The Emerging Global Consensus on Responsible Business

- Purpose
- Duties
- Transparency
B Corp

- A certification conferred by the non-profit B Lab.
- Companies in 41 countries have been certified.

Benefit Corporation

- A corporate form authorized by law that has a higher level of transparency, accountability and purpose.
- 33 U.S. states have amended their corporation laws.
- Legislation has been introduced in Italy and is being developed in Australia, Canada, Chile, and Columbia.
Legal characteristics of a benefit corporation

• **Purpose**
  - The purpose of a benefit corporation includes having a material positive impact on society and the environment, taken as a whole, from the business and operations of the corporation.

• **Duties**
  - When the directors and officers of a benefit corporation are making a decision, they are required to consider the interests of all of the corporation’s stakeholders.

• **Transparency**
  - The benefit corporation must prepare a report each year that describes how it has performed in its pursuit of its broadened purpose.
The G8 Perspective

http://www.socialimpactinvestment.org/subject-papers.php
Recommendation 6 (defining characteristics generally): The characteristics that define a social mission business and should be found in every social mission business organized under the law of the country are:

(i) a social impact purpose as provided in Recommendation 7,

(ii) duties of its directors and officers consistent with its social impact purpose as provided in Recommendation 8, and

(iii) transparency regarding its creation of general social and environmental impact as provided in Recommendation 9.
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<th>Charities that do not engage in trade</th>
<th>Charities that trade but do not distribute profits</th>
<th>Social and solidarity enterprises</th>
<th>Profit-with-purpose businesses</th>
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<td>Sustainable businesses</td>
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<td>profit and asset distributions</td>
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