

**UN GLOBAL COMPACT 15th ANNIVERSARY
BUSINESS AS A FORCE FOR GOOD**
Speech by Paul Bulcke, CEO Nestlé S.A, on Environment and Climate Action

New York City, 25 June 2015, 11h30-13h00

UN General Assembly Session, Segment: ‘Advancing the Sustainable Development Goals (SDGs) through Corporate Sustainability’

Your Excellencies, Distinguished guests, Ladies and Gentlemen.

It is a great honour for me to speak to you here today in the UN General Assembly Hall where in three months the Post-2015 Sustainable Development Goals (SDGs) will be adopted.

I have been asked to talk today about “Climate Action and the Environment”.

We all know that 2015 is an important year. In December, there is the COP 21 in Paris and about half of the 17 proposed SDGs refer directly or indirectly to environmental sustainability.

The stakes are high. What I see in the communities around our 450 factories and in our agricultural supply chain is that the consequences of climate change are already clearly with us:

- farmers struggle with changing crop cycles;
- communities migrate;
- and extreme weather events proliferate;

And the most immediate we see is water; not enough of it, too much or not in the right place... No water, no food. The future capacity of the world to feed its nine or 10 billion inhabitants, will be highly influenced by our capability to tackle the water and climate issue. So it is time to act. No one institution, government, company or NGO can tackle these challenges on their own. All of us need to work together. All of us need to play our part.

The UN Global Compact – whose 15th anniversary we are celebrating today – has helped to frame the way in which the private sector and Nestlé can engage in collective action.

Let me point out the *CEO Water Mandate* which since 2007 has brought companies together to commit to water goals, or the *Food and Agriculture Business Principles* established by the Compact, Governments, the FAO and NGOs; and of course *Caring for Climate*, whose leadership criteria on carbon pricing we joined last year.

At Nestlé, we have integrated environmental sustainability as one of the foundations for our business. We have been around for almost 150 years; we want to be around for another 150. So sustainability does make business sense. Just one example: we have saved 1.35 billion US dollars over the last 20 years, just by reducing packaging.

Our success or failure as a global food and beverage company is directly linked to the society in the countries in which we work. This is why we have committed to sustainability in our direct operations, and why we work with our suppliers to help them mitigate and adapt to climate change. We aim to procure 100% of our electricity from renewable sources within the shortest practical timescale, and to reach zero deforestation by 2020. Eliminating deforestation is key to tackling climate change.

Many other companies take similar actions. I am currently attending the Consumer Goods Forum's Global Summit which I am co-chairing, and environmental and social sustainability is high on our agenda. I urge all companies to be responsible, committed, and ambitious, because, together, we have a tremendous implementation capacity. Together the private sector is an important part of the solution.

Excellencies, Ladies and Gentlemen,

All of us here in the room have the opportunity to help build the Sustainable Development Agenda for the next 15 years and beyond.

We are now looking to governments to show their leadership... to agree and, more importantly, to commit to ambitious targets with concrete actions; to shift to renewable energies; support effective land use and stop deforestation, and to take measures that will lead to a meaningful price on carbon. My only plea to governments however would be: whatever the goals and targets you agree on, they have to be focused, actionable and measurable. You provide the frame, the private sector can help provide the scale.

The UN Global Compact is uniquely placed to guide us on this journey and to serve as an interface between companies, governments, UN organisations and civil society. Your role in the next 15 years will be even more crucial than the first.

We are at an important time in history; we are at an inflection point. I hope it is a turning point.

We have to choose between short term "business as usual" for us today, or the long term needs of our and future generations, for tomorrow. The SDGs will provide the guidance to frame our collective actions.

I made my choice a long time ago, and so has my company. We are investing attention and resources for the long term.

Yes, it will require commitment and efforts from all of us: governments, companies and civil society organisations. And we have to act now! Together and aligned...not out of convenience but out of conviction.

Thank you for your attention.