What is corporate social responsibility?
Limits and prospects for more engagement

Sune Skadegaard Thorsen
Partner, GLOBAL CSR
2011 Paradigm shift with the UNGPs = the global minimum standard for RBC

Explaining Corporate Sustainability / CSR / CSR
UN Guiding Principles on Business and Human Rights

unanimously adopted June 2011

Part of UN, OECD, IFC, ASEAN, OAU, EU CSR policy frameworks

Moving from naming and shaming to knowing and showing

2011 Paradigm shift with the UNGPs = the global minimum standard for RBC

POLICY COMMITMENT

HUMAN RIGHTS DUE DILIGENCE
  - Identification
  - Prevention / Mitigation
  - Accounting (tracking / communicating)

REQUIREMENT

REMEDIATION

Environmental Management System

Anti-corruption Management System
In 2011 The Danish pharmaceutical company Lundbeck was hit by a storm. Nembutal (medication for epilepsy patients) was used to anesthetize prisoners before execution in the US. Lundbeck disclaimed all responsibility and insisted that the company couldn't do anything to control how the drugs were being used. From the beginning, Lundbeck refused to draw back the product from the US market. Such a move would hit the many epilepsy patients receiving Nembutal as a last resort when having life-threatening seizures.

However, the small and influential grassroots organisation Reprieve wouldn't take no for an answer. Berlingske Business and Deadline participated in the debate and found that it wasn't correct when Lundbeck claimed that they couldn't reduce the prison access to Nembutal. Lundbeck did have established systems in place to control where the drugs ended. It was very hard to get even basic information from Lundbeck that could support the company's own position on not being able to withdraw the drug from the market.

Consequence: The pension fund Unipension announced its sell-out of Lundbeck shares as the pension fund was tired of the lack of willingness to communicate. On July 1st 2012 the Head of Lundbeck met with Reprieve who then presented a detailed proposal for a new distribution strategy based on the UNGPs framework. Shortly after, Lundbeck announced its final decision: The company stopped all distribution of Nembutal to the US prisons.

The Lundbeck Case in short

1. The Lundbeck Case – first time the UNGPs were applied
2. Lundbeck supplied medicine used for death penalty execution
3. The UNGPs enabled constructive dialogue for Reprieve
4. The UNGPs enabled appropriate response (and results) for Lundbeck

A guide for civil society organisations in addressing adverse impacts on human rights related to business.
Thank you!