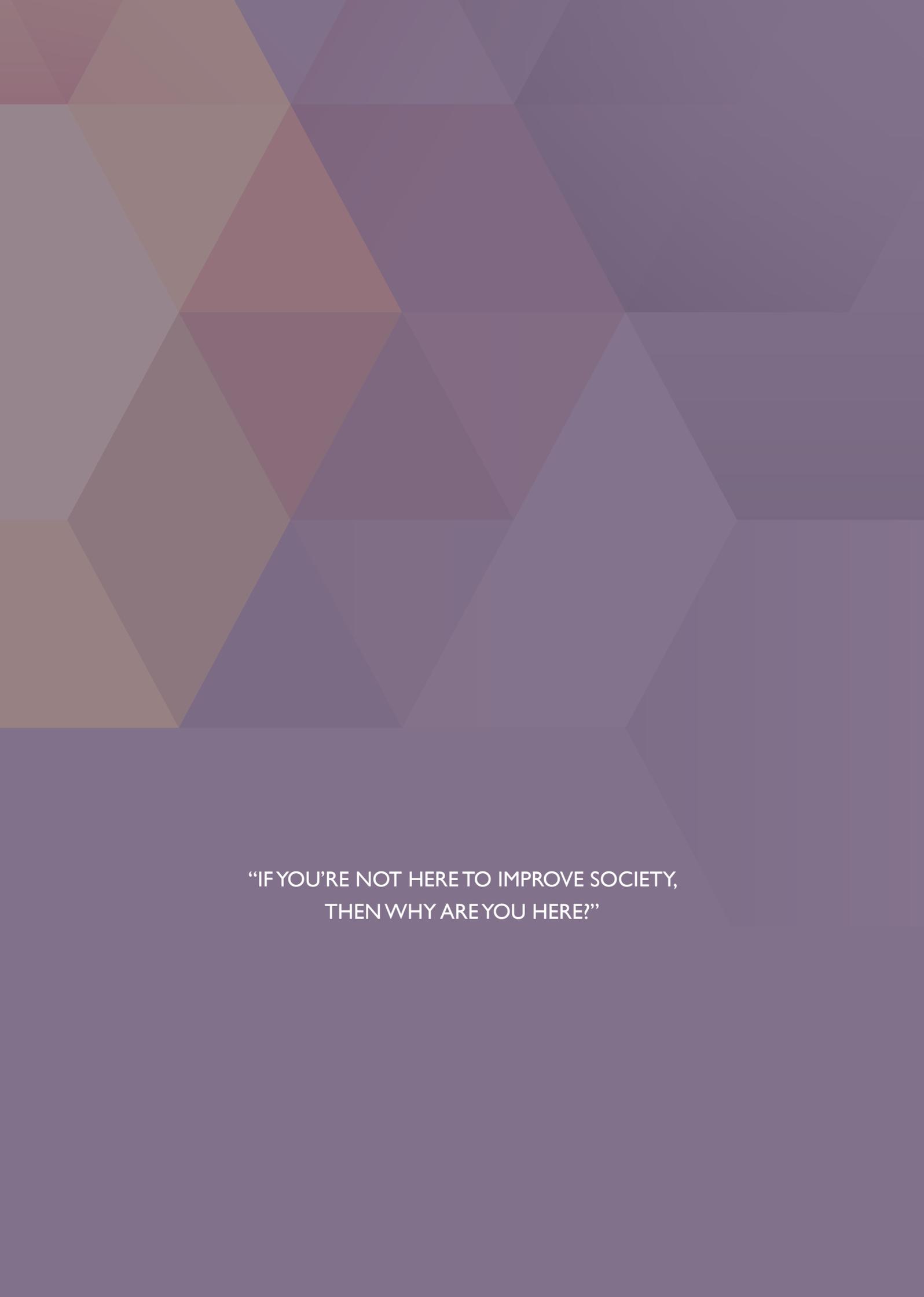
Oslo Business for Peace Summit



BUSINESS
FOR PEACE
FOUNDATION

MOVING TOWARDS THE GLOBAL GOALS: BUSINESS AS A PROBLEM SOLVER

The 2016 Business for Peace Summit
Summary report



“IF YOU’RE NOT HERE TO IMPROVE SOCIETY,
THEN WHY ARE YOU HERE?”

RECOMMENDATIONS



BUSINESS FOR PEACE FOUNDATION

The Business for Peace Summit was held in Oslo on 2-3 May 2016, convening hundreds of leaders from business and society on the topic of business and the Sustainable Development Goals (SDGs).

Here, in a brief and distilled form, are the recommendations to business leaders that came out of the Summit:

○ Be an individual champion for change

- a. Speak publicly with passion, courage and facts about the purpose of business and your company (and it is not maximising shareholder value)
- b. Make the Businessworthy Pledge. Invite at least 10 other business leaders to do so

○ Mobilise your own company

- a. Select the most important Sustainable Development Goals for your company, then tune your business towards solving them
- b. Identify your three biggest sustainable business opportunities and find out which one you can scale up. Make it big. Fast. Then share the story
- c. Make impact your purpose and measure of success, and design reward and incentive systems accordingly

○ Partner to drive collective action

- a. Leverage the power of collaboration and partnerships by identifying and working with relevant and knowledgeable business, civil society, academic and government partners



From right to left: Paul Polman (Unilever), Kristin Skogen Lund (NHO) and Arif Naqvi (The Abraaj Group) deliver the Businessworthy pledge to Prime Minister of Norway and Co-Chair of the SDG Advocates Group, Erna Solberg

Building a sustainable and peaceful world depends on business stepping up – both through daily activities and through the voice of business leaders. The Business for Peace Foundation identifies, celebrates and rewards leaders who do exactly this – create value for both business and society and thus act ‘businessworthy’.

Such businessworthy leaders - Business for Peace Honourees - are selected every year by Nobel Laureates in Peace and Economics, and convene in Oslo with their peers in the business world for the Business for Peace Summit.

The Summit recognises the importance of not just individuals, but the ecosystem of companies, investors, philanthropists, social entrepreneurs, academics, politicians and civil society organisations.

In 2016, the Business for Peace Honourees came together and launched the Businessworthy Pledge, highlighting their personal commitment to work towards achieving the SDGs and being businessworthy. They and we all hope that this will trigger the Pledge to be made by other business leaders worldwide.

This report provides highlights of the 2016 Business for Peace Summit which opened with an Honouree Symposium where 20 Business for Peace Honourees, led by Arif Naqvi of The Abraaj Group and Paul Polman of Unilever, convened on the subject of how individual business leaders can and should engage with the SDGs. This was followed by 178 leaders from across sectors

and 36 countries joining roundtable discussions on the SDGs, and the Award Ceremony in the Oslo City Hall, where an audience of more than 800 witnessed the granting of the Business for Peace Award to the 2016 Honourees, Sarah Beydoun, Jennifer Riria and Tore Lærdal.



Sarah Beydoun, who has built an international accessories business focused on unique bags handmade in cooperation with prisoners and ex-prisoners in battle-scarred Lebanon.



Dr Jennifer Nkuene Riria from Nairobi, who runs a micro-finance company that has made a significant effort to empower low-income women and their families in Kenya.



Tore Lærdal, who through his company, Laerdal Medical, has manufactured modern resuscitation services and solutions that have helped save thousands of lives.

Highlights from the ceremony and the Summit are found on www.businessforpeace.org and the Businessworthy Pledge can be signed on www.businessworthy.org.



WHY ARE THE SDGs
IMPORTANT?

THE GLOBAL GOALS

For Sustainable Development



Last year, the world came together and identified 17 Global Goals that we must work towards as a society – the UN Sustainable Development Goals. The SDGs are unprecedented in that all the 193 UN member states came together – speaking with one voice. These goals are ambitious and concrete, with each goal supported by subgoals and targets. These are also time-bound – to be achieved by 2030. Simply put, they are a description of the world we would like to see, a world in which we end poverty, combat climate change and fight injustice and inequality. They describe the tasks that we must undertake if we are to solve some of the most pressing challenges of our time.

The private sector accounts for 60% of the world's GDP and 90% of global job creation. This scale and reach means that the SDGs cannot be achieved without the commitment, entrepreneurship, engagement and hard work of the private sector – society needs business in order to reach these goals.

For us, as business leaders, the SDGs represent both formidable market opportunities and market risks. For example, USD 28 trillion could be added to the global annual GDP by 2025 if we achieve gender equality. On the other hand, there is substantial risk. If we don't engage, we can end up destroying the market demand for our products, the resources required in production and the productivity of our labour force. A decent income is required to purchase products, well-functioning ecosystems are a prerequisite in many of our value chains and healthy workers are essential for high productivity.

Finally, we have no choice – we face the daunting task of rebuilding a relationship of trust between business and society as this is currently low, in many ways deservedly so. We must recognise that in some aspects and in

some areas, business has been part of the problem and we must now, through transparency and actions, demonstrate that we are a key part of the solution.



HRH Crown Prince Haakon of Norway addressing the Business for Peace Roundtable audience.

The SDGs are also important to us as individuals. We are all shaped by our unique personal experience, our background and our daily human interactions. Being a business leader is not just about running a business, but about touching lives, making a personal difference and leaving a legacy. We need to be clear on, and conscious about what kind of legacy we want to leave.

As business leaders, we also wield substantial leverage – albeit on different scales and in different contexts. Unilever serves two billion consumers across the globe every day, Sarah's Bag touches a few hundred underprivileged women in Lebanese prisons, Lærdal Medical aims to help save 500,000 lives every year. Each of us has a responsibility to use that leverage responsibly and effectively, recognising that our businesses are vehicles for change. As individuals, we influence our families, others people's families and society through our work. We must leverage our personal and professional networks to influence other individuals and businesses to make a positive impact.

1) <http://www.mckinsey.com/global-themes/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>

○ Be an individual champion for change

Results will only come if we truly commit as individuals. 60 business leaders, representing influence over USD 529 billion in revenues and 1.6 million employees made the Businessworthy Pledge on 2 May 2016 and this number is growing every day.

The Businessworthy Pledge

The United Nations Sustainable Development Goals provide a once-in-a-life-time opportunity to end poverty, combat climate change and fight injustice and inequality. It is the enlightened self-interest of business to understand this and pursue the business opportunities inherent in building a greener, more equitable and inclusive society.

I am a business leader who knows that business cannot succeed in societies that fail. I will do my utmost to be businessworthy in all my efforts, and to tune my business to support the United Nations Sustainable Development Goals. I call on my peers to do the same.

In practice, it means we can do the following:

- a. **Create new standards** – for ourselves and our companies. We should, as CEOs, board chairs and board members and in other leadership positions, ensure we always test our strategies and actions against their impact on society and the environment.
- b. **Build a movement** – engage with and catalyse other business leaders. This includes speaking up, also when things are difficult, recognising that individuals, not companies, drive change.
- c. **Share best practices** – within our organisations, with peers, and with the wider society, both to show what can be achieved, but also to be challenged on what should be achieved and improved.
- d. **Know when to collaborate and when to compete** – we must forge new forms of partnerships across sectors to break down silos. The SDGs are not achieved by individual leaders or individual companies, but through partnerships. We must include not just the large companies, but also the entrepreneurs, NGOs, governments and others. For example, by partnering with community organisations, businesses can understand the needs and insights of people on the ground and this can help translate what the SDGs mean in practice.

- e. **Build our understanding of context** – understanding the wider world, both from a social and environmental perspective, including our colleagues, customers, suppliers and individuals in the society where we operate, means we make better and more informed business decisions.



- f. **Rethink our language** – much of sustainability is framed in terms of challenges or problems. While it is important to understand the scale of the challenges, it is essential to highlight the important business opportunities that the SDGs present. Why only see climate change as a challenge when you can see it as a “carbon reduction opportunity”?

It is not enough to commit as individuals, we must also commit through our business practices. We can and should do this in four areas – through our core business, through philanthropy, by shaping the policy environment and through partnerships and collaboration.

“We must expose ourselves to disruptive thinkers”

○ Mobilise your own company

Core business

This is about our business models, the products and services that we deliver, how they impact society (both positively and negatively) and how we report, reward and bring sustainable solutions to scale.



M-KOPA provides pay-as-you-go solar energy services in East Africa, and has reached over 320,000 customers since 2012. M-KOPA enables customers to acquire clean energy and other assets using innovative technology and mobile payments. M-KOPA is recognized as the leading provider in a new, fast growing sector that can tackle the huge problem of access to affordable energy.



Sarah's bag is a Beirut-based handbag and accessories brand and one of the Middle East's leading social enterprises. It has a business model that includes social rehabilitation for underprivileged women who learn valuable skills and earn an income as well as a sense of dignity and empowerment.



Matorka is a pioneer in producing environmentally friendly and sustainable seafood. The company is focused on land based farming of salmonid for world markets, which are high in Omega 3 oils, and are in demand worldwide. The company utilises the latest technologies, designed and developed in-house, and all its operations are powered by clean, sustainable geothermal energy.



Unilever is one of the oldest multinational companies and one of the largest consumer-goods companies in the world. Its products are available in around 190 countries with over 2 billion users on any given day. The Unilever Sustainable Living Plan sets out to decouple Unilever's growth from its environmental impact, while at the same time increasing its positive social impact.



Kenya Women Microfinance Bank (KWFT) grants loans to marginalised women and their families, serving over 1.5 million women and has disbursed over USD 2.3 billion over a period of 20 years. KWFT brings economic empowerment to marginalised women, contributing to build peace even during times of conflict.



The Abraaj Growth Markets Health Fund L.P. is a single sector private equity fund dedicated to investments in the healthcare sector in various countries in Africa and South Asia. The Fund aims to undertake acquisitions, brownfield and greenfield projects to establish sustainable, affordable and high quality healthcare eco-systems in key urban areas.

1. Products and services

- a. Truly sustainable companies and leaders who are serious about sustainability know what the purpose of their company is. It is not maximising shareholder value, it is delivering value both to business and to society.
- b. The products and services that we deliver are at the heart of our businesses. We must ensure that they are designed and delivered in such a way that they help drive our world to where we want it to be. One way of doing so is to map our products and services (including the value chains involved in production and delivery) against the relevant SDGs.
- c. Although harnessing the business opportunities in the SDGs is key, we must also recognise that we have a deep responsibility to ensure that our companies, including our products, processes and value chains, do not harm people or the environment.

2. Reporting

We must be clear, not just in our strategies, but also in our reporting, about our purpose and the results we are creating on the ground. Mission driven reporting shows how we impact the world, showing the link between impact and financial bottom line results. Traditional KPIs are not sufficient and we must take on the challenge of developing fit for purpose, company specific KPIs that measure progress against the most relevant SDGs and ESG standards.

3. Compensation and reward systems

We must reward our colleagues in a way that incentivises purpose. Traditional compensation metrics have a tendency to reward more short term and, occasionally, less sustainable behaviour. We must align compensation and reward systems with the purpose of our companies.

4. Scaling and replicating

Finally, no impact will come of small scale, well intentioned initiatives. Scaling successful initiatives and innovations and replicating them across markets and business lines is essential.

Philanthropy/foundations

Tuning our core business towards the SDGs must be at the heart of what we do. However, our philanthropic efforts and foundations can play important roles in bringing resources (human and financial) to tackle problems that cannot be solved by for-profit business models. Philanthropy and foundations can and should work alongside our core businesses.



Lærdal medical is a world leading provider of training, educational and therapy products for lifesaving and emergency medical care. Lærdal Global Health is a non-profit affiliate of Lærdal Medical, and provides affordable products to help save lives at birth in poor countries. The goal of the group and its partners is to help save 500,000 lives per year by 2020. ²



Dilmah is Sri Lanka's leading tea brand and the first to be producer-owned. Merrill J. Fernando conceived in the 1950s, the idea of a business that would help restore the fortunes of his county's ailing tea industry, and its million or more direct dependents, whilst sharing the benefits of that business with the community.

The success of Dilmah tea made possible the establishment of the MJF Charitable Foundation. By 2015, the Foundation has directly or indirectly benefited the lives of over 100,000 underprivileged Sri Lankans. ³

2) http://cdn.laerdal.com/downloads/f4192/Sustainability_Report_2015_to_May_2016.pdf

3) <http://www.mjffoundation.org/the-vision/>

Shaping the policy and the wider business environment

As businesses, we operate in an environment that is shaped by several players, including governments, regulators, civil society, as well as consumers, customers and suppliers. We depend on them supporting and rewarding sustainable business practices. We must recognise the importance of this and work to influence this environment. Examples of how to shape the policy and wider environment include speaking up and engaging on legislation and incentives that either promote or prevent sustainable business practices. We should use our relations with customers and consumers to stimulate demand for sustainable, low carbon products and services.

Emerging business leaders are being shaped by our educational systems, and the culture and content of what our students are being taught must reflect the challenges that they will face as business leaders, including understanding the sustainability agenda. Finally, we know that there is an immense, untapped resource in women and young people around the world – it is in our and everyone's interest that this is unleashed.



Earth University has an innovative educational approach focused on preparing young people from Latin America, the Caribbean and other regions, including Africa and Asia, to contribute to the sustainable development of their countries and construct a prosperous and just society. EARTH was established by Costa Rican law in 1986 as a private, non-profit, international University and was created thanks to the support of the Costa Rican Government, U.S. Agency for International Development (USAID) and the W.K. Kellogg Foundation.⁵

“You can't have a football team where 50% of the players are kept out of the game”



Bangladesh Women Chamber of Commerce and Industry (BWCCI) is the first chamber of commerce in the country exclusively working on women's economic and social empowerment. It is a non-profit, non-political organisation established in June 2001 with the aim to encourage and strengthen women's participation in the private sector as entrepreneurs through promoting a women friendly business environment. BWCCI is a strong community voice, lobbying for micro to macro women entrepreneurs to assist their growth and to improve their social and economic prospects.⁴

4) <http://www.bwcci-bd.org>

5) <https://www.earth.ac.cr/en/about-earth/earth-facts/>

6) <https://www.unglobalcompact.org/about>

○ Partner to drive collective action

Innovation is not just about innovation in technology, products, production or business models. It is also about partnerships and collaboration. Our success and our ability to deliver on the SDGs will depend on our ability to identify and work constructively with a range of partners who have different skills, different cultures and different agendas than our own. Such partners are found in our competitors, customers, local communities, civil society, academia and governments. We must acquire the skills, the patience and the mutual respect to make these partnerships efficient and effective.



UN Global Compact (UNGC) is the world's largest voluntary corporate sustainability initiative that is based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. UNGC provides companies with a principle-based framework, best practices, resources and networking events to support them in doing business responsibly and keeping commitments to society.⁶



The Prince of Wales's Corporate Leaders Group (CLG) is a group of European business leaders working together under the leadership of The Prince of Wales and with the support and advice of the University of Cambridge Institute for Sustainability Leadership (CISL), to advocate for climate change solutions with policy-makers and businesses, within the EU and globally. Since its formation in 2004 the CLG has been one of the most consistent and outspoken voices in support of strong, pro-business policies on climate change.⁷



International Chamber of Commerce (ICC): The fundamental objective of the International Chambers Of Commerce, founded in 1919, is to further the development of an open world economy, with the firm conviction that international commercial exchanges are conducive to both greater global prosperity and peace among nations.

“Imagination, passion, courage, and partnership”

7) <http://www.businessclimatesummit.com/partners/the-prince-of-wales-corporate-leaders-group/5>)<https://www.earth.ac.cr/en/about-earth/earth-facts/>



From left to right: 2016 Business for Peace Honourees – Sarah Beydoun, Tore Lærdal and Jennifer Riria – pose with Helen Clark, Administrator, United Nations Development Programme



The Business for Peace Foundation supports individuals who are changing the face of modern business through practices that benefit society. The Foundation seeks to inspire a higher purpose of business and a higher form of capitalism. At the centre of the Foundation's efforts is the Oslo Business for Peace Award conferred to exceptional individuals who are businessworthy – who ethically create economic value that also benefits society. A global nomination process and a committee consisting of former Nobel Laureates select the Oslo Business for Peace Honourees.

The Business for Peace Foundation is an independent foundation. It has a board of experienced professionals in business and peace, a secretariat with professionals in sustainability and an advisory board representing broad societal and business spheres. The foundation is also supported by an exceptional group of volunteers, whose time and dedication is essential to realise the Summit and the success of the foundation in the long run.

Business for Peace Foundation
www.businessforpeace.org
info@businessforpeace.org
www.businessworthy.org

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This report has been written by the Business for Peace foundation with invaluable support and input from Jane Nelson, Director, Corporate Responsibility Initiative, Harvard Kennedy School of Government



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**WE LOOK FORWARD TO SEEING YOU AT THE 2017
BUSINESS FOR PEACE SUMMIT ON MAY 15-16!**

**Thank you to our partners for their continued
support for The Business for Peace Summit**

