



PRME Steering Committee
PRME Secretariat at United Nations Global Compact Office

Dear Secretariat,

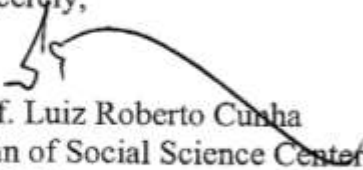
I am honored with the opportunity to participate in the PRME community. It is a great pleasure to present the progress report of PUC-Rio, and particularly of IAG-Business School. This report reflects how PUC-Rio addresses the recent concerns of sustainability.

This report serves "to showcase publicly our competitive advantage" and demonstrate how the university is concerned with sustainability in its broadest sense. It is a longstanding concern, not a present intention, given the long path of concrete actions that the university has taken.

The chance to engage in this particular compilation of facts also made clear that the commitment to sustainability spreads within the university, which undoubtedly contributes to students dealing with these challenging issues.

We appreciate the opportunity to present this report and to reaffirm our commitment to the PRME principles.

Sincerely,


Prof. Luiz Roberto Cunha
Dean of Social Science Center
PUC-Rio



**United Nations Principles
for Responsible
Management Education**

Sharing Information on Progress Report

Principle 1

Purpose: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

Principle 2

Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

Values and commitments. The Pontifical Catholic University of Rio de Janeiro (PUC-Rio) stands for the undisputable option of human dignity. Over time, this option has been translated into a commitment to building a society based on respect and promotion for all, especially the poor and marginalized. The founding principles of PUC-Rio state that the university aims to account for the challenges of the social, political, and cultural conditions in Brazil and the world.

Accordingly, one of the central missions of the university is the continuous commitment to students, faculty, and employees to contribute to the transformation of Brazilian society. PUC-Rio considers its major achievement to be the building of a just and free nation through the eradication of illiteracy, misery, and social injustice.

Social responsibility. The university is aware that its social responsibility relies primarily on its teaching, research, and extension activities. It devotes its academic potential to community benefits that aim to imprint a generation of students with values of a global, inclusive, and sustainable economy.

IAG-Business School. It is in this context that IAG-Business School developed its mission to prepare qualified professionals to face the challenges of the twenty-first century. IAG shares the same pursuit of excellence as the university. Accordingly, IAG strives to enable students to become multipliers of the governing principles of the university.

Efforts toward sustainability. At PUC-Rio, IAG is a member of the Social Sciences Center in which the integration of academic and community life and the interdisciplinary and interdepartmental dialogues are deeply cultivated values. An advanced model of curriculum flexibility and responsiveness to new challenges are key factors in this interdisciplinary model. This model allows the integration of undergraduate, graduate, research, and extension activities of various departments, allowing the development of multidisciplinary projects.

The curriculum and other academic activities of IAG stand out for their variety of social issues and corporate social responsibility. At IAG, there is always a growing interest in both student and faculty to promote projects that facilitate closer interaction between the community and the university.

The commitment to environmental sustainability at PUC-Rio permeates teaching, research, and extension. In recent years, more than 90 courses focusing on environmental issues were

offered in different undergraduate and graduate programs. This contributed to the effectiveness of the interdisciplinary model and the leadership at the Center for Social Sciences was an outstanding asset. Because of this, virtually all departments in the Center have developed courses and research lines on ethics, sustainability, and social responsibilities.

The gathering and linking of teaching, research, and extension in the underprivileged population is a constant concern of the Social Sciences Center and, in particular, of the IAG-Business School. The disadvantaged population such as the poor, the excluded, the elderly, and the functionally illiterate is present in theses, dissertations, and other research works. The common ground of these studies is the association of management education with the needs of a disadvantaged portion of the population. This is a point to be emphasized because twenty percent of students belong to the underprivileged class. The majority of students, however, belong to higher social classes.

IAG reflects corporate social responsibility as well as schools' social responsibility. Due to the growing awareness regarding human rights, labor, and environment in society and in the business community in particular, the perception of social responsibility has been increasingly questioned. For this reason, IAG-Business School at PUC-Rio has several initiatives aimed to deal with this issue, beginning with insertion of courses centered on social values. These initiatives fundamentally affect business management and education because they imply adherence to a new set of values.

These courses, offered by many departments of the Social Sciences Center, cover a variety of themes.

Courses on ethics and social responsibility. Students have the opportunity to examine ethical issues in social transformations. They are required to examine ethics and corruption problems in the context of corporate functions and the ethical awareness of corporate life. These issues are extended to the concept of social responsibility and its historical perspective. In addition, they cover sustainable development, corporate governance, and tools for the management of social responsibility.

Some courses pay special attention to social responsibility and its correlation with improving corporate image. They underline the benefits of ethical integrity in a long-term view of a corporation and society as a whole. In these courses, students have the opportunity to discuss and propose improvements in social responsibility and corporate governance.

Students can take courses that provide the opportunity to work with concepts and approaches to environmental ethics. These topics are studied from the perspective of philosophical rationalities Western and traditional cultures. They also examine environmental ethics in the view of bio-diversity and spirituality. Finally, they explore major environmental challenges of local, national, and international communities. All these topics maintain a strong association with ethical environmental education.

Entrepreneurship and Junior Enterprise. Entrepreneurship in favor of social concerns is also part IAG's concerns. To this end, IAG has the support of the Genesis Institute—considered one of the best business incubators among universities in Brazil. Many incubated companies have both a cultural and social focus. They engage in supervised activities with the collaboration of students, alumni, and members of local underserved communities. IAG collaborates with the university Junior Enterprise. Its undergraduate students practice consulting activities under the guidance of faculty members.

Interdisciplinary Center for the Environment. IAG is associated with the Interdisciplinary Center for the Environment, NIMA, which aims to become the instrument of interdisciplinary discussions on environmental issues. Besides bringing together internal competencies, NIMA also proposes to establish interaction between PUC-Rio and the external organization. For many years, NIMA has undertaken projects with schools, businesses, municipalities, and national and international institutions. It has committed since its inception to environmental ethics and to be an instrument for the communion of human beings with the environment.

Principle 3

Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

For many years, PUC-Rio has promoted topics included in the PRME principles. This has unquestionably been made easier by two components. One is that the culture and values associated with PUC-Rio today lie at its roots. The other is the interdisciplinary pattern and inter-functionality of its academic framework, which facilitates the promotion and incorporation of the subjects in any of its endeavors.

Leadership promotes new initiatives. PUC-Rio is a leading university. In 2012, the year of RIO+20, the Rector of the university—an enthusiast of environmental issues—published two books on sustainability.

Following the pioneering spirit of the university, IAG and various departments of the Social Sciences Center endorse a range of methods to advance concepts in local and global responsibility. One of these methods is the organization of conferences and programs to benefit not only students and faculty, but also the greater community.

Environmental Week. One environmental initiative is Environmental Week, which the university has been promoting for nearly 20 years. During this week, the university, led by its Interdisciplinary Center of the Environment, brings together students and teachers from different courses to discuss and debate ideas that foster appreciation of the environment. These meetings generally include lectures, workshops, mini-courses, paper presentations, concerts, and many other spontaneous activities.

One activity is the ecology hike in which a selection of tracks promotes environmental education. Another is the constant promotion of debates to favor the education of students outside the classroom. Recent themes have included solar and wind energy.

Sustainability Across Campus. The university has a program called Sustainability Across Campus, which aims to develop multidisciplinary methodologies for the sustainable management of universities. This program is an initiative of the Geography Department, a part of the Center of Social Sciences. It is composed of an interdisciplinary research group of faculty, students, and other associates. It integrates different types of knowledge into empirical actions that turn the university into a living laboratory for sustainability. The Campus of PUC-Rio is in the Atlantic Forest—regarded as one of the richest biomes on bio-diversity as well as one of the most threatened.

The first step was the creation of four action groups: Water and Energy, Materials and Waste, Biodiversity, and Environmental Education. The groups made an initial diagnosis and met systematically to align the various visions of sustainability based on their academic origins. These meetings generated a document entitled “Environmental Agenda” that set recommendations for transforming PUC into a continuous process of sustainable actions.

Environmental Agenda. The “Environmental Agenda” is a unique document at a Brazilian university that gathers the sustainability viewpoints from a multidisciplinary group of faculty and students. This document contains short, medium, and long-term sustainability targets for the university in management education as well as teaching and research. This pioneering initiative emerged with the Sustainability Committee created by PUC-Rio after discussions at the Global Colloquium of University Presidents in New York at the initiative of the UN Secretary General. The Agenda contains proposals derived from thematic groups consisting of the following topics: bio-diversity, energy, water, materials, waste, atmosphere, and environmental education.

Principle 4

Research: We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.

At IAG, full-time faculty dedicate a significant portion of their time to research. This commitment establishes that all courses of IAG-Business School that confer a diploma or certificate require the completion of a research project: a monograph, thesis, or dissertation. As a consequence of these research efforts, IAG has produced the following results in 2011/2012:

- 115 articles in national and international academic journals
- 161 articles in national and international scientific conferences
- 124 thesis and dissertations
- 106 MBA graduation research papers
- 529 graduation monographs of undergraduate students
- Several books and book chapters

These publications cover topics of interest to students and bear an association with the research lines of many of IAG's faculty. In addition, a significant portion of this work demonstrates the palpable reality of the commitment of the faculty and students in the creation of sustainable social, environmental, and economic value. A brief examination of these publications reveals a variety of themes.

Social Responsibility and Corporate Governance. There are numerous studies carried out on this subject. One of them is the evaluation of social responsibility indexes of investment funds and the perception of consumers. On corporate governance, there is the analysis of the composition of the Board in Power Sector in Brazil.

Electricity Sector. There are several research projects on the electricity sector, including the evaluation of alternative sources for energy based on biomass, a real options approach on forest biomass, a study of the forward market, and the futures market for electricity in Brazil and its dynamics.

Impact of Social Actions. Studies in health centers and public hospitals have covered several aspects: employee motivation, the public perception of social actions, and the impact of quality programs on business operations.

Environmental impacts. Studies concerned with environmental themes are noteworthy. They cover, for example, consumers' awareness of environmental impact of marketing efforts and environmental responsibility of financial institutions in consumer banking preferences. Others cover innovation and sustainability in start-ups. One study searched for evidence of generational effects in the choice of ethanol as automotive fuel.

Underprivileged population. The underprivileged are mostly examined as disadvantaged consumers who receive special attention. First, there are those with physical disabilities, for whom research is focused on their role as a customer and as a target for recruitment and selection of new employees. The elderly are also examined. One studied focused on their personal restrictions for leisure traveling. The third group is people who are considered poor. Studies have focused on food purchase behaviors, on the evolution patterns of Internet usage, and on compensatory consumption. Attention was also given to the historical exclusion of the poor from the market exchanges. Other works focused on how management researchers use socioeconomic data and on how business schools deal with the issue of poverty. Finally, special attention is given to functionally illiterate consumers. One study focused on the problems of functional illiteracy among low-income pregnant women.

Principle 5

Partnership: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

The IAG-Business School is committed to interacting with companies and their managers while conducting their teaching and research endeavors. For example, PUC-Rio has a

strong tradition in the energy field. While the university has an energy institute, IAG has a research center in energy and infrastructure (NUPEI).

Center in energy and infrastructure (NUPEI). Through this center, IAG has fostered its interaction with organizations in the energy sector. This interaction directs attention to several problems in the industry such as privatization, market development, and improvement of technological and regulatory aspects. As a result, more research and teaching topics were introduced in the School of Business. These topics covered organization, technology, and environmental issues in segments of energy generation, transmission, distribution, and marketing.

In addition to broadening its research interests, electricity management became a theme in several IAG post-MBA programs. These programs focus on sustainability in general and in particular, renewable energy sources. All these concerns have led IAG to a unique position regarding the management of technology and environmental issues related to renewable energy sources. IAG brings the challenges and demands that emerge from the Brazilian energy matrix to its research and teaching. This endeavor reinforces IAG's commitment to meet the managerial needs of corporations in the energy industry. It is a challenge to combine theoretical concepts and applications of investments in different sources of energy: biomass, wind, solar, hydro, and biofuels.

Center on Organizations for Research and Sustainability. IAG has a Center for Research on Organizations and Sustainability (NEOS) that promotes research on social and environmental issues. Salient features of research have focused on the dynamics of labor market and sustainable entrepreneurship. The Center had an active participation at events at Rio+20 conferences that took place on PUC-Rio campus. In preparation for Rio+20, the university, led by the Center for Social Sciences, promoted Environmental Week, composed of about twenty events.

Principle 6

Dialogue: We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

Much of the work at PUC-Rio promoting discussions on the topic of sustainability materialized in 2012 with the intensive participation of the university in the Rio+20 Conference. The campus was used for meetings and conferences related to the Rio+20 Conference.

PUC-Rio hosted large events such as the Fair Ideas International Institute for Environment and Development. This event included more than 40 meetings and presentations of international organizations. They covered business models for sustainability, transforming innovation for sustainability, sharing pro-poor sustainable energy solutions, urbanization and the green economy, and shaping sustainable markets.

Furthermore, as a part of Rio+20, PUC-Rio hosted a debate on sustainable development for students and teachers to discuss pertinent issues with professors from prestigious international universities. In preparation for Rio+20, PUC-Rio hosted the Forum on Science, Technology, and Innovation for Sustainable Development with the participation of Brazilian and foreign scientists.

The Forum focused on sustainable development from a scientific perspective, where proposals for environmental, social, and economic problems emerged. The Forum brought together leading international scientists, policy-makers, industry, NGOs, journalists, and youth from more than 75 countries. It focused on a transition to sustainable development, a green economy, and poverty eradication. It was an important event with a large number of participants, live web casts, and several side events.

Another recent approach to dialogue by the Communications Department of the Center of Social Sciences was promotion and organization of the Brazilian Conference of Environmental Journalism. Organized every two years, the Conference aims to deepen the debate about the topics related to the environment and sustainability in the national and international media.