



MEETING SUMMARY

The UN Global Compact Board held the second of this year's semi-annual Board meetings on 29-30 November 2017 in Geneva, Switzerland. On 27-29 November, UNGC Board Members attended the UN Forum on Business and Human Rights, where the Office of the High Commissioner for Human Rights (OHCHR) launched a year-long campaign celebrating the 70th Anniversary of the Universal Declaration of Human Rights (UDHR). Following the forum, the UN Global Compact hosted a reception and dinner for the Board, UN Officials, and Swiss Government Representatives. The High Commissioner for Human Rights gave remarks, along with the Director-General of the International Labour Organization and the President of the International Committee of the Red Cross. Lise Kingo also spoke at the dinner, and affirmed that the only way business can meaningfully contribute to the Sustainable Development Goals (SDGs) is through a principles-based approach. The focus on human rights principles as part of the foundation for responsible business is timely, given the anniversary of the UDHR and the fact that human rights is one of the UN Global Compacts three programmatic priorities for 2018.

The Board Meeting on 30 November was kindly hosted by OHCHR at their offices in the Palais Wilson – the original home of the League of Nations. The meeting focused on finalizing the recommendations for the Governance Review, and on updating Board Members on the status of Local Networks, on the Value Proposition & Retention Strategy that will support the new Engagement Model, and on the Programmatic Offering to Participants for 2018.

The next meeting of the UN Global Compact Board will take place in New York in June-July 2018.

1 BUSINESS SINCE LAST & 2018 BUDGET

Lise Kingo opened the meeting by welcoming guests and highlighting that the UN Forum on Business and Human Rights and OHCHR's offices in the Palais Wilson served as an excellent setting for the meeting. Ms. Kingo then turned attention to the progress made on the SDGs in the two years since their introduction. She mentioned that there are two areas in which progress has not been good: social inequality (especially regarding the gender gap, youth unemployment/under education, and decent work in global supply chains) and climate change. She reinforced that significant progress has been made in other areas – which is highlighted in two of the Compact's recent publications: the UN Global Compact Progress Report 2017, and the Blueprint for SDG Leadership.

Focusing internally, Ms. Kingo shared the UN Global Compact's progress on the 2017 Goals, which showed strong delivery across all areas. Ms. Kingo highlighted that almost every goal has been completed already, with only two that have been postponed to 2018, and only a few more that are still in progress. Ms. Kingo then presented on the 2018 Goals, which once again fall under the three Must-Win-Battles of Creating Sustainable Growth, Optimizing the Global Organization, and Clarifying and Strengthening the Brand. They are as follows:

- **GROWTH:** Introduce new engagement model globally; Launch new growth strategy targeting key regions and sectors; Maintain strong support of Governments and enhance engagement
- **ORGANIZATION:** Anchor "One Global Compact" globally and embed across key processes; Implement new UNGC Governance structure; Expand UNGC capacity and capability; Enhance strategic positioning of UNGC within the larger UN system; Collaborate between UNGC NY and LNs to deliver programmatic content and scale impact
- **BRAND:** Strengthen UNGC value proposition globally and locally (SG thematic priorities: Finance, Climate, Human Rights); Establish UNGC as bold and clear opinion leader with integrity; Enhance digital experience as a step to creating the "Platform of Platforms"; Define approach to measure impact of UNGC

Alex Stein, Managing Director of the Foundation for the Global Compact, presented on the projected financials for 2017 and the budget for 2018. Projections for 2018 show significant growth in general contributions,



stemming from the introduction of the new engagement model. Expenditure is expected to rise in kind, with significant investments made in digital capabilities necessary to roll out the engagement model and deliver on the value proposition.

Feedback from Board Members was positive, and centered on the need to collect participant and financial data from across the initiative, not just UNGC NY, in order to create accurate financial models and report on impact.

2 GOVERNANCE REVIEW: FINAL RECOMMENDATIONS

Jacqui Boardman and Christian Toennesen from Carnstone Partners presented final versions of a series of ten recommendations to ensure the UN Global Compact's governance structure is fit-for-purpose to deliver on the ambitious UNGC 2020 Strategy and broader 2030 Agenda. All ten of the recommendations were discussed and approved, but debate focused on clarifying the UN Global Compact governance structure and defining stakeholder seats on the Board.

The recommendations will now be taken to the UN Secretary-General, and the final Governance Review will be implemented when the UN Global Compact Board is refreshed in 2018.

Feedback from Board Members focused on clarifying the UN Global Compact governance structure and defining stakeholder seats on the Board, and included the following:

- The multi-stakeholder nature of UN Global Compact (as seen in the make-up of the UN Global Compact Board) is key. Any depictions of the organizational and governance structure of the Compact should demonstrate the importance of its multi-stakeholder nature.
- Reducing the size of the Board is necessary to operate more efficiently and increase individual accountability and ownership of the work. To that end, attendance at meetings will be mandatory, and the total number of Board seats will be reduced from 30 to 23.
- Selection of Board Members must take diversity into account, and nominations should be solicited from relevant stakeholder groups.

3 LOCAL NETWORKS UPDATE

Ole Lund Hansen, Chief of Local Networks, presented on the new Local Network Quality Standards, and the Regional and Global Councils that will enable them. The standards focus on three areas: professionalizing Local Network Boards, formalizing the relationship between Local Networks and hosting organizations, and requiring Local Networks to report on participant engagement and financials. The organizational support for LNs that will enable them to continuously meet those standards comprises the following:

- **REGIONAL SUPPORT STRUCTURE** – including UNGC NY staff on the ground in region (Europe and Asia already in place with 3 more to come in 2018) and stronger integration with UN Country Teams
- **REGIONAL COUNCILS** – comprised of all Local Network Executive Directors in the region
- **GLOBAL COUNCIL** – Comprised of Local Network Executive Directors from each region, as well as UNGC NY senior staff, with equal representation from both groups

Along with that structure, UNGC NY will support Local Networks programmatically through LN Playbooks that will give LNs the customized guidance that they need to roll out all UN Global Compact programmes and campaigns.

Feedback from Board Members was positive, and centered on two key themes:

- Support from UNGC NY to LNs must be customized to address each LN's specific needs in meeting the Quality Standards, and communication between UNGC NY and LNs, and among LNs, must be

enhanced. The deployment of regional liaisons from UNGC NY in all five regions will be a significant enabler of that.

- There must be transparency among Local Networks.

4 UNGC VALUE PROPOSITION & RETENTION STRATEGY

Sue Allchurch, Senior advisor to the Foundation for the Global Compact, presented on the new value proposition and retention strategy that will accompany the roll-out of the new engagement model. The retention plan focuses on companies at risk for leaving the initiative, and involves a multi-pronged communication approach that is a collaboration between UNGC NY and Local Networks. Given the priority of retention, the growth strategy for 2018 will be highly focused, with efforts devoted to the regions and sectors that are least represented, including USA, China, and the tech sector.

The value proposition for participants focuses on three key reasons to join. By becoming participants of the UN Global Compact, companies can:

- **ACT RESPONSIBLY** – commit at the CEO-level and report annually
- **FIND OPPORTUNITIES** – be bold, innovative and principle-based
- **INSPIRE & ADVOCATE** – grow the movement

To help participants do this, the Compact will provide:

- **A unique principles-based platform, anchored in the UN** so that participants can publicly share commitments and progress
- **Efficient access to expertise and knowledge** so that participants can achieve business sustainability objectives
- **Global reach and local connections** so that participants can help shape the future corporate sustainability agenda

Feedback from Board Members supported the strategy and included the following key points:

- The collaboration between UNGC NY and LNs is critical to retaining companies, as country-specific contexts can have large effects on participant views.
- Priorities for growth should also include priorities for impact – regions and sectors where there is room for outside growth on the Ten Principles.

5 PROGRAMMATIC OFFERING TO PARTICIPANTS

Lila Karbassi, Chief of Programmes, presented on the programmatic portfolio for 2018, which includes a transition from many disparate initiatives and working groups to only three main initiatives and two networks:

Initiatives

- **UNGC ACADEMY** – Global learning community with curriculum on the Ten Principles & SDGs
- **UNGC NAVIGATOR** – Digital platform to easily access tools & resources
- **ACTION PLATFORMS** – Leadership practice focused activities for a committed group of companies & stakeholders

Networks

- **LOCAL NETWORKS** – Dissemination of content locally through Playbooks and more
- **EXPERT NETWORK** – Multi-stakeholder group to provide guidance to programmatic priorities

Roll-out of UN Global Compact Programmes will follow a logic model that covers the complete life of the programme. That model shows Inputs → Activities → Outputs → Outcomes → Impact → Dissemination →



Exit Strategy. This model is built on the thinking behind the Theory of Change that the programmes team is working on introducing into all the Action Platforms.

Feedback from Board Members focused on the following key points:

- It's important that participation remain accessible. Since the Action Platforms require a financial contribution, there should be other ways for smaller companies to participate, whether that's through the Expert Network, Local Networks, or reduced fees for Action Platforms.
- The ability to conclude specific initiatives and shift priorities is vital. That will allow the Compact to focus on topics that participants want, at the time that they want them.

MEETING ATTENDANCE

BOARD MEMBERS:

1. **Mr. Toshio Arima** | Director and Executive Advisor to the Board, Fuji Xerox
2. **Mr. Gustavo Pérez Berlanga** | Former President, Global Compact Network Mexico
3. **Mr. Kurt Bock** | CEO and Chairman of the Board, BASF SE
4. **Ms. Alice Cope** | Chair, Global Compact Local Network Advisory Group
5. **Mr. Philip Jennings** | Secretary-General, UNI Global Union
6. **Mr. Y. W. Junardy** | President, Global Compact Network Indonesia
7. **Ms. Laura Kelly** | Head of Business Engagement, UK Dept. for International Develop.
8. **Ms. Linda Kromjong** | Secretary-General, International Organization of Employers
9. **Mr. Henrik Madsen** | Former Chief Executive Officer, DNV GL
10. **Ms. Patricia Moreira** | Managing Director, Transparency International
11. **Mr. Pierre Sané** | President, Imagine Africa International
12. **Mr. Francesco Starace** | Chief Executive Officer, Enel SpA

OBSERVERS:

13. **Ms. Genevieve Jean-van Rossum** | Special Rep. for Bioethics and CSR, French MoFA
↳ incoming Chair of Government Group
14. **Ms. Sanda Ojiambo** | Head of Corporate Responsibility, Safaricom Limited
↳ on behalf of Mr. Robert Collymore
15. **Ms. Sarah Schaefer** | Global Policy Director, Unilever
↳ on behalf of Mr. Paul Polman

EX-OFFICIO:

16. **Sir Mark Moody-Stuart** | Vice-Chair, UN Global Compact Board
17. **Ms. Lise Kingo** | Executive Director, UN Global Compact