



MEETING SUMMARY

The UN Global Compact Board held its first in-person meeting — in New York and coinciding with UN General Assembly Week — following UN Secretary-General António Guterres' appointment of new Board Members in the spring of 2018. Board related events began with a dinner on the evening of 23 September where Board Members heard from the Secretary-General on his expectations of the UN Global Compact Board and the key role Board Members must play in helping to mobilize business to address pressing global challenges. On 24 September, Board Members attended the UN Global Compact Leaders Summit series of events, which included a CEO Roundtable with the Deputy Secretary-General and the 10th annual UN Private Sector Forum (PSF) — a gathering hosted by the Secretary-General for business CEOs, Heads of State and UN leaders to come together and discuss cross-sector issues. The Leaders Summit was followed by a VIP reception that served to announce companies receiving LEAD recognition for 2018, and to thank Sir Mark Moody-Stuart for his nearly two decades of service to the Compact, including over ten years as the Vice-Chair of the Board.

The Board meeting on 25 September, held at the UN Global Compact Office, focused on providing an introduction to new Board Members and gathering early thoughts on the initiative's future trajectory. After a tour de table, Board Members were briefed on the workings of the Compact and its 2020 Global Strategy. They received updates on the Compact's progress against its goals, as well as on three key focus areas: implementation of the new engagement model, an update on the programmatic portfolio, and the status of Global Compact Local Networks. Board Members then engaged in a discussion session focusing on the "road ahead" for the Compact, narrowing in on a few key themes for a strategic plan toward 2030.

The next meeting of the UN Global Compact Board will take place in Geneva, Switzerland on 21 January 2019, immediately preceding the World Economic Forum Annual Meeting in Davos, Switzerland.

1 WELCOMING REMARKS & TOUR DE TABLE

UN Global Compact Board Vice-Chair, Paul Polman, opened the meeting, welcomed Board Members, and thanked them for their strong engagement thus far, including at the video conference with the Secretary-General on 29 June 2018. Mr. Polman echoed the statements that the Secretary-General had made at the Board dinner, agreeing that implementation of the Sustainable Development Goals (commonly referred to as the Global Goals) must be rapidly accelerated if the 2030 Agenda is to be achieved. Using the Secretary-General's priorities as a baseline, Mr. Polman laid out three areas for the Board to focus on:

- achieving the Global Goals
- combatting climate change
- creating a new social contract
- suggestions for the civil society seat and the hope is to fill these two remaining seats in the coming weeks.

Mr. Polman then led the Board in a tour de table, asking Members to introduce themselves and to share what they hope to bring to the Board. There was significant alignment among Board Members, with many of them looking to promote responsible business in their regions, strengthen and champion the work of the UN Global Compact, partner with Global Compact Local Networks across the globe, and find unique opportunities to collaborate with other Board Members to achieve these goals.

Mr. Polman closed the segment by stating that he would work with UN Global Compact Board Vice-Chair, Bola Adesola, and UN Global Compact CEO & Executive Director, Lise Kingo, to find ways to best utilize Board Members outside of the semi-annual meetings. He encouraged Board Members to visit Local Networks when they travel, and to work with the Local Networks in their home countries to help grow the Compact and scale implementation of the Global Goals.

2 INTRO TO THE UNGC & 2020 STRATEGY

Lise Kingo began the segment by giving an overview of the UN Global Compact's history, mission and values. Ms. Kingo then described the Compact's operating model and provided an overview of the composition and role of the global advisory Board, which provides strategic advice to the Secretary-General.

Following this on-boarding segment, Ms. Kingo transitioned to focus on the key elements of the UN Global Compact's 2020 Global Strategy. Developed in 2016, this transformational strategy seeks to ensure that the Compact is fit-for-purpose to deliver on the ambitious 2030 Agenda and centers on the initiative's role across four key areas:

- Global Advocate for Responsible Business & Leadership Practices
- Definitive voice for the private sector on the 2030 Agenda through the Ten Principles & SDGs
- Global & Local Connector and a 'Platform of Platforms' to create a truly inclusive movement
- Trusted authority to Measure and Communicate the impact of responsible business globally

The Compact's Balanced Organizational Scorecard and phased implementation plan were then reviewed, revealing that the initiative has registered strong progress against its goals and is fully on-track to deliver on its strategy through 2020. To conclude the segment, Ms. Kingo invited select members of the Compact's Executive Management Team to provide updates on three of the organization's strategic focus areas.

Engagement Model Implementation Update

Sue Allchurch, Chief of Outreach & Engagement, updated the Board on the Compact's refreshed value proposition and progress in implementing its new engagement (business) model. Roll-out of the model — which requires companies with annual revenue over 50M USD to make a financial contribution and offers two tiers of engagement — is generally on-track, achieving or exceeding most of its retention targets. Areas for increased focus include ramping up the number of large companies selecting the higher "Participant" tier, and retaining large companies from key regions. Although retention has been the main focus of 2018, the Compact aims to concurrently increase recruitment of large companies in key regions, including North America, China, and Africa through year-end.

Programmatic Offerings Update

Lila Karbassi, Chief of Programmes, updated the Board on the current suite of programmatic offerings for participants. The Compact's programmatic portfolio aims to drive global narratives, and to support companies to do four things:

- Lead and innovate with UN Global Compact Action Platforms
- Learn and improve through the UN Global Compact Academy
- Scale through local implementation
- Access curated tools and resources

In 2019, the Compact's thematic focus areas will be aligned with the Secretary-General's stated priorities for the year: Climate Change, Sustainable Finance, and Women's Empowerment & Closing the Inequality Gap.

Local Networks Update

Ole Lund Hansen, Chief of Global Operations, updated the Board on the status of the 69 Global Compact Local Networks around the world. This year, Local Networks have undergone transition in three areas:

- **Governance:** Each region now has a Regional Network Council (RNC) made up of the Executive Directors of each Local Network. The RNCs elect their own Chairs, and those Chairs sit on the Global Network Council (GNC) along with members of the Compact's Executive Management team, including Lise Kingo. The GNC is co-chaired by Ole Lund Hansen and by Carlo Pereira, who sits on the UN Global Compact Board as well.



- **Funding:** The new engagement model has been rolled out among the Local Networks and Networks are receiving funds according to their revenue sharing model. Given the success of the engagement model, the total amount of funding going to Local Networks is expected to double this year (based on a 2016 baseline) and to triple by 2020.
- **Management:** Local Networks are currently implementing new Quality Standards, meant to professionalize Networks and set a minimum standard for the way they are managed. Each Network has its own timeline for fully implementing the standards, but they are on-track and will be finished in 2019 at the latest.

Feedback from Board Members was positive, and focused on the need for a growth strategy that aims to attract companies that want to make progress on the SDGs, and one that helps companies at any stage in their journey and in any region of the world.

3 DISCUSSION SESSION: THE ROAD AHEAD

Aligned with the priorities captured in the 2020 Strategy, Ms. Kingo began the discussion on the “road ahead” for the UN Global Compact by reviewing a mapping of key market deliverables the initiative has identified for the coming months and years. She explained that while the 2020 Strategy provided a timely transitional framework to guide the Compact, there is an opportunity for further strategic thinking as the Compact contemplates its priorities post-2020, particularly as the initiative refines its Theory of Change — a model for how and in what ways the organization will achieve its mission. In short, the Compact’s theory of change explains what the initiative does to change behavior within business and how this behavior change then positively impacts people, planet and prosperity.

The discussion among Board Members was lively and in the end, four focus areas emerged:

1. **A NEW SOCIAL CONTRACT**
2. **THE COMPACT AS A CENTRAL HUB**
3. **CREATING A MOVEMENT**
4. **MEASURING & REPORTING ON IMPACT**

As an outcome of the meeting, the UN Global Compact will work to incorporate these themes into its strategy going forward and into its Theory of Change.

MEETING ATTENDANCE

BOARD MEMBERS:

1. **Ms. Bola Adesola** | Vice-Chair of the Board, UN Global Compact; Managing Director & CEO, Standard Chartered Bank Nigeria
2. **Ms. Inger Andersen** | Director General, International Union for Conservation of Nature
3. **Ms. Clara Arpa Azofra** | CEO, ARPA Equipos Móviles de Campaña
4. **Ms. Sharan Burrow** | General Secretary, International Trade Union Confederation
5. **Mr. Patrick Chalhoub** | CEO, Chalhoub Group
6. **Mr. John W.H. Denton** | Secretary General, International Chamber of Commerce
7. **Mr. Philip Jennings** | Former General Secretary, UNI Global Union
8. **Ms. Lise Kingo** | CEO & Executive Director, UN Global Compact
9. **Sir Mark Moody-Stuart** | Chairman, Foundation for the Global Compact
10. **Ms. Patricia Moreira** | Managing Director, Transparency International
11. **Ms. Flora Mutahi** | CEO, Melvin Marsh International
12. **Mr. Carlo Pereira** | Co-Chair, Global Network Council; Executive Secretary, Global Compact Network Brazil
13. **Mr. Paul Polman** | Vice-Chair of the Board, UN Global Compact; CEO, Unilever
14. **Mr. Ren Hongbin** | Chairman, China National Machinery Industry Corporation (SINOMACH)
15. **Ms. Fiona Reynolds** | CEO, Principles for Responsible Investment
16. **Mr. Francesco Starace** | CEO & General Manager, Enel SpA
17. **Mr. Roberto Suarez-Santos** | Acting Secretary General, International Organisation of Employers
18. **Ms. Genviève Jean-van Rossum** | Chair, United Nations Global Compact Government Group; Special Representative for Bioethics and CSR, French Ministry of Foreign Affairs
19. **Ms. Sandra Wu, Wen-Hsiu** | Chairperson and CEO, Kokusai Kogyo Co. Limited

OBSERVER:

20. **Ms. Kristin Pålsson** | Incoming-Chair, UN Global Compact Government Group; Deputy Director, Swedish Ministry for Foreign Affairs