

THE B TEAM PROGRESS REPORT
JUNE 2013 – JUNE 2016

TOWARDS A **PLAN B** FOR BUSINESS



09 OUR INITIATIVES

10 NET-ZERO BY 2050

14 100% HUMAN AT WORK

18 GOVERNANCE AND TRANSPARENCY

22 NEW METRICS

26 BORN B

30 THE GLOBAL GOALS

33 OUR GOVERNANCE

36 FINANCIALS

WE ARE A GROUP OF GLOBAL LEADERS WORKING
TOGETHER TO REDEFINE THE ROLE OF BUSINESS AS A FORCE FOR SOCIAL,
ENVIRONMENTAL AND ECONOMIC PROGRESS

OUR MISSION IS TO CATALYSE A MOVEMENT OF
BUSINESS LEADERS DRIVING A BETTER WAY OF DOING BUSINESS, FOR
THE WELLBEING OF PEOPLE AND THE PLANET

OUR APPROACH IS TO:

- FIND BUSINESS-BASED SOLUTIONS AND LEAD BY EXAMPLE
- GROW AND LEAD A MOVEMENT BY USING OUR COLLECTIVE VOICE
- DRIVE LONG-LASTING, SYSTEMIC CHANGE



MESSAGES FROM OUR CO-FOUNDERS

Whenever I look into making an investment, the first thing I think about is whether or not the idea will have a positive impact upon the world. Through the conversations I have had with other leaders, I've realised that this is not the case for all, and the shift in business towards more sustainable practices is still too piecemeal, lightweight and isolated.

After seeing the impact The Elders was having on the world stage, and the Carbon War Room in the climate change space, we thought it could be powerful to create a new global collaboration to encourage businesses to put people and the planet alongside profit.

In a series of workshops with experts on sustainability, systems, economics, civil society and entrepreneurship, one of the overwhelming themes that emerged was that Plan A was no longer working and we needed a Plan B for business.

The B Team is unique because of the range of people putting their own resources into changing business for good, with practical results.

Three years in, I am more convinced than ever that business can have a positive influence on the world. Governments and civil society cannot solve the world's problems alone. It is going to take all of us — especially those of us with the resources to make a wide impact.

Individuals can try to solve problems in their own community, small businesses in their city, medium-sized businesses nationally and bigger businesses internationally. Imagine a world where the purpose of business is to become a driving force for social, environmental and economic benefit.

From driving innovative and human centred people practices to putting equality and diversity issues at the centre of the business agenda, The B Team is already making an impact. But its greatest successes are yet to come. I truly believe that the private sector can — and must — change from being motivated primarily by profit.

It's no longer an option. Business must become a force for good.



RICHARD BRANSON

Business cannot continue to take a back seat while our planet is irrevocably scarred by unsustainable development. My journey to The B Team started the day I fully grasped this undeniable truth, and began to transform PUMA to become a more sustainable brand and responsible environmental steward.

We began by measuring the monetary value of our environmental impacts and dependencies. With the data at our disposal, we moved to fundamentally alter operations, resulting in reduced energy usage and emissions, and greater resource efficiency across the supply chain.

But taking this on one company at a time could not achieve the type of systemic shift in the private sector required to create a resilient, healthy and just world. Three years ago, we therefore sought out like-minded partners and moved to build something that would do just that.

The result was the creation of The B Team, an organisation of respected leaders striving to redefine the role of business in the world. We are not a talk shop, but practitioners who have led businesses and know how hard it can be to change long-established customs. And we are civil society leaders who have pushed for a more just society. We collaborate with others to co-create, incubate and bring

to scale great ideas and innovative business models.

Leading by example, and leveraging our collective voice, we are part of a growing movement of businesses who want to be part of the solution rather than a substantial contributor to the problem. We seek to make purpose-driven business a new, globally relevant norm.

We act as a countervailing force to others lobbying to derail efforts to protect the planet and its inhabitants. We push the agenda. We don't wait for government regulations to force us to act. Instead, we work with civil society to advocate for enabling policy environments...and then we seek to go even further.

Our work to create a future where all businesses offer solutions and work to preserve our planet's precious land, water and biodiversity has only just begun, but we are running out of time. The era of business as usual has to end. Humanity needs a Plan B for business. Please join us on this important journey.



JOCHEN ZEITZ

OUR CHALLENGES

The following 10 Challenges reflect our shared vision for business and the common standard we are working to achieve in our companies.

1.

LEAD FOR THE LONG RUN

Adopt longer reporting cycles and nurture inclusive, collaborative leadership focused on delivering long-term value to all stakeholders.

2.

FOSTER COLLABORATION

Work with other businesses, governments, trade unions and civil society to foster open dialogue and forge new partnerships that accelerate positive change.

3.

REINVENT MARKET INCENTIVES

Encourage government policies, corporate structures and tax systems that deliver the best outcomes for people and the planet, helping capital flow towards delivering true returns.

4.

DRIVE FULL TRANSPARENCY

Be open, transparent and free from corruption, with good governance and accountability at all levels of our organisations.





5.

RESTORE NATURE

Ensure our companies significantly reduce their environmental impacts and invest in new business models that help regenerate the environment.

6.

SCALE TRUE ACCOUNTING

Measure and communicate social and environmental impacts, as well as our plans for improvement.

7.

VALUE DIVERSITY

Cultivate and celebrate diversity, including gender, at all levels of business while ensuring equality of opportunity for all employees.

8.

CREATE THRIVING COMMUNITIES

Help create environments inside and outside our companies that enable employees and our communities to thrive.

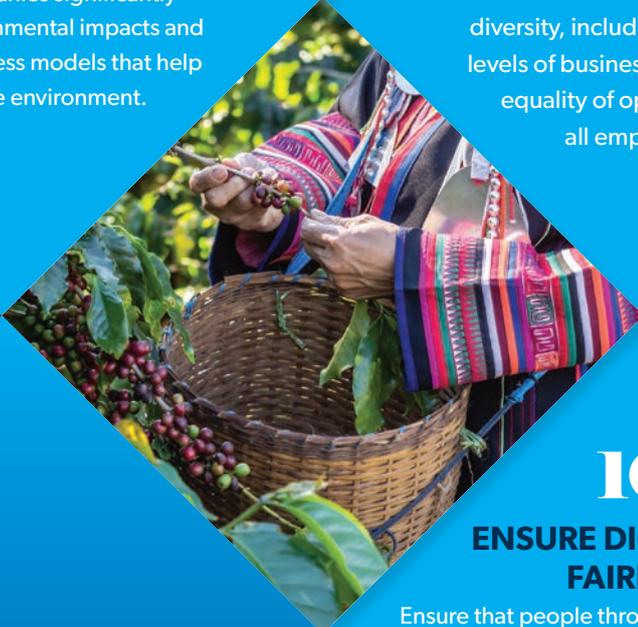
9.

REDEFINE REWARD SYSTEMS

Support fair rewards in our companies, integrating social and environmental performance targets into our compensation systems and champion efforts to close the pay gap throughout the business world.

10.

ENSURE DIGNITY AND FAIRNESS



Ensure that people throughout our supply chains are treated with dignity and respect, working in a safe, equitable and empowering environment, where they receive a fair share of the value they create and their rights are fully supported.

OUR JOURNEY

2009-12

100s OF CONSULTATIONS AND 10 WORKSHOPS HELP SHAPE INITIAL **B TEAM PLAN**

FORM NETWORK OF ADVISORS AND RECRUIT MANAGEMENT TEAM

2013

JAN >>

OUR DECLARATION >

16 GLOBAL LEADERS COME TOGETHER TO FORM THE B TEAM AND SIGN a joint declaration "Starting at home, in our own businesses and industries"

BRANSON • BRUNDTLAND
CALVIN • HUFFINGTON
IBRAHIM • LEAL • MASIYIWA
MYCOSKIE • OKONJO-IWEALA • PINAULT
POLMAN • ROBINSON
TATA • YUNUS • YUE • ZEITZ

JUNE >>

SUPPORTERS AT **1200** EVENTS IN **70** COUNTRIES
JOIN US VIA LIVESTREAM TO LAUNCH THE B TEAM

DEC >>

100s OF SUBMISSIONS HELP US DECIDE "What challenges should we be working on?"



- LEAD FOR THE LONG RUN **01**
- FOSTER COLLABORATION **02**
- REINVENT MARKET INCENTIVES **03**
- DRIVE FULL TRANSPARENCY **04**
- RESTORE NATURE **05**
- SCALE TRUE ACCOUNTING **06**
- VALUE DIVERSITY **07**
- CREATE THRIVING COMMUNITIES **08**
- REDEFINE REWARD SYSTEMS **09**
- ENSURE DIGNITY AND FAIRNESS **10**

2014

MAY >>

• JOIN NATURAL CAPITAL COALITION

SEP >>

• JOIN WE MEAN BUSINESS COALITION

FORM BENEFICIAL OWNERSHIP TRANSPARENCY (BOT) WORKING GROUP

OCT >>

• CALL ON EU TO SUPPORT BOT PRINCIPLES

NOV >>

LAUNCH 100% HUMAN NETWORK WHICH NOW INCLUDES **140+** COMPANIES

• CALL ON G20 TO SUPPORT BOT PRINCIPLES

2015

JAN >>

• #BEYONDDAVOS:

100 BUSINESS AND CIVIL SOCIETY LEADERS ASK

“How do we accelerate a just low-carbon economy?”

20,000

PEOPLE READ

OUR THREE REPORTS ON DIVERSITY, TRANSPARENCY AND NEW WAYS OF WORKING

380,000+
PEOPLE ACCESS IDEAS

FOR NEW WAYS OF DOING BUSINESS ON OUR GUARDIAN SUSTAINABLE BUSINESS AND HUFFINGTON POST PLATFORMS

FEB >>

• CALL TO GOVERNMENT AND BUSINESS LEADERS TO SUPPORT A GLOBAL GOAL OF NET-ZERO GREENHOUSE GAS EMISSIONS BY 2050

• JOIN THE B20 COALITION ANTI-CORRUPTION TASK FORCE

MAY >>

CALL ON **EXTRACTIVES INDUSTRY TRANSPARENCY INITIATIVE** (EITI) TO ADOPT **BOT PRINCIPLES**

SEPT >>

• #BTEAMLIVE:

1,700 VIEWERS WATCH THE B TEAM, CIVIL SOCIETY AND BUSINESS LEADERS DISCUSS *“The role of business in meeting the Global Goals”* AT THE FORD FOUNDATION

NOV >>

• CALL ON G20 TO IMPLEMENT BOT PRINCIPLES

10 COMPANIES ASPIRE TO HEAD FOR NET ZERO GREENHOUSE GAS EMISSIONS BY 2050:

- BROAD
- ECONET
- KERING
- NATURA
- NRG
- SAFARICOM
- SALESFORCE
- TIFFANY & CO
- UNILEVER
- VIRGIN MANAGEMENT

CALL ON **193 HEADS OF STATE TO IMPLEMENT NET-ZERO BY 2050**

• MARK BENIOFF, SHARAN BURROW, BOB COLLYMORE, DAVID CRANE JOIN THE TEAM

DEC >>

20+
BUSINESS LEADERS JOIN MEDIA ROUND TABLE IN PARIS TO CALL FOR A STRONG **COP21 AGREEMENT** AND A GOAL OF 1.5°C

CALL FOR **NET-ZERO BY 2050 REACHES**

200,000 PEOPLE

OUR COMMUNITY GROWS TO

35,000+

• THOUSANDS HEAR THE B TEAM'S CALL FOR CLIMATE AMBITION

DEC >>

OUR COMMUNITY REACHES

10,000+

2016

JAN >>

20 YOUNG LEADERS AT THE WORLD ECONOMIC FORUM HELP DEFINE *“What it means to be 100% Human at Work?”*

MARCH >>

120 ENTREPRENEURS JOIN #BORN: *“What does it mean to build purpose-driven companies?”*

DISCUSSION REACHES

13M+ PEOPLE

A MESSAGE FROM OUR MANAGING PARTNER & CEO

For the past three years, we have worked in partnership with businesses, governments, thought leaders and civil society advocates to identify solutions and drive bold, urgent action with the aim of transforming the global economy for the long-term benefit of humans and the planet.

Our need to work together to achieve tangible results has never been more urgent.

Society's entrenched system of production and consumption continues to strip the earth of its finite resources, and relegate billions of people to a life of poverty. The human population is approaching eight billion and is expected to grow to 9–10 billion by 2050. We face a world beset with more frequent natural disasters due to climate change, expanding inequality, malnutrition and inadequate access to clean water, increasing pollution on land and in the oceans, and continued loss of biodiversity and breakdown of ecosystems upon which life depends.

The B Team exists precisely to identify business-based answers to these challenges, and articulate a clear economic case for immediate, urgent action. Businesses must be the key driving force for the radical change needed to profoundly shift our economic system.

We are growing a movement of business leaders and companies that realise that this shift is not an onus, but the greatest economic and social development opportunity of our time. When that shift happens, we'll be on our way to creating a sustainable, just, peaceful and more prosperous world for all.

In the next year, we'll continue to drive systemic shifts towards a better way of doing business. We'll address how business needs to operate, having regard to the planetary boundaries, identifying ways companies can collaborate to protect our oceans, land-based ecosystems and the Earth's atmosphere. We'll tackle human rights abuses in the workplace and use the dignity of work to help address societal issues like migration and refugees.

We'll work to encourage business leaders to move away from the system that emphasises short-term financial results at the expense of longer-term impacts. We'll continue to encourage companies to measure what is important: not just financial profit and loss, but environmental, social and governance metrics that are vital to building efficient, resilient and competitive enterprises. And we'll work to advocate for more enlightened policies and incentives, challenging a system that taxes positive investments such as employment, while not taxing negative externalities such as carbon and other forms of pollution.

Our intention is to create a new norm in which business provides benefits for the greater good — putting people and planet alongside profits.

The positive business case is clear. Now is the time for action.

KEITH TUFFLEY

OUR INITIATIVES AND PARTNERSHIPS ARE DESIGNED TO ADDRESS OUR 10 CHALLENGES AND DRIVE RADICAL CHANGE IN THE WAY COMPANIES ARE CREATED, MANAGED AND GOVERNED

THE GLOBAL GOALS

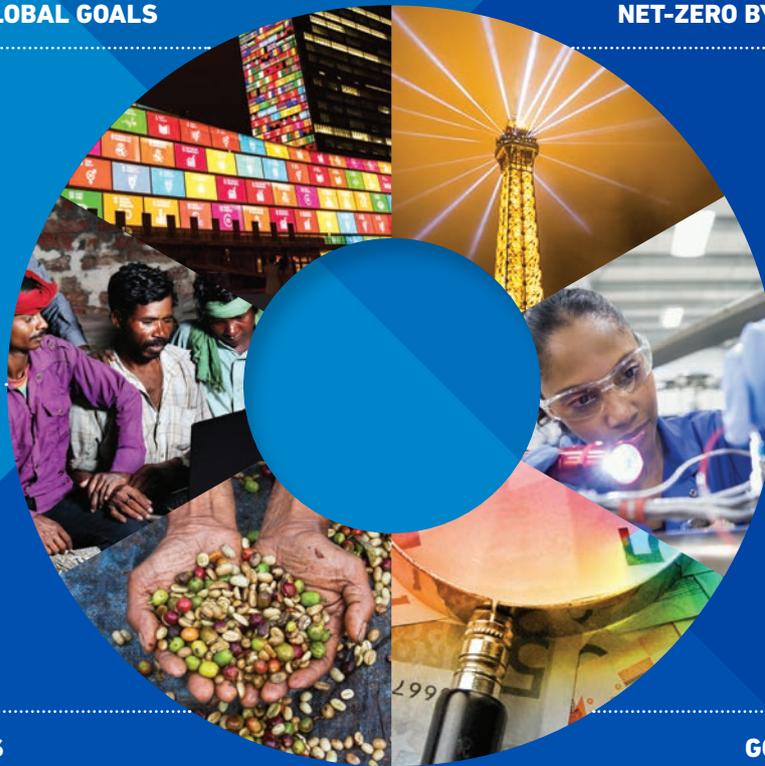
NET-ZERO BY 2050

BORN B

100% HUMAN AT WORK

NEW METRICS

GOVERNANCE AND TRANSPARENCY



NET-ZERO BY 2050



OUR VISION To accelerate the transition to a thriving and just net-zero greenhouse gas emissions economy by 2050.

The climate crisis is taking a toll on the world's most vulnerable ecosystems and communities. It poses a significant risk to business through disruptions to supply chains, rising commodity costs and other pressures on the bottom line.

The business case for responding to these destructive trends is clear. Addressing climate change presents the greatest economic and social development opportunity of our time. We also have a moral responsibility to uphold the rights of people around the world, and ensure the economic costs and benefits arising from the global transition to a net-zero emissions economy are shared fairly and equitably.

Why Net-Zero by 2050?

Achieving a net-zero greenhouse gas economy by 2050 is the best way to maximise our chances of limiting global temperature rise to under 2°C and avoiding the worst effects of climate change.

We agreed to head for net-zero greenhouse gas emissions because:

- Delaying the transition after 2050 would provide only a 66% likelihood of limiting global temperature rise to 2°C
- Carbon emissions comprise just 74% of total emissions, hence the need to address all greenhouse-gases
- The pursuit of net-zero is much clearer than a percentage reduction target
- A 2050 goal requires peaking emissions by 2020, which is within the tenure of many current CEOs

2015: A HISTORIC YEAR

In December 2015, 195 nations gathered in Paris to adopt a historic and ambitious agreement to address climate change and shift the world toward a thriving, clean and just economy. Recognising the critical importance of achieving a clear, actionable and long-term goal at COP21,² we launched our Net-Zero by 2050 initiative at the World Economic Forum in January 2015.

Unchecked climate change could reduce global GDP by US\$72 TRILLION¹

"The B Team is an eloquent, compelling and powerful voice for action on climate change. Their Net-Zero by 2050 campaign has demonstrated to policy-makers the economic and business case for ambitious reductions in emissions. The campaign has played, and will play, a vital role in pushing governments to show the urgency that climate change requires."

Rt Hon. Ed Miliband, MP

Former Leader of Her Majesty's Official Opposition, Former Secretary of State for Energy and Climate Change, UK Government

Calling for progressive, global policy

We urged policymakers to strengthen the global climate agreement with an ambitious, long-term goal as well as additional policy solutions, including implementing carbon pricing and ending fossil fuel subsidies.

OUR WORK

- Published an open letter supporting a long-term goal to the Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC)
- Engaged 193 heads of state
- Encouraged influential governments to take strong action at a national level, such as supporting the US Clean Power Plan and UK net-zero legislation
- Joined Carbon Pricing Leadership Coalition along with 21 governments and 90 businesses
- Joined Friends of the Fossil Fuel Subsidy Reform

OUR PROGRESS

“Through its work with other coalitions and partnerships, The B Team helped to generate significant momentum throughout 2015 and build the confidence of governments world-wide. This high-level, focused advocacy from global business leaders was an unprecedented and defining factor and was a paradigm shift when compared to previous global efforts on climate change.”
*Christiana Figueres,
Executive Secretary, UNFCCC*

Galvanising the business community

A unified front of leaders came together to demonstrate business demand for progressive climate policy. The B Team joined BSR, CDP, Ceres, The Climate Group, the Prince of Wales’s Corporate Leaders Group and the World Business Council for Sustainable Development to establish We Mean Business, a network of more than 300 companies working within a common platform to amplify business support for bold climate action and policies.

OUR WORK

We engaged 30 CEOs and 251 companies to adopt the following commitments:

- Adopting a science-based emissions reduction target
- Putting a price on carbon
- Procuring 100% of electricity from renewable sources
- Establishing responsible corporate engagement in climate policy
- Reporting climate change information in mainstream reports as fiduciary duty
- Removing commodity-driven deforestation from all supply chains by 2020
- Reducing short-lived climate pollutant emissions
- Committing to improve energy productivity

OUR PROGRESS

- 13 B Team companies announced 44 climate related commitments recommended by We Mean Business
- 10 B Team companies aspired to become Net-Zero by 2050 - Broad, Econet, Kering, Natura, Safaricom, Salesforce, Unilever, Virgin Management, NRG and Tiffany & Co

Some ways in which we are leading by example

CLIMATE NEUTRAL AND STRIVING FOR NET POSITIVE

Since 2007, Natura has implemented its Natura Carbon Neutral Program to significantly reduce greenhouse gas (GHG) emissions within its full value chain (scopes 1, 2 and 3). In 2013, it achieved a 33% reduction in relative GHG emissions. Those that the company has not been able to avoid were offset through the purchase of carbon credit projects, ranging from forestry restoration and/or prevention of deforestation.

CHALLENGING CONVENTIONAL BUILDING

BROAD has set ambitious goals to reduce 70% of its global energy consumption on building heating, ventilation and air conditioning, and 15% of its global greenhouse gases, through sales of energy-efficient products, building insulation technologies and energy-saving codes and regulations. BROAD's unique Sustainable Buildings, invented in 2009, feature industrialised building factory production, container transportation and standardised installation. In total, 20+ energy-conservation technologies in every sustainable building realise five times more energy saving, 100 times better air purification and only 1% construction waste.

TAKING A VALUE CHAIN APPROACH

Under the Unilever Sustainable Living Plan, Unilever is meeting its ambition of decoupling environmental footprint while increasing its positive social impact. Its sustainable living brands are growing 30% faster than the rest of the business and delivered nearly half its total growth in 2015. Eco-efficiencies in its own operations have reduced CO₂ emissions from energy by 39%; water by 37%; and waste sent to disposal by 97%. It has also made progress on sustainable sourcing, with 60% of its agricultural raw materials now sourced from sustainable supplies. In order to reduce the environmental impact associated with use of its products, Unilever is designing products that are less carbon and water intensive, helping consumers to live more sustainably. Unilever is also working in partnership with suppliers, governments, NGOs and communities to in areas such as deforestation, sustainable agriculture, WASH and women's empowerment — contributing to the Sustainable Development Goals.

A JUST TRANSITION TO A THRIVING CLEAN ENERGY ECONOMY

By Mary Robinson

It is clear that the world increasingly has the means, and as COP21 in Paris reminded us, the political will to hasten the transition to the clean energy economy needed to avoid the worst effects of climate change.

What is less clear, is whether the world will enable the people and communities most vulnerable to the impacts of climate change — those who contributed least to the causes of this crisis — to access the sustainable energy services they need to realise their fundamental right to development.

In addition there is also the very real concern that those who work in the fossil fuel industry could be unfairly treated if steps are not taken to ensure that there is a just transition to the new clean energy economy. An important step to ensuring sustainable development is to limit global temperature rise to below 1.5°C, by reaching net-zero greenhouse gas emissions by 2050 — the only target that will protect the world's most vulnerable populations.

Climate change is a human rights issue, one that impacts on people's ability to secure access to sufficient food, clean water, quality healthcare, education and safe shelter.

It is an injustice that the people suffering the worst impacts of climate change don't drive cars, have reliable supplies of electricity or consume significantly; they aren't the cause of the problem.

A stark example: The average person in Malawi emits about 80 kg of CO₂ a year, while the average US citizen emits about 17.5 metric tons. Only nine percent of the population of Malawi has access to electricity and 99% of the population still cooks on dirty solid fuels with devastating health impacts. Yet increasing temperatures and extreme weather in Malawi have led to drought and flooding, causing widespread loss of crops, livestock and other natural resources, compounding food shortages, the spread of disease and exacerbating poverty.

Solving climate change without upholding the fundamental rights of the average Malawian would be a monumental injustice. The economic costs and benefits arising from this global transformation can and should be shared fairly and equitably. People in Malawi urgently need access to clean energy if they are to succeed in meeting the Sustainable Development Goals.

A just transition is possible if we pull together and provide the resources needed for all countries and people to make the shift to a zero emissions economy on the same timescale. That requires both government action and abandoning the "business as usual" approaches that promulgated the crisis in the first place.

We must help more companies to understand the irrefutable economic case for reducing emissions, expanding the use of clean energy and respecting the planet's finite resources. And we must ensure that the rapid transition does not compound human or land rights abuses — such as using corn to produce ethanol and driving up food prices — by placing people at the centre of all climate actions.

If we can help unlock the US\$1 trillion a year of private sector investment required to build the clean energy economy, and deliver that capital to developing nations in a responsible way; we will usher in a profound transformation of the entire economy that respects and restores the planet and lifts millions out of poverty. Now is the time for us to stop talking and take action.



100% HUMAN AT WORK



OUR VISION To inspire a movement of business leaders who will lead their businesses through the principles of equality, respect, growth, belonging and purpose.

Studies have shown that in markets such as the US, 68% of employees are disengaged at work.³ Workplace issues including discrimination and inequality continue to adversely affect the health and wellbeing of workers, and prevent people from contributing their talent and expertise. Enabling people to reach their highest potential and purpose at work helps businesses and communities thrive. We strive to build a more equitable, prosperous world by making work a source of dignity and purpose.

FEMALE REPRESENTATION DECLINES AS CAREER LEVEL RISES. *Globally, women make up 33% of managers, 26% of senior managers and only 20% of executives.*⁴

Growing a network of leaders

In 2014, we launched the 100% Human at Work network which brings together CEOs, business leaders and human resource directors who are investigating and experimenting with new ways of working. As a forward-thinking community, the network disrupts and challenges old models of work to create organisations that are fit for a changing marketplace. We are able to experiment with a variety of approaches in our own organisations, including new management structures, progressive compensation, inclusive hiring practices, supportive career development and employee engagement opportunities designed to help everyone flourish at work.

OUR WORK

- Formed strategic partnerships with respected issue experts, practitioners and other key stakeholders to shape content and strategy
- Conceived and co-hosted four events in New York and London with innovative and constructive discussions to help participants tackle workplace challenges
- Co-created a set of principles that define the 100% Human workplace
- Challenged all network members to take on progressive experiments that embody these principles in their workplaces
- Gathered young leaders at the World Economic Forum to incorporate their insights into our effort to define the future workplace

OUR PROGRESS

- More than 140 leaders have joined the network as active participants
- Network members have launched 100 new experiments in their businesses

Re-imagining the workplace

To inspire more leaders to change their workplace practices, we shared and amplified the stories of the most innovative companies and researched some of the most exciting new practices.

OUR WORK

- Researched and aggregated insights and new practices from more than 30 companies
- Collected insights and anecdotes from 25 leading organisations committed to women's empowerment and diversity, including BCG, Kering, Vital Voices and MIT Sloan School of Management, to challenge conventional views about cultivating and ensuring diverse workplaces
- Authored a three-part thought leadership series aimed at amplifying and encouraging new styles of leadership and approaches to work

OUR PROGRESS

- *New Ways of Working* report highlighted new innovations in management and was read by more than 17,400 people. *The Diversity Paradox* and *The Business Case for Diversity* highlighted the benefits of inclusive workplaces and leadership structures; they were read by more than 3,200 people

Some ways in which we are leading by example

EQUAL PAY FOR EQUAL WORK

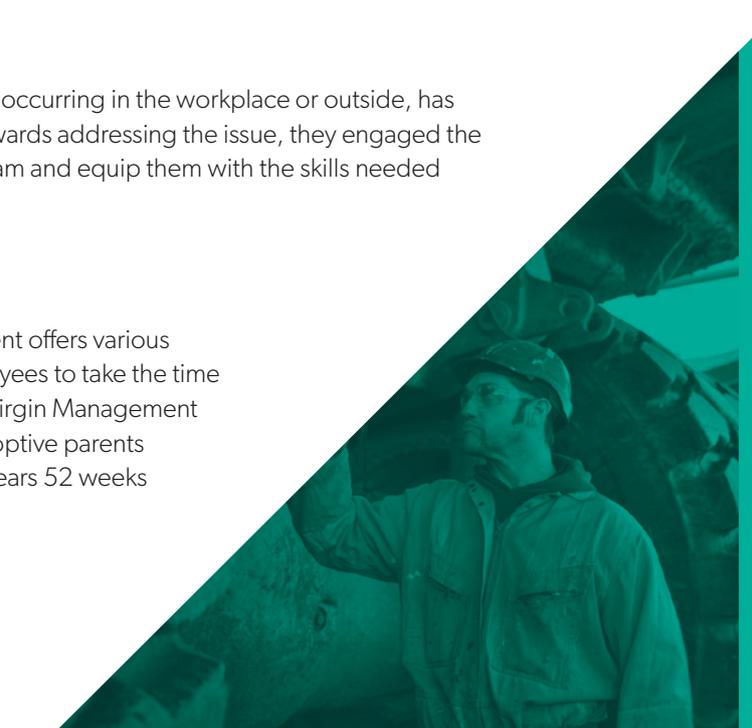
Salesforce assessed the salaries of global employees to close the gender pay gap. The Salesforce salary assessment concluded that the company needed to adjust some salaries — for both men and women. Salesforce spent nearly US\$3 million dollars to eliminate any statistically significant differences in pay.

TACKLING GENDER BASED VIOLENCE

Safaricom recognised that gender-based violence (GBV), whether occurring in the workplace or outside, has detrimental effects on the workplace and society. As a first step towards addressing the issue, they engaged the Gender Violence Recovery Centre to train the senior leadership team and equip them with the skills needed to start addressing GBV-related issues.

FLEXIBLE LEAVE

To help employees balance work and home life, Virgin Management offers various programmes including an unlimited leave policy that allows employees to take the time that they need while balancing work commitments. Additionally, Virgin Management began its Shared Parental Leave in 2015 offering new birth and adoptive parents (regardless of gender) who have worked at the company for four years 52 weeks of parental leave at full pay.



THE FUTURE OF WORK

By Jean Oelwang



Today, 68% of people are disengaged at work⁶, 40% feel work is stressful⁷, 20% of LGBT people have been harassed at work⁸, and more than 116 million people are part of the “hidden workforce” of just 50 global companies, often being paid below a living wage, with no job security and frequent abuses of their basic rights⁹.

Imagine a future with an engaged global workforce contributing to society, the planet, their company and to their own personal growth: a world of work that ensures people are paid fairly and treated with respect.

We feel there is a great opportunity to build a more equitable, prosperous world for all through work as a source of dignity and purpose, for everyone, everywhere.

The time has come for business to start thinking of people as human beings and not as resources. The B Team has launched a movement of businesses who want to become “100% Human at Work”. They are sharing experiments to make work better and helping to end some of the biggest human rights abuses in the workplace. They have helped us to shape the following five cornerstones of a “100% Human at Work” company:

Respect matters: The foundation of a 100% Human company is respect. Work should be a place where different values and beliefs are respected and where all workers are treated with dignity. We believe that workers should be given job security and benefits that respect their human rights, throughout the entire supply chain.

Equality matters: There should be equal pay and benefits for equal work, working conditions should be transparent, treatment should be consistent, workers should be confident that they are safe and healthy.

Lifelong growth: Work should be a place for empowerment, challenge, learning and advancement. This means training and development for all, a working environment that is designed for innovation, leadership that listens and a culture that encourages wellbeing.

Belonging: Work should enable participation, relationships and community — locally and globally. Workplaces should be designed to facilitate human interaction, collaboration and creativity.

Purpose matters: Work should not be an end in itself. Work should be meaningful and should contribute more broadly to people and the planet. People should be able to fulfill their personal purpose through work as well as contribute to the company purpose.

As Richard Branson has said, “Helping people to reach their highest potential and purpose naturally has a positive impact on the bottom line of business. All businesses should move away from solely focusing on maximising profits. People are not resources, they are change-makers.”

I couldn’t agree more. In the next decade as the world becomes more interconnected, transparent and efficient, we have the chance to use this window of opportunity to change work for the better and create a “good army” of people from workplaces all over the world who will truly contribute to a better world through work.

THE HIDDEN WORKFORCE

By Sharan Burrow

Up to 94% of the workers on whom the largest of our multi-national companies depend make up a hidden global workforce. They are not employed directly by the company or companies they produce for. They are the faceless workers in a web of global supply chain contractors of whom only a few CEOs can recall.

Tragically too many of these hidden workers are trapped in poverty wages and insecure and unsafe work. Even informal work and pockets of modern slavery can be found in this now dominant model of global trade.

When a textile worker like Rina from the Philippines tells me she cannot tell her 12-year-old son if she will be home to cook him a meal or say goodnight, because she is forced to work extra shifts without notice — this is not decent work and employers cannot want this in their supply chain.

Or when men gathering seafood for many of our tables are enslaved on boats in Indonesian waters without living quarters and sanitation for months on end.

The pathway to decent work is not so hard, and five steps will take us there:

- A minimum wage on which people can live with dignity, which meets the basic costs of living in each country
- Collectively bargaining to reflect skill-based wages and productivity
- Secure contracts of employment
- Transparent safety standards
- A trusted system of compliance to manage grievances where rights or conditions are violated

Decent work must be underpinned by universal social protection. It would be easier for business if governments did their job but too many are not democratic and are caught in the web of fear of losing foreign investment. The International Trade Union Confederation Global Rights Index for 2015 depicts the reputational risk for business when:

- 58% of countries exclude workers from labour laws
- 70% of countries have workers who have no right to strike
- 60% of countries deny workers collective bargaining
- 52% of countries deny workers access to the rule of law

And arbitrary arrests have increased with 44 countries in 2015 now guilty of denying natural justice to workers.

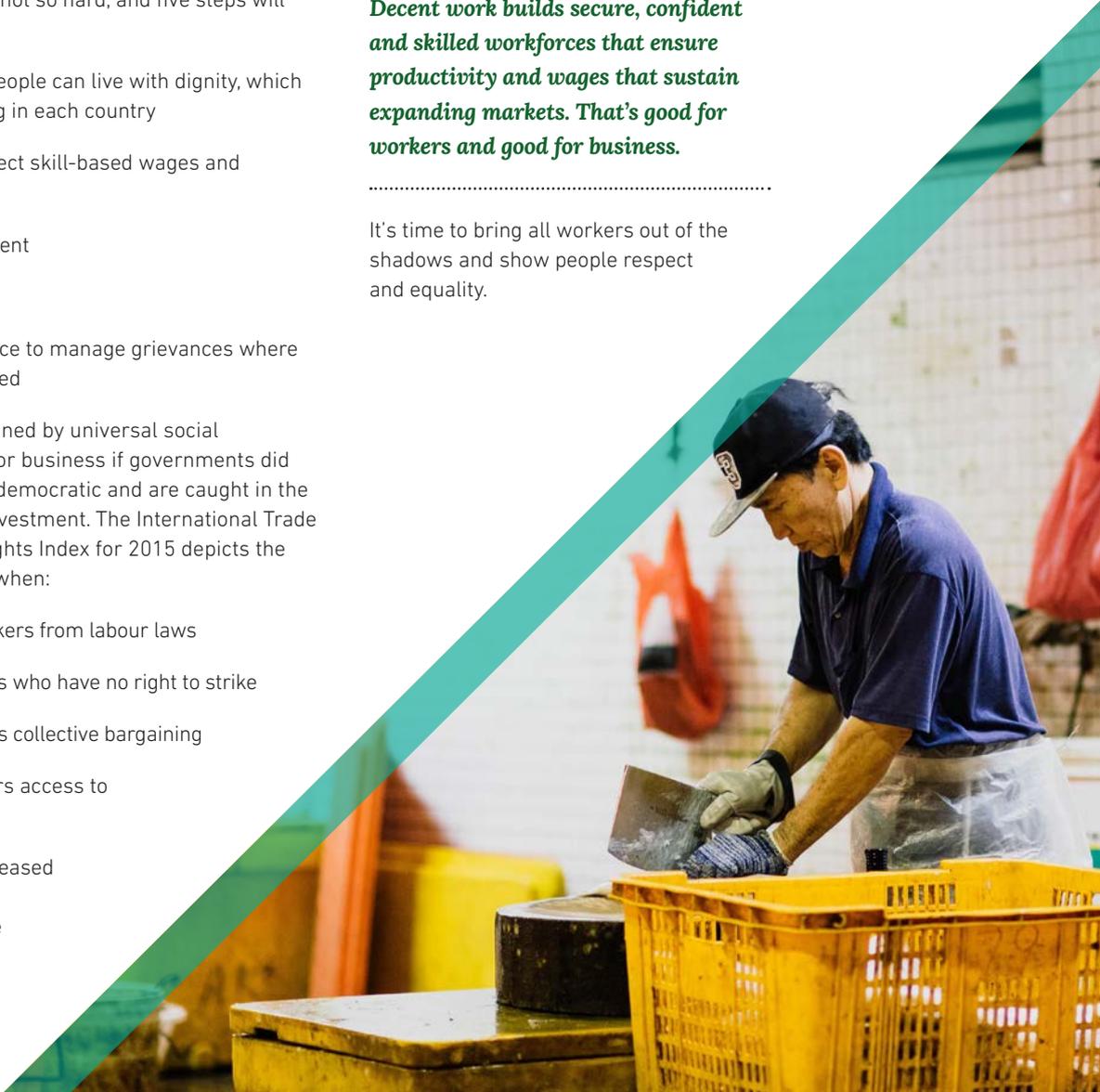
The United Nations Guiding Principles on Business and Human Rights (UNGPs) establish corporate responsibility for due diligence and remedy even where national laws fail and this must underpin a sustainable model of business where workers rights are respected.

The B Team's 100% Human at Work initiative is founded on the UNGPs and spotlights the five elements that define a 100% Human company: respect, equality, growth, belonging and purpose.

People want change. 94% of people in 14 countries representing half the world's population want to strengthen international rules to make companies provide better wages and conditions.

Decent work builds secure, confident and skilled workforces that ensure productivity and wages that sustain expanding markets. That's good for workers and good for business.

It's time to bring all workers out of the shadows and show people respect and equality.



GOVERNANCE AND TRANSPARENCY

OUR VISION To create and maintain environments in which governments and companies are responsive and accountable to informed and empowered citizens in the pursuit of social and environmental well-being.

Corruption directly costs more than 5% of global GDP, with more than US\$1 trillion paid in bribes every year.¹⁰ Transparency of information, from capital flows to company ownership, is the best tool we have to fight such graft, protecting the stability of our economy and the health of our society. Without it, acts of corruption undercut fair competition and limit the resources available to support critical investments in sustainable development. This is not only destructive to the communities and markets in which we operate, but with corruption adding 10% of the cost of doing business internationally, it is bad for the financial health of our companies.

Ending anonymous companies

Anonymous companies, whose ownership is difficult or impossible to discern, facilitate corruption by providing vehicles for various acts of crime, corruption and schemes to defraud investors. They can be used to hide illegal businesses or to facilitate illegal activity, like tax evasion, fraud, terrorism financing and Ponzi schemes.

In 2014 at the G20, the international community recognised the need to address the use of anonymous companies that drain developing countries of billions of dollars of capital every year. The B Team has worked in partnership with businesses and civil society organisations, helping to scale systemic solutions based on this shared agenda and to leverage the voices of its leaders to drive tangible action and results.

.....

The direct cost of corruption every year
US\$2.6 TRILLION |
5% of global GDP every year¹⁰

"The B Team has played a lead role in making the business case for beneficial ownership transparency, and their strategic interventions have bolstered international efforts to combat corruption at a critical time. Their leadership has been a vital element of our combined efforts to ensure transparency and accountability become the guiding standards for business and governments around the world."

Gillian Caldwell
 CEO, Global Witness

Working with companies to publish their ownership structures

With the strategic input of Transparency International, Global Witness, Global Financial Integrity, OpenCorporates, Unilever and Natura, The B Team began working on a solution to end anonymous companies by piloting and advocating the disclosure of ownership structures. In January 2015, led by Mo Ibrahim, The B Team broadened its engagement with other stakeholders by joining the B20 Anti-Corruption Task Force Beneficial Ownership Transparency (BOT) workstream with companies such as Deloitte, Thomson Reuters and the Bank of Montreal.

OUR WORK

- Published a report on the business case for ending anonymous companies
- Piloted a tool for companies to disclose ownership in open, structured data
- Designed and helped facilitate B20 workshops for companies in six countries
- Published a report for B20 highlighting 15 business-use cases for beneficial ownership information
- Amplified the experience of workshop participants through three opinion pieces in the Guardian and Huffington Post

OUR PROGRESS

- Reached an audience of more than 1,000 with "The Business Case for Ending Anonymous Companies"
- Engaged more than 200 businesses in B20 workshops in Paris, Nairobi, Delhi, New York, Beijing and London
- Natura and Unilever published more of their ownership structures in open, structured data in May 2016

Advocating stronger policy

Since 2014 we have been calling for governments to adopt policies and practices that ensure transparency of company ownership and control, including adoption and implementation of consistent and harmonised government policies for beneficial ownership transparency (BOT).

OUR WORK

- B Team Leaders wrote to G20 Heads of State and published a joint opinion in support of G20 action on BOT
- Supported action by the EU as part of its fourth Anti-Money Laundering Directive (AMLD)
- With Global Witness, advocated for the Extractives Industry Transparency Initiative (EITI) board to include BOT in its requirements
- Advocated to governments to make new commitments to BOT and open contracting at the London International Anti-Corruption Summit
- Co-hosted the Tackling Corruption Together conference, convening 400 business, civil society and government leaders prior to the London Summit; co-published the Leader's Anti-Corruption Manifesto

OUR PROGRESS

- G20 adopted High Level Principles for BOT
- EU 4th AMLD included requirement for implementation of central registries of BOT
- EITI board adopted the requirement of disclosing ownership structures from their membership
- 40 countries made BOT or open contracting commitments at the London International Anti-Corruption Summit



Some ways in which we are leading by example

BEING TRANSPARENT IN OUR APPROACH TO TAXATION

In 2013, Unilever published their Global Tax Principles in order to illustrate good corporate practice in the area of tax management and tax transparency. These were developed with engagement from governments, tax authorities, international organisations and NGOs, and provide transparency on tax structure, transfer pricing, relationships with governments and more.

DECLARING INDIVIDUAL WEALTH

Bob Collymore, the CEO of Safaricom and B Team Leader, was the first Kenyan private sector executive to declare their personal earnings and net assets, including the form of those assets. He made the declaration in late 2015 with the aim of placing responsibility for turning the tide on corruption onto individuals in the private sector. Declaration for public sector executives has been enshrined in Kenyan law since 2003, however very few comply with the policy.

ENSURING SUPPORT FOR WHISTLEBLOWERS

Natura has implemented a comprehensive four-stage approach to compliance, initiated in 2006. The cornerstone is their Relationship Principles clearly stating how employees should initiate and develop business relationships in a responsible way. In addition, Natura has an accessible (in both format and language) whistleblower channel for all stakeholders. An Ethics Committee ensures all reported cases of non-compliance are assessed fairly. Finally, all compliance initiatives are embedded with a comprehensive process of staff training and education.

THE POWER OF OPEN GOVERNMENT

By Mo Ibrahim

Improving governance is critical to accelerating economic opportunities, security, democracy, participation and human rights. Transparent and open practices can help accelerate reforms and drive development. Corruption is not the only culprit of government losses. Mismanagement of public contracts and inefficiency often cost countries billions. Public procurement is worth \$9.5 trillion per year and represents the way many governments deliver critical public services and infrastructure through and with the public sector. It is very clear that most governments can't keep track of their process — what they are buying, from whom and whether or not they got a fair price.

I believe that one of the best solutions to tackling corruption both in the public and private sector is through open contracting. Secrecy makes public contracting susceptible to exploitation, depriving citizens of public goods and services. Open contracting is undeniably a powerful tool to prevent corruption, ensuring that public funds benefit citizens while reducing costs and opening up markets to new players, particularly small and medium enterprise.

We are starting to see steady progress in this space. Globally, the Open Contracting Partnership aims to open up public contracting through disclosure, data and engagement so that the huge sums of money involved are spent honestly, fairly and effectively. In Africa, a new working group hosted by the African Freedom of Information Centre aims to ensure that open contracting will be promoted as a solution to end corruption in governments.

Despite this progress, it is fair to say that we need to broaden the notion of open contracting beyond fair and transparent tendering processes. It is important that we allow the full cycle of a contract to be open to public scrutiny — exposing all aspects of expenditure and delivery.

By publishing spending and contractual data, governments are better able to evaluate suppliers through comparative shopping. This includes the release of beneficial ownership registries as well as revenues from extractive industries.

At the recent Open Government Partnership (OGP) Africa Regional meeting, South Africa announced that it would present a national action plan that includes a commitment to create a public beneficial ownership registry. I am proud to say that I have been an OGP advisor since its earliest days and currently serve as an ambassador for the partnership. I am happy to see the groundwork it has laid for better governance.

The B Team, along with other key stakeholders, is working on developing the Global Beneficial Ownership Register. We have also welcomed commitments for governments to work with civil society and business to make beneficial ownership transparency a global reality at the Anti-Corruption Summit hosted by the UK government recently.

The Extractive Industries Transparency Initiative encourages oil, gas and mining companies to disclose their payments to host-country governments, reducing the likelihood for siphoning off revenues into private accounts. This can help reduce the resource curse.

There is no doubt that openness and transparency can save money, strengthen people's trust in government and encourage greater public participation by all parties involved in decision-making.

Ultimately, there are no secrets in open contracts. By opening up their budgets, sharing their data and guaranteeing a permanent dialogue with civil society, governments and businesses will become more accountable to the people, place and planet.



NEW METRICS



OUR VISION To develop measurement protocols that help companies and investors account for environmental and social impacts and dependencies.

The World Wildlife Fund (WWF) estimates that we need 50% more natural resources than currently exist to sustain the world's current production and consumption levels — a fact that has significant negative implications for the future livelihoods and wellbeing of people around the world. Our businesses also rely on healthy ecosystems and communities, making it both a moral and business imperative that we protect, sustain and value them. We hope to create a world where all companies and investors value natural and social capital along with financial capital.

Why new metrics?

Companies do not properly account for their impacts or dependencies on the environment and communities. These inputs across a company's value chain are sometimes measured, but rarely valued. This is a management and investment risk that can be resolved by taking proactive steps to measure and respect what matters most — the wellbeing and viability of people and nature. Companies that put a tangible value on these inputs are likely to seek efficiencies and invest in innovations that benefit the bottom line, while simultaneously pushing us toward a sustainable future.

Inspired by the success Jochen Zeitz had at PUMA, which published the first ever Environmental Profit and Loss Account (E P&L) in 2011, The B Team joined the Natural Capital Coalition (NCC) in its early days. It has now grown to a membership of 200 organisations. Since 2014, in partnership with the World Business Council for Sustainable Development, The B Team has been a part of the core team developing the NCC's Natural Capital Protocol (NCP) in a collective effort that has involved almost 40 leading organisations.

"The B Team's strategic advice and insights have been essential to the development of the Natural Capital Protocol. Their understanding of the challenges that businesses face have been invaluable in facilitating the conversation around the Protocol and its application."

Mark Gough

Executive Director, Natural Capital Coalition

Developing the Natural Capital Protocol

The NCP is a standardised framework for business to measure and value its direct and indirect impacts and dependencies on natural capital. The intent is not to invent new methods, but to build on the front runners that already exist, fill the gaps and enable a period of experimentation in the market via different sectors and geographies.

OUR WORK

- Helped develop the NCP
- Supported a wide-reaching consultation process to gain feedback and support
- Encouraged companies to pilot the Protocol
- Created a framework for progressive businesses to systematically measure and value their impacts and dependencies on natural capital and build it into strategy and decision-making
- Advocated for the NCP through private and public events

OUR PROGRESS

- More than 150 companies committed to the process as Business Engagement Partners
- More than 50 companies piloted the Protocol
- More than 4,000 comments were received from more than 140 organisations in the public consultation
- The first ever NCP and accompanying sector guides for business to be launched in July 2016

Some ways in which we are leading by example

SHARING OUR LEARNINGS

After pioneering the Environmental Profit and Loss account (E P&L) at PUMA, Kering took valuing natural capital to the next level in 2015 by open-sourcing their E P&L tools and methodology, along with publishing their group-wide E P&L results.

INCORPORATING SOCIAL CAPITAL INTO REPORTING

Safaricom is one of the only companies to use a methodology that monetises both their environmental and socio-economic impacts — and publicly report on results in their True Value Report.

PILOTING THE NCP

Tata Group has committed to undertake a natural and social capital valuation for its businesses as part of its Sustainability Policy. In the last year, seven Tata companies provided inputs as “Business Engagement Partners” toward the development of the draft global framework for measuring and valuing natural capital (the NCP) being developed by the NCC. Tata Steel, Tata Chemicals, Tata Power, Jaguar and Land Rover have successfully worked with the Coalition on a four-month engagement to pilot the Protocol. Going forward, the effort will focus on making the business case for mainstreaming this approach, and building awareness and capacity within companies.

THE TRUE COSTS OF DOING BUSINESS

By François-Henri Pinault



Diminishing resources, loss of biodiversity and climate change are causing massive disruption in a world where the population is expected to reach nine billion people by 2050. This concerning state of the planet leaves no other choice but to act.

I believe it is essential that we, as businesses, place sustainability at the core of what we do. It is our responsibility to contribute to future generations and leave the world in a better condition than the one in which we found it.

Sustainable development should not be seen as a constraint. Sustainable business is smart business. It represents long-term differentiation and competitive advantage. It stimulates innovation and provides business opportunities which, in turn, create growth and value. That is why at Kering sustainability is not just about ticking a compliance box. It is a core element of our strategy.

Succeeding in embedding sustainability in our core processes is not all “science”. It demands inventiveness, pushing further the boundaries of what is feasible. This is why being a luxury company, with creativity at the heart of its DNA, helps massively.

An example of such innovation is the Environmental P&L (E P&L) that we built from scratch.

To truly change the way we did business, we believed we had to measure our impact and dependencies on diminishing natural resources and ensure that every year we improve on the areas that matter most. We decided the most uniform comparable measure to use was a monetary evaluation — the E P&L. Today, this approach is taken across our entire supply chain (from our raw materials sourcing, to our logistics operations, our product distribution, and our stores), and covers more than 500 processes and 100 materials.

Through the E P&L we realized that 93% of our environmental impact was taking place outside of our legal boundaries.

It also stimulated us to innovate and change the processes that no longer benefit the globe. For example, Gucci and Bottega Veneta were the first companies in the world to achieve leather tanning without using heavy metals.

But it serves no purpose if we're the only ones! All large companies should be required to establish an E P&L. This is why we open-source and share our sustainable breakthroughs with others, including our competitors. This “true” accounting will lead to better insights, policies, relationships, transparency and performance for all of us towards a just and sustainable world. Embedding business and sustainability is about building our own future.

TRUE VALUE: THE BUILDING BLOCK OF A COMPANY'S DNA

By Bob Collymore

At Safaricom, we often say our vision is to transform lives. We do this by leveraging products and services that meet the evolving needs of one of the most dynamic markets in the world.

Over the last 15 years of our operation, our sustained heavy investments and intuitive market understanding have earned us the position of Kenya's largest mobile operator. Today, two out of every three mobile subscribers in Kenya are our customers. Over the years, the narrative around our company has often been strongly focused on the financial successes that have accompanied that growth. But we believe that the story of Safaricom can never exist within the confines of a financial announcement.

Perhaps more than anywhere else in the world, we have found that mobile connectivity has the ability to extend essential services to otherwise marginalised groups. Today in Kenya, mobile is being used to enhance access to education, healthcare and financial services in ways never imagined. This "value" is often impossible to calculate using traditional financial measures.

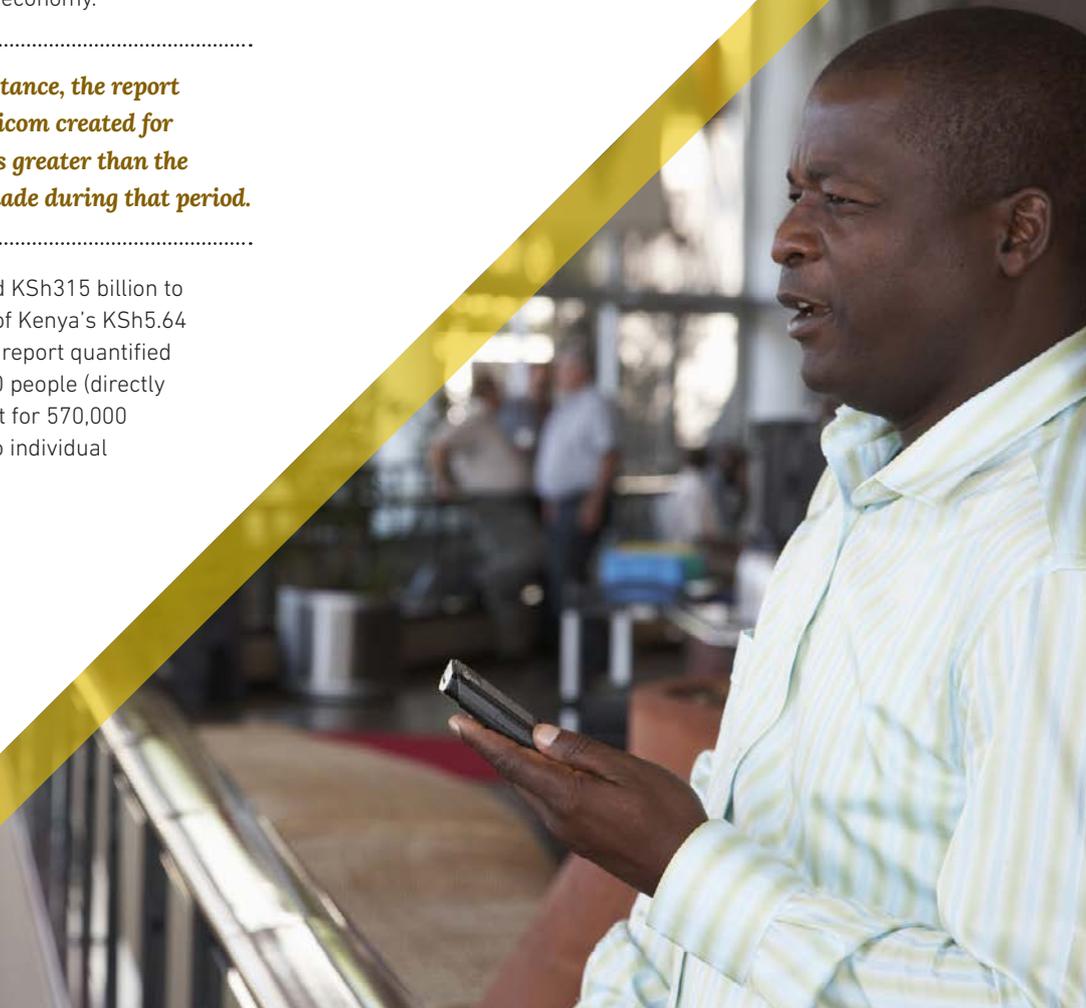
Late last year, KPMG released a study on Safaricom's true value. The report revealed what we had suspected, that financial results do not always tell the whole story of the value that a business creates to a community or to a country's economy.

During the 2015 financial year, for instance, the report showed that the total value that Safaricom created for Kenyan society was around nine times greater than the actual financial profit that the firm made during that period.

We learned that the company contributed KSh315 billion to the local economy, or about six per cent of Kenya's KSh5.64 trillion wealth as of December 2014. The report quantified impacts ranging from employing 112,000 people (directly or indirectly) and generating employment for 570,000 people to contributing KSh138.8 billion to individual wealth through M-PESA.

In addition to giving us a full picture of our impact, the report helps our stakeholders to better understand our business. It creates the basis for a more accountable company, one that is driven not by its bottom line, but by its impact on the community in which it exists. The True Value Report has shown the degree to which our company and communities are interconnected and dependent on each other and underscores the importance of ensuring our agenda remains consistent and sustainable.

Most importantly, it tracks how well our vision matches our objectives, laying the building blocks of our true DNA.



BORN B



OUR VISION To grow a movement of entrepreneurs and business leaders around the world, including startups, venture capitalists, institutional investors and the legal community, committed to embedding social and environmental purpose in their company DNA from the start.

The startup community is a powerful driver of disruptive innovation, creativity and change in the business world. When an innovative new business integrates social and environmental purpose into its core business model from inception, rather than backward engineering once it has become large and complex, it can vastly improve its ability to help address long-standing global challenges. We call this being “Born B”.

Born B companies will take on some of the commitments outlined by our other B Team initiatives and will co-create new calls to action with us for the startup community. To start the journey, entrepreneurs can take the Born B Quick Impact Assessment to benchmark current practices against their peers.

3,000+ COMPANIES
have registered as Benefit Corporations, meaning they are legally accountable to their broader stakeholders as well as their shareholders.¹¹

Empowering entrepreneurs to create purpose-driven companies

One of our key partners in this effort is the non-profit organisation B Lab, the creator of the B Corp Certification, which shares our mission to catalyse a movement of purpose-driven business leaders.

OUR WORK

- Created Born B Quick Impact Assessment, in partnership with B Lab, to help entrepreneurs benchmark their progress
- Marc Benioff and Sir Richard Branson led the launch of Born B in March 2016 at Salesforce’s HQ with a workshop and discussion to inspire purpose-driven leadership among the San Francisco tech community

OUR PROGRESS

- 120 entrepreneurs joined our Born B launch and our online discussion reached 13.6 million people
- More than 60 companies initiated their own Born B Quick Impact Assessment within first three months of its launch on bteam.org

BUSINESS BEYOND THE BOTTOM LINE

By Guilherme Leal

Growing a business that was once based in a garage into a leading cosmetics company is gratifying, but what makes me proudest is how we've done it.

Natura has been dedicated to creating social and environmental value since it was founded in 1969. Our belief in the power of human relationships led us to adopt a direct selling model, enabling thousands of consultants to generate income. Their entrepreneurial spirit helped us to grow rapidly in the 1980s, even amid Brazil's economic downturn. During this decade, we became the first cosmetics company to offer refill products and launched pioneering products which highlighted the value of non-stereotypical beauty.

In the early 1990s, we restructured, detailing our *raison d'être* and clarifying our commitments and way of doing business. During this time my two co-founders and I discussed how we could translate our personal values into what we wanted for the business. We believed passionately that everything on the planet is interdependent.

Similarly, companies' longevity depends on their ability to contribute to the evolution of society and its sustainable development.

To succeed and be happy, we knew we had to take care of each other and the planet. So we set out to develop products, and to relate with our customers and suppliers, using these values.

Since then, Natura has strived to change its habits and adopt more sustainable behaviours. We design and produce sustainable brands that respect people and biodiversity, an approach which is at the heart of our business strategy and a core element of our innovative R&D. Today more than 80% of Natura's ingredients are plant-based and 12% are produced by suppliers in the Amazon. We work directly with more than 30 local communities who share local natural resources and their knowledge. Together, we help to keep the forest standing. Similarly, to fight poverty and inequality we founded Instituto Natura, investing all profits from our *Crer para Ver* product line to support public education improvement projects.

This philosophy of success beyond the bottom line goes hand-in-hand with the B Corp movement, which is redefining business achievement and promoting the integration of financial, social and environmental metrics. In December 2014, Natura became one of the world's largest B Corps, a big undertaking for our large, mature company. It reinforced our values and spurred us to further improve our policies and practices.

We cannot do it alone. We need a mobilised civil society to push for change and governments to create enabling policies which help sustainable approaches to thrive.

But for Natura, it all starts at home. Our business can be an important agent of transformation, essential for building the better world which we seek. This is both a responsibility and an opportunity. It's time for all of us to operate within social and planetary boundaries and leverage businesses' unique strengths to solve our greatest challenges. At the same time, we can grow resilient companies which produce value for all shareholders, including the most important: Mother Earth.

Certified



Corporation
bcorporation.net



USING YOUR BUSINESS AS A CHANGE AGENT

By Marc Benioff



As business leaders, we are responsible for more than just shareholders — we are responsible for supporting all of our stakeholders, our customers, employees, partners, our communities and the environment. As part of that mandate, we are obligated to make the world a better place, not just make money. We cannot ignore problems like poverty, global warming, human rights violations and growing income inequality. We must engage in helping others and our planet with the same focus and dedication we apply to other business investments.

While we are creating great companies and achieving success, we need to remember the words of Martin Luther King, Jr. "Life's most persistent and urgent question is: What are you doing for others?"

When we started Salesforce in 1999, we created the 1-1-1 integrated corporate philanthropy model, donating 1% of equity, 1% of product and 1% of employee time to non-profits and educational institutions around the world. When employees join Salesforce, giving back starts from day one. They attend new hire orientation, and then they go out and volunteer in the community. Making a positive contribution to the world is core to our company culture.

Because of the 1-1-1 model, we have been able to give back to our communities. As of May 2016, we've given more than US\$115 million in grants globally, and Salesforce employees have volunteered more than 1.3 million hours in their local communities. And more than 28,000 non-profits use Salesforce for free or at a discounted rate. To extend the power of the 1-1-1 model, we've also helped create a corporate philanthropy movement called Pledge 1%, and more than 750 companies have joined us by dedicating employee time, equity, product or profit back to the community.

Our 1-1-1 model is just one way to do something for others.

It's my belief that businesses are the greatest platforms for change in the world.

In the future, CEOs will be not just be judged on the success of their business, but on whether they've made a real impact on the communities and stakeholders they serve in service of making the world a better place for all.

INVESTING IN IMPACT

By Joanna Rees

Every month more than 500,000 new businesses are started in the United States, disrupting industries, providing new jobs, and offering innovative new products and services to consumers around the world.

Launching a company is not easy. About 90% fail in their first couple of years. Despite this risk, some entrepreneurs go beyond selling a product or service and are redefining what business success means in the process.

These visionaries are managing their businesses in ways that benefit people and the planet while being commercially successful. This ranges from entrepreneurs like Ben Rattray founder of Change.org, the for-profit company helping to make online advocacy easier for millions of people, to Brian Chesky of Airbnb, which benefits local economies by enabling individuals to provide overnight accommodation, without building new infrastructure.

Entrepreneurs that integrate purpose-driven business models can gain a competitive advantage. Studies have shown that recruitment and purchasing trends are changing, and companies that demonstrate their positive role in society are better able to recruit and retain millennial talent and customer loyalty.

In a world where the climate crisis is taking a toll on our ecosystems, and one in nine people on the planet do not have enough to eat, these new business models can help address our biggest social and environmental challenges and help to create a transition to a more just and sustainable economy.

Institutional investors like CalPERS represent constituencies who value long-term social and environmental measures. But purpose-focused investments can also deliver short-term returns. DBL Partners' success in taking SolarCity, Pandora Media and Tesla Motors public is a good example. Given that pension funds often contribute to venture capital funds, investing in social and environmental impact is a good alignment of shorter and longer-term interests.

.....

But out of the approximately 77 billion venture capital dollars invested in 2015, very few investment strategies included social and environmental criteria as a core element.

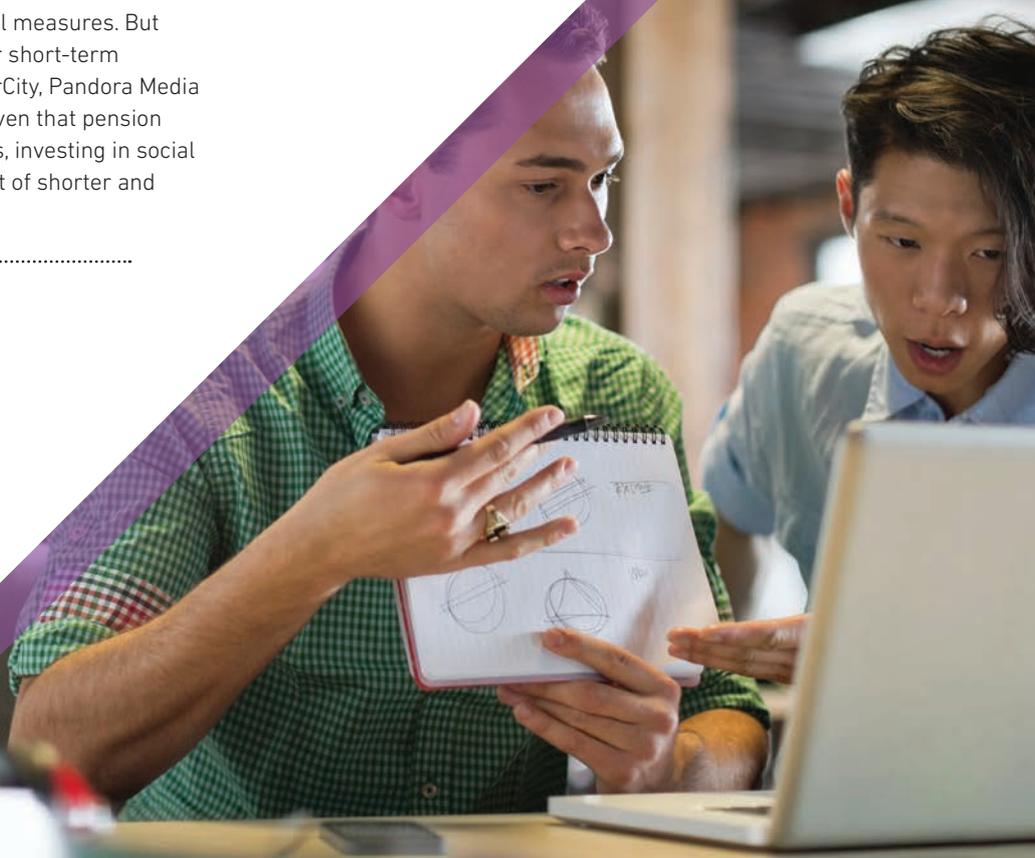
.....

This is in part because we lack a standardised method to evaluate social and environmental impact.

There is general consensus around financial health metrics — whether positive EBITDA or strong revenue growth — but we don't yet have agreement on what constitutes broader stakeholder return.

The success and growth of B Lab is a hopeful sign. This non-profit provides a certification for companies that align their governance structures with social and environmental values. If more startups publish the social and environmental metrics required for B Corp certification, investors can obtain the data needed to evaluate strong purpose-driven investments.

Success is possible, and it doesn't demand revolutionary changes. By mainstreaming just and sustainable business and investment models, together we can transform the private sector's contribution to society and the world's path to sustainable development.



THE GLOBAL GOALS



OUR VISION To raise awareness and mobilise business leadership toward achieving the Sustainable Development Goals (“SDGs”) — or Global Goals — and accelerate the transition to a just, equitable and sustainable economy.

The 2030 Agenda for Sustainable Development, which includes 17 SDGs, provides a framework to eradicate poverty, foster peace, combat climate change and achieve shared prosperity for all people in ways that respect nature and restore the planet. The goals are both a challenge, and an unprecedented economic opportunity. Businesses that take action, and adopt new ways of operating, will position themselves for long-term economic returns while also driving the social and environmental outcomes needed to achieve the Global Goals by 2030.

To meet the Global Goals we need a **SHIFT FROM BILLIONS in overseas development assistance TO TRILLIONS in investments.**¹²

Calling for a business plan to achieve the Global Goals

In order to galvanise the urgent and proactive business action needed to achieve the Global Goals, we are working to champion the economic case for sustainable development. We seek to inspire more leaders to take action to advance specific goals, and to grow a movement of companies committed to changing their business models in ways that will help society to achieve a sustainable future for the planet.

OUR WORK

- Convened a business and civil society working group at the 2015 World Economic Forum to foster a shared narrative on the Climate and SDG agendas
- Supported the formation and launch of the Business and Sustainable Development Commission
- Convened business and civil society leaders to mobilise private sector action and raise awareness of the role of business in advancing the Global Goals

OUR PROGRESS

- 19 leaders joined the Business and Sustainable Development Commission including Paul Polman, Sharan Burrow, Bob Collymore and Mo Ibrahim
- 130 people from 70 organisations joined the Business & Civil Society Climate-SDG Coordination Group
- 1,700 people reached through our Global Goals event

THE ECONOMIC CASE FOR SUSTAINABLE DEVELOPMENT

By Paul Polman

Our understanding of the world, our climate, and ecosystem has changed dramatically over the past decade. And with it, the role and responsibility of businesses has changed too.

Even with this rapid change, there are some certainties. We know we have to change our mind-set and habits in a resource-constrained world. We also know it is critical to stop warming at 2°C, or better still 1.5°C, to avoid the most dangerous consequences of climate change and protect vulnerable communities — the millions of people living in low lying islands and coastal communities.

In 2015, we set the world on the pathway to address these challenges. The Sustainable Development Goals (SDGs) and the Paris Agreement provide the global framework to eradicate poverty and reverse climate change. But frameworks are only the starting point. We must turn words into action to end extreme poverty and shift to a zero-carbon economy.

There is overwhelming evidence that the transition to a thriving, clean economy is inevitable, irreversible — and irresistible.

The global market for low-carbon goods and services, for example, is worth more than US\$5.5 trillion and is growing at 3% per year.

Sustainability is no longer just the right thing to do — it fuels growth. It helps businesses become more resilient, save costs and reduce risks. At the same time, companies that do not engage will not survive. We've increasingly seen this with companies filing for bankruptcy due to failing business models and the heightened fines for misconduct in the financial, oil and gas and car industries.

Businesses around the world have started to realise this. Whereas many used to see sustainability as an environmental or development issue, they now understand it to be an enormous opportunity that will help protect long-term performance and deliver growth. Business can speed-up implementation and unleash the investment, innovation and economic transformation required to achieve this ambitious agenda.

If we shift to a circular economy model, it can generate savings of more than US\$1 trillion a year, while reducing both waste and emissions. If we have a more equitable workforce, annual global GDP would increase by an estimated US\$28 trillion in 2025. This is significant in a US\$100 trillion global economy.

At the same time, we see huge yields from social investment. For every one dollar invested, the global economic return on sanitation spending is US\$5.50, and an investment in nutrition gives a US\$17 return. Surely no one can argue with that.

If we make the right choices now, it won't cost more to make them low-carbon, socially responsible, with major economic and climate benefits. We've begun a major push to promote the business case for sustainability and clearly articulate the economic opportunity for scaling business action on the SDGs.

Business and civil society, including some of my fellow B Team Leaders, have formed the Business and Sustainable Development Commission, tasked with quantifying the economic case for businesses to engage in achieving the SDGs.

Business interests and human development have always been two sides of the same coin, yet somehow we have lost sight of that. The SDGs are a reminder that we can and must bring them back together. Done right, and done together, these actions will power our economies, protect our climate and sustain the world's people for generations to come.



FOSTERING COLLABORATION

By Rajiv Joshi



Business is at a critical crossroads. The last time inequalities reached today's levels — where the combined wealth of the top 1% is greater than that of the rest of the world combined — the world endured The Great Depression, one of the biggest economic crises in human history.

This time it's not just the economy that's at risk. Human activity is destroying the very ecosystems upon which all life depends.

We have the power to change this story. But we can't do it without unprecedented collaboration.

Building a just, safe and sustainable future will require us to mobilise all scientific knowledge, technology, and resources, to embark on the largest coordinated effort in the history of mankind — a modern equivalent of the Marshall Plan.

Governments, businesses and civil society have an equally crucial role to play. We are all in service to a larger purpose — the well-being of the planet and its people — and this means focusing on what unites us, not what divides us.

When civil society is dismissed as irrelevant, or minority voices are ignored, we destroy trust and weaken accountability. When we criticise the failures of government, instead of improving institutions to better deliver essential social services, we discourage brave political leadership. When we brand all companies as purely profit driven, without celebrating sustainable business models, we weaken the potential for economic transformation.

The stakes are too high to continue with this unproductive thinking. It's time to create a virtuous cycle where we stand in solidarity toward common endeavour, ensuring our responses

are commensurate to the challenges we face as a species.

A great example is the 'Tropical Forest Alliance 2020', which brings together governments, business and civil society to end commodity-driven deforestation. Similarly, 'Know The Chain' and the 'Sustainable Apparel Coalition' are working to end forced labour and increase supply chain transparency. Coalitions like We Mean Business are mobilising corporate leadership, influencing policy and shifting the climate change narrative.

We can achieve great things when unlikely bedfellows come together, like last December at COP21 when the Executive Director of Greenpeace International, Kumi Naidoo, joined leading CEOs, including The B Team, to call for an ambitious, long-term goal in the Paris Agreement, standing in solidarity with low-lying island communities in calling for "1.5°C to stay alive".

.....

Today's leaders increasingly recognize that we are all in this together. Transforming the economic system is impossible without enlightened consumers, innovative progressive companies, brave politicians, and visionary civil society leaders working together, putting individual interests aside for collective gain.

.....

Together, we have the ability to craft a new chapter in the human story. To end the lottery of birth. To honour the rights of people everywhere and free humanity from the tyranny of poverty. To heal and safeguard our planet for all generations. Let's do it together.

OUR GOVERNANCE

Co-chaired by Richard Branson and Jochen Zeitz, the Board of 20 Leaders provides the overall governance for The B Team and sets the high-level strategic direction. An Executive Committee, comprising the Executive Chair Jochen Zeitz, three Senior Partners, Jean Oelwang, Joanna Rees and Keith Tuffley, and Managing Director Rajiv Joshi, oversees the organisation's strategy. The Managing Partner & CEO, Keith Tuffley, manages the day-to-day operations of The B Team.

In line with the State of New York's Non-profit Revitalisation Act 2013, the Board has in place sub-committees, including an Audit Committee. Board members also contribute to the Initiatives via Working Groups that are designed to focus our efforts while deepening engagement and collaboration amongst the B Team Companies. Currently active Working Groups include Net-Zero by 2050, co-chaired by Mary Robinson and David Crane, and Governance and Transparency, co-chaired by Dr. Mo Ibrahim and Dr. Ngozi Okonjo-Iweala.

Board of Directors

Marc Benioff is chairman and CEO of Salesforce. Benioff founded the company in 1999 with a vision to create a new kind of company — with a new cloud technology model, a new pay-as-you-go business model and a new integrated corporate philanthropy model. Under his leadership, Salesforce has grown from a groundbreaking idea into a Fortune 500 company and world's fastest-growing top ten software company. Salesforce has given \$120 million in grants, 1.4 million in employee volunteer hours and powered 28,000 non-profits with its technology.



Richard Branson, Co-Chair

Since starting youth culture magazine "Student" at aged 16, Branson has found entrepreneurial ways to drive positive change in the world. Founder of the Virgin Group, he builds businesses that will make a positive difference in the world. Virgin Unite, his non-profit foundation, incubated The Elders, Carbon War Room, The B Team, Ocean Unite and Branson Centre of Entrepreneurship.



Sharan Burrow was re-elected for a second term as General Secretary of the International Trade Union Confederation at the ITUC World Congress in May 2014. Previously President of the Australian Council of Trade Unions (ACTU) from 2000 - 2010, she served as inaugural President of the ITUC from its foundation in Vienna in 2006. Burrow has led union negotiations on major economic reforms and in labour rights campaigns.



Kathy Calvin is President and CEO of the United Nations Foundation. Her career has spanned the public, private and non-profit sectors. Before joining the UN Foundation as Chief Operating Officer in 2003, she served as President of the AOL Time Warner Foundation. Kathy Calvin is a passionate advocate for multi-sector problem-solving, U.S. leadership on global issues, and the inclusion of women at all levels and in all sectors.



Bob Collymore is the CEO of Safaricom Limited, a leading communications company in Africa and pioneer of M-PESA, the world's most developed mobile payment system. Collymore is passionate about transforming lives, he sits on the United Nations Global Compact Board, is a Board member of Acumen and has served as a Commissioner on the UN Commission on Life-Saving Commodities for Women and Children.



David Crane was the President and CEO of NRG from 2003 to 2015. He led its transformation from a regional wholesale generation business to a national, Fortune 250 diversified energy company. Crane was one of the first U.S. power industry CEOs to call for mandatory climate change measures. Before joining NRG, he served as CEO of International Power PLC, and held positions at Lehman Brothers and ABB Energy Ventures in Sydney, Hong Kong and New York.



Dr. Gro Harlem Brundtland became Norway's first woman Prime Minister in 1981. From 1983-1987, she chaired the World Commission on Environment and Development, known as the Brundtland Commission, which put sustainable development on the international agenda. Dr. Brundtland is Deputy Chair of The Elders. Previously, she served as Director-General of the World Health (1998-2003) and UN Special Envoy on Climate Change (2007-2010).



Arianna Huffington is the Chair, President, and Editor-in-chief of the Huffington Post Media Group, and author of fourteen books. In May 2005, she launched the Huffington Post, which in 2012, won a Pulitzer Prize for national reporting. She serves on several boards, including The Center for Public Integrity; The Committee to Protect Journalists; Huffington Post's partner in Spain, the newspaper EL PAÍS; Payoff; and ONEX.



Dr. Mo Ibrahim is Founder and Chair of the Mo Ibrahim Foundation which he established in 2006 to support good governance and exceptional leadership on the African continent. In 1998, he founded Celtel International, one of Africa's leading mobile telephone companies which pioneered mobile services in Africa. Dr. Ibrahim is also Founding Chairman of Satya Capital Limited, a private equity fund focused on Africa.



Guilherme Leal is a Brazilian businessman and social entrepreneur and one of the founders of Natura Cosméticos, a Brazilian company globally recognised for its commitment to sustainability. He has participated in the creation and promotion of organisations including Instituto Arapyaú, Fundação Abrinq, Instituto Ethos and Instituto Akatu. Leal sits on the Boards of the Brazilian Biodiversity Fund and WWF Brazil.



Strive Masiyiwa is the Chairman and Founder of Econet, a diversified telecommunications group with operations and investments in Africa, Europe, North America, Latin America and the Asia Pacific. Masiyiwa serves as a member of the UN Secretary General's Advisory Board for Sustainable Energy. He also is one of the founders of the Carbon War Room, and a founding member of the Global Business Coalition on Education.



Blake Mycoskie is the Founder and Chief Shoe Giver of TOMS, and the person behind the idea of One for One®, a business model that helps a person in need with every product purchased. Since 2006 TOMS has provided more than 60 million pairs of shoes to children and restored sight to more than 400,000 people since 2011. TOMS Roasting Company has helped provide over 335,000 weeks of safe water since launching in 2014.



Dr. Ngozi Okonjo-Iweala is the former Minister of Finance of Nigeria and Coordinating Minister for the Economy. She was Managing Director of the World Bank and was the first woman to hold the position of Finance Minister and of Foreign Affairs Minister in Nigeria. She is chair and member of boards including the UN's Post 2015 Millennium Development Goals High-level Panel, the Rockefeller Foundation, and the ONE Foundation.



François-Henri Pinault became CEO and chairman of Kering in 2005 and has continued to build the company into a world leader in luxury and sport and lifestyle apparel and accessories. Pinault founded and chairs the Kering Corporate Foundation, an organisation that combats violence against women. He is a champion of social and environmental sustainability.



Paul Polman is the CEO of Unilever and serves as Chairman of the World Business Council for Sustainable Development, a member of the International Business Council of the World Economic Forum and a Board member of the UN Global Compact and the Consumer Goods Forum. Polman has received numerous awards and recognition, including WWF's Duke of Edinburgh Gold Conservation Medal, the Rainforest Alliance Lifetime Achievement Award and the UN Foundation's Champion for Global Change Award.



Mary Robinson is President of the Mary Robinson Foundation – Climate Justice. She served as President of Ireland from 1990 to 1997 and UN High Commissioner for Human Rights from 1997 to 2002. In July 2014 she was appointed the United Nations Secretary-General's Special Envoy on Climate Change.



Ratan Tata is Chairman Emeritus of Tata Sons. He was the Chairman of the major Tata companies and during his tenure the group's revenues grew manifold, totalling more than US\$100 billion from 2011 to 2012. Tata is the Chairman of two of India's largest private-sector-promoted philanthropic trusts, and serves on the boards of Cornell University and the University of Southern California.



Professor Muhammad Yunus founded the Grameen Bank in 1983 and has since loaned more than US\$12.5 billion. In 2006, Muhammad and Grameen Bank were awarded the Nobel Peace Prize and since then he has focused on spreading and implementing the concept of social business. In 2013, he was awarded the US Congressional Gold Medal in recognition of his work to address global poverty.



Zhang Yue founded BROAD Group in 1988. He is currently the Chairman of BROAD Air Conditioning. Each of his inventions has transformed its respective industry, making BROAD a technology leader in many fields. He is the Vice Chair of the United Nations Environment Programme's (UNEP) Sustainable Buildings and Climate Initiative. In 2009, he drafted the Building Energy Efficiency Guidelines for the UNEP.



Jochen Zeitz, Co-Chair served 18 years as Chairman and CEO at PUMA where, in 2011, he was the first to develop and announce an Environmental Profit and Loss Account. Zeitz sits on the boards of Harley-Davidson and Wilderness Safaris where he chairs its sustainability committees. He founded the Zeitz Foundation, The Long Run initiative and the Zeitz Museum of Contemporary Art Africa.



Executive Committee of the Board

Rajiv Joshi is a Managing Director and has been with the organisation since its inception. He previously served as Executive Director for the Global Call to Action Against Poverty. Joshi served six years as a Trustee of Oxfam and as a Board Member of CIVICUS. He is currently on the Board of the Centre for Scottish Public Policy, and has served on the Equality and Human Rights Commission and as chair of the Scottish Youth Parliament.

Jean Oelwang is a B Team Senior Partner and the President of Virgin Unite, the entrepreneurial foundation of the Virgin Group. Prior to that, Jean has lived and worked on five continents helping to lead successful mobile phone startups in South Africa, Colombia, Bulgaria, Singapore, Hong Kong, Australia and the US. She sits on the Advisory Council for The Elders, the Advisory Board of the Sara Blakely Foundation and the Boards of the Rocky Mountain Institute/Carbon War Room, the Ocean Elders, Ocean Unite and JUST Capital.

Joanna Rees is a B Team Senior Partner and Managing Partner of West where she leads the firm's investments in high growth innovation economy companies. Rees recently led the formation and capital raise for Endeavor Catalyst, an impact investment fund supporting high-impact entrepreneurs in emerging markets. She currently serves on the boards of FICO, Prelude, Harvest Power, Mursion and Endeavor Global.

Keith Tuffley is the Managing Partner & CEO of The B Team. He is Founder and Chairman of NEUW Ventures SA, an impact investing company that finances new businesses to reduce the human ecological footprint. Before joining The B Team, Tuffley served as Managing Director, Head of Investment Banking and a Board Member of Goldman Sachs in Australia. He is a Director of the Great Barrier Reef Foundation and a Governor of WWF-Australia.

Jochen Zeitz is Co-Chair of the B Team Board and the Executive Chair of the Executive Committee. Further details of his experience is included above.

FINANCIALS

The financial statements for The B Team for the years ending 31 December 2014 and 2015 were audited by Skody Scot & Co. For a full copy of the audited financial statements, please contact Kate Ormiston Smith at kos@bteam.org.

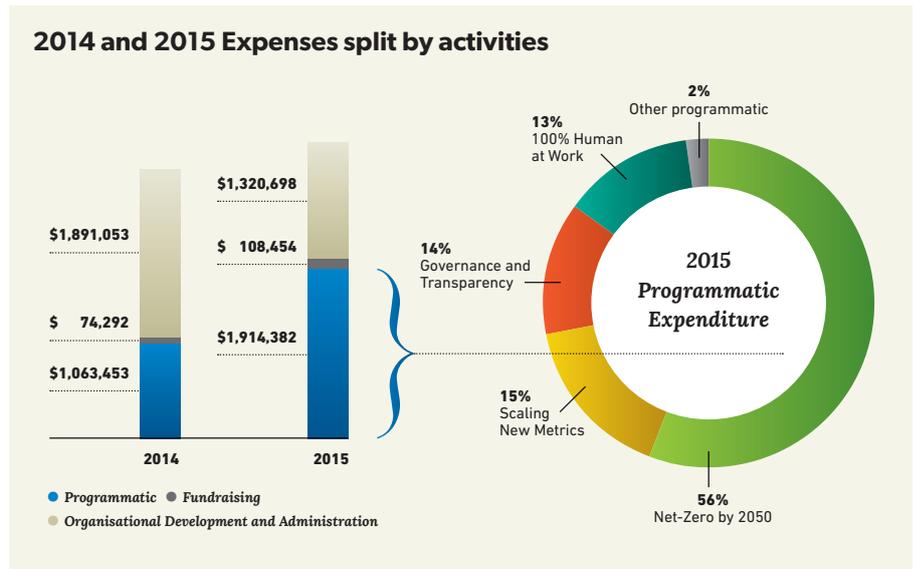
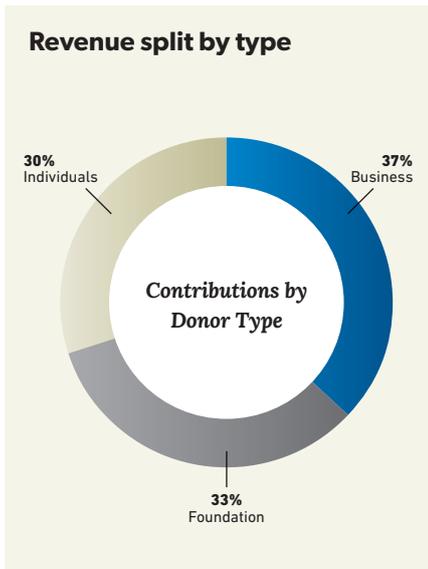
PROFIT AND LOSS STATEMENT (2014–2015)

	2015	2014
Revenue:		
Contributions	3,301	1,694
Total	3,301	1,694
Expenses:		
Organisational Development and Administration	1,181	753
Fundraising	108	74
Programmatic	1,652	619
Total	2,941	1,446
Net Result	360	248

The above statement solely reflects revenue received within each year. Note that this information differs from the audited financial statements, which recognise revenue accounting using US GAAP and includes in-kind contributions of US\$1.582 million in 2014 and US\$402,242 in 2015. The bulk of in-kind donations was from the Boston Consulting Group (for governance structure design and strategy support to 100% Human at Work) and from Virgin Unite (for general support to our operating functions and 100% Human at Work).

REVENUE AND EXPENSES (2014–2015)

Unlike the Profit and Loss summary, these charts include in-kind contributions — much of which was time donated to 100% Human at Work — so as to provide a more balanced view of the distribution of energy between our initiatives.



We receive financial contributions from a combination of sources such as foundations, businesses and individuals, including a number of our board members and their companies.

2014 and 2015 have been formative years for The B Team, with significant costs and staff time dedicated to building the team and developing our strategic plan. The increase in expenditure from 2014 to 2015 reflects the growth of our team as well as a transition from a planning phase to execution; in 2015 we began launching our programmatic initiatives in earnest, with a particular focus on Net-Zero by 2050 and our global advocacy around COP21.

OUR SUPPORTERS

We are truly grateful for the generous commitments of time, energy, strategic direction and financing that our Founders Circle and programmatic donors have provided since 2012. Together this group of like-minded leaders and companies has given invaluable guidance and support to The B Team since its launch.

FOUNDERS CIRCLE MEMBERS

Our Founders Circle members make significant multi-year contributions to support our core activities. The following individuals and organisations made Founders Circle contributions over the period 2012 to 2015.

Chanel

Derek Handley

Econet Wireless

Ford Foundation

Guilherme Leal

Joann McPike

Kering SA & PUMA SE

Rockefeller Foundation

The Tiffany & Co. Foundation

Unilever PLC

Virgin Unite

OTHER SUPPORTERS

Additional supporters provide one-off donations or programme specific funding.

Boston Consulting Group

One Young World Ltd

TOMS

We Mean Business

OUR TEAM

EXECUTIVE COMMITTEE

Rajiv Joshi, Managing Director

Jean Oelwang, Senior Partner

Joanna Rees, Senior Partner

Keith Tuffley, Managing Partner & CEO

Jochen Zeitz, Executive Chair

EXECUTIVE

Stuart Beer, Director, Corporate Engagement

Peter Boyd, Senior Advisor, Net-Zero by 2050

Charlotte Burson, Senior Associate, Global Community and Partnerships

Jessica Desmond, Manager, Communications

Holly Dublin, Senior Advisor, New Metrics

Anna Gowdridge, Senior Advisor, 100% Human at Work

Benjamin Hay, Senior Advisor, 100% Human at Work

Anna Heckenlively, Senior Associate, Global Community and Partnerships

Ruth Jones, Senior Manager, Strategic Events

Jo Kelly, Director, Production

Jane Lawton, Director, Global Community and Partnerships

Annabel Lee Hogg, Associate, Global Community and Partnerships

May Miller-Dawkins, Senior Advisor, Governance and Transparency

Kate Ormiston Smith, Senior Manager, Finance and Operations

Ben Powers, Executive Associate

Leah Seligmann, Director, Net-Zero by 2050

Sandra Seru, Director, Strategy and Operations

David Stearns, Director, Communications

John Tobin, Director, Net-Zero by 2050

SPECIAL THANKS

The progress of The B Team would not be possible without the enormous contribution of our extended community, which includes hundreds of advisors and ongoing partners who have helped shape our strategy and expand our impact. We extend our sincere appreciation to all of them for helping us on our journey.

THE B TEAM

B CONNECT

General: info@bteam.org

Media: media@bteam.org

 [/thebteamhq](#)  [/thebteamhq](#)  [/the-b-team](#)

Design by Shannon Daly Gibbs

Printed on FSC® Certified 100% post consumer paper, processed chlorine free. Green-e Certified, Green Seal™ Certified, Carbon Neutral Plus.