

Friday 15th JUNE 2012

BUSINESS LEADERS CALL ON RIO NEGOTIATORS TO TAKE ACTION TO VALUE NATURAL CAPITAL

RIO DE JANEIRO: Today, in advance of the Rio+20 Summit, a group of prominent business leaders whose companies have a collective turnover of over \$US 350 billion, called for urgent action to properly value and maintain the Earth's natural capital [1]. The Natural Capital Leadership Compact's [2] ambitious agenda is endorsed by leaders of companies with a global reach: Anglo American, Alstom, Arup, ASDA-Walmart, Aviva Investors, Grupo André Maggi, Kingfisher, Mars, Natura, Nestlé, Puma, SABMiller, Unilever, Volac and Votorantim.

The business leaders recognise that we are no longer living off the dividends of natural 'capital', but off the capital itself. They are not only urging governments to take immediate action, but are also committing their companies to a challenging shared agenda by pledging to four key actions:

1. **Operate within the limits of natural systems** – manage supply sources in order to protect the environment and improve social equity.
2. **Identify and address externalities** – build a deeper understanding of the un-costed impacts on people and the environment – associated with the production and consumption of goods and services and build this into business decision making and planning.
3. **Enable consumers to make better-informed choices** – by working with industry bodies, governments and citizens to deepen public debate on how to realign consumption within the limits of natural capital and to eliminate wastage and inefficiency.
4. **Develop rigorous and realistic targets and plans** – to promote the protection and efficient use of natural capital.

The Leadership Compact, developed by business leaders from the University of Cambridge Natural Capital Leaders Platform [3], has also gained signatories from the wider business community.

Some governments, such as those in the European Union, are increasingly recognizing the fundamental importance of internalizing environmental costs and the adoption of sustainable resource use policies as an opportunity to build sustainable economic recovery [4]. However more action is required and the business leaders are pressing for the following commitments from governments:

1. **Establish a policy framework to sustain natural capital** – by introducing policies that encourage focus on the impact of supply chains; provide incentives for more sustainable products; and support effective collaboration across sectors between those reliant on the same ecosystems.

2. **Work with all stakeholders to promote sustainable resource use** – to ensure the most efficient use of natural capital.
3. **Set a clear goal of ‘no net loss’** –by focusing on replenishing and renewing the natural capital that we use.

Commenting on this call for action, Graham Mackay, Chief Executive, SABMiller plc said, “valuing natural capital is critical to ensuring that we manage scarce resources, such as water, through efficient market solutions. Pricing externalities effectively and efficiently will take some time, and will not be easy, but without it we will continue to risk undermining long term economic growth through wasteful resource use”.

“The choice between economic development and sustaining natural capital is a false one. Businesses’ bottom line – and that of our entire global society – is built on products and services provided by natural capital”, said Martin Roberts, Director, The University of Cambridge Natural Capital Leadership Platform.

“Our determination to positively contribute to our environment is critical to the way we do business at Mars – this includes our supply chain, brands and operations”, commented Andrew Hobday Chief Sustainability Officer, Mars Incorporated. “We believe we have a responsibility to work with others in addressing these issues”

"André Maggi Group is joining the Natural Capital Leadership Compact because we strongly believe that it is part of our role to properly value and maintain the stock of natural capital. We also know that we are only a part of this equation and this is why we are working with our value chain to build a deeper understanding of the externalities associated with our activities and meet realistic targets to promote the protection and efficient use of natural resources. We hope that our work will set an example to other companies to join us in these commitments in order to achieve scale across our business sector." Waldemir Ival Loto, Chief Executive Officer, Grupo André Maggi.

-ENDS-

Editor’s Notes

[1] Natural capital includes vital services under threat that range from crop pollination to carbon storage and freshwater provision and from wood production to the renewal of soil fertility and fisheries.

[2] Signatories at Board level to the Natural Capital Leadership Compact are Anglo American, Alstom, Arup, ASDA-Walmart, Aviva Investors, Grupo André Maggi, Kingfisher, Mars, Natura, Nestlé, Puma, SABMiller, Unilever, Volac and Votorantim.

For further information about the Natural Capital Leadership Compact see attached link: www.leadershipcompact.com

[3] The University of Cambridge Natural Capital Leaders Platform, set up in 2010, brings together global business leaders from a cross-section of EU and international businesses who see an urgent need to develop new and longer-term policies that address risks posed by the loss of natural capital and that promote the protection and efficient use of natural capital. Platform members include: Anglo American; Arup Group Ltd; ASDA-Walmart; Corn

Products International; Deloitte LLP; Grupo André Maggi; Kingfisher; Kraft Foods; Lloyds Banking Group; Mars Incorporated; Nestlé; SABMiller; Olam; Unilever; Volac International. Communications from the University of Cambridge Natural Capital Leaders Platform benefit from the input of the entire group but do not necessarily require the formal agreement of all members companies.

The group has been formed and is managed by The University of Cambridge Programme for Sustainability Leadership (CPSL). CPSL works with business, government and civil society to build leaders' capacity to meet the needs of society and address critical global challenges. CPSL's seminars and leadership groups and its partnerships with those who make or influence decisions are designed to transform public and private sector policies and practices and build greater understand of our interdependence with one another and the natural world.

[4] European Commission Roadmap to a Resource Efficient Europe; Brussels, 20.9.2011
COM(2011) 571

http://ec.europa.eu/environment/resource_efficiency/pdf/com2011_571.pdf

For additional information, please contact:

Kate Hinton,
Trust PR Ltd
Mobile: +44 (0)7714 708416
Email: katehinton@trustpr.co.uk

Caroline Randle
Trust PR Ltd
Mobile: +44 (0)7796 140461
Email: carolinerandle@trustpr.co.uk