

MEETING SUMMARY

The UN Global Compact Board held its second regular meeting of 2020 as a videoconference, shortly before the opening of the 75th session of the UN General Assembly. The meeting focused on updating Board Members on the Compact's activities and progress throughout the first half of the year — a unique period for the Compact and for the rest of the world because of the COVID-19 pandemic — and on the increased focus on the role of business in building back better. UN Secretary-General António Guterres, the Chair of the Board, joined Board Members for an hour-long session, where they discussed how the Compact can support business and the UN to build back better after the pandemic. Board Members then listened to an inspirational presentation from a youth voice — Alvin Seo, the Group Sustainability Manager of Singapore Telecommunications Ltd., and one of the Compact's Young SDG Pioneers. To close out the session, Board Members were briefed on the Compact's slate of events around the opening of the UN General Assembly, under the banner of Uniting Business LIVE, as well as the Compact's 20th Anniversary campaign and its plans to celebrate the 75th anniversary of the United Nations on 24 October, or UN Day.

As part of the strategy development process, the Compact plans to host a number of shorter virtual Board sessions before the end of the year. The next regular meeting — usually held in-person in Geneva, Switzerland shortly before the World Economic Forum Annual Meeting in Davos — will be held as a virtual meeting in the new-year.

1 WELCOME REMARKS & INTRODUCTIONS

UN Global Compact Board Vice-Chair, Paul Polman, opened the meeting by welcoming Sanda Ojiambo, to the first Board Meeting under her purview as CEO & Executive Director of the UN Global Compact. Mr. Polman also welcomed three new Board Members to their first meeting: Roberto Marques, Executive Chairman & Group CEO of Natura & Co.; Delia Ferreira Rubio, Chair of Transparency International; and Steve Kenzie, Executive Director of UN Global Compact Network UK and newly-elected Co-Chair of the Compact's Global Network Council. Mr. Polman invited all three new Board Members to introduce themselves to the group.

UN Global Compact Board Vice-Chair, Bola Adesola provided her reflections on the state of the world during the COVID-19 pandemic and adjusting to the "new normal" as we await the "next normal." She reflected on the human toll of the pandemic in terms of the lives lost, and also the opportunity gained, to connect with the loved ones who live with us, and with whom we now spend every day.

2 BUSINESS SINCE LAST, IMPRESSIONS & ENHANCED ENGAGEMENT

Sanda Ojiambo, CEO & Executive Director of the UN Global Compact, began the segment by thanking Board Members for speaking with her bilaterally in her first two months at the Compact as part of an initial "listening tour" with key stakeholder groups.

Ms. Ojiambo then presented on the Compact's progress so far against its 2020 goals, and on its balanced scorecard. Like for others around the world, the COVID-19 pandemic created a lot of uncertainty for the Compact, but the results through Q2 of 2020 have been very strong. Despite a prediction that growth would slow as fewer new companies would prioritize joining the Compact during the pandemic, growth through Q2 remained very high, showing that in times of crisis, companies continue to turn to the Sustainable Development Goals (SDGs) and the Ten Principles of the UN Global Compact.

Ms. Ojiambo also gave an overview of the Compact's major activities so far in 2020, beginning with the pivots that were made to address the pandemic:

- **COVID-19 Special Appeal:** A non-political Special Appeal calling on global business leaders to unite to support workers, communities and companies affected by COVID-19 with the Ten Principles and SDGs rooted at the center of their response.
- **UNGC Academy Special Series:** A special weekly series focused on uniting business everywhere to combat COVID-19. Across sixteen moderated online discussions with global leaders from across



sectors, including several Board Members, the Academy offered guidance and support to companies to help them address the pandemic without losing sight of the urgent need to accelerate progress on the SDGs.

- **Global Compact Network Mobilization:** While amplifying the Special Appeal in many different languages, Networks collaborated with national governments and UN Country Teams to launch a diverse range of tailored local programming and activities.

She then highlighted the Compact's major virtual events, including the 2020 Leaders Summit — which was the UN's largest virtual convening with almost 23,000 registered participants — the Compact's side-event on SDG Ambition during the UN's High-Level Political Forum, and the Global Compact Network Regional Meetings.

Alex Stein, Managing Director of the Foundation for the Global Compact, then presented on the Compact's financial progress through 31 July. As with growth, the Compact predicted that income might slow significantly during the pandemic, thus the organization implemented a number of cost-saving measures to manage the uncertainty. Through July, income has not been significantly lower than the initial pre-pandemic predictions, with general contributions from participants only slightly lower than projected, and Action Platform income from the private sector on-track. Because income has been significantly higher than the conservative re-projections done at the onset of the pandemic, the Compact has been able to relax some of the cost-cutting measures. With these changes, the Compact expects to have a balanced budget by year-end.

Mr. Stein also presented on the progress of the Compact's business model, which was rolled out in 2018. Since the last year before the new model, the Compact has more than doubled the total income of UNGC NY and the Global Compact Networks (GCNs), and GCN income alone has tripled. The business model has been a huge success, but there may also be room for improvement. As part of the new global strategy, the Compact will look for ways to optimize the business model and to simplify it.

Ms. Ojiambo then spoke about her initial impressions of the Compact, and her key take-aways from bilateral conversations with stakeholders over the past two months. She centered her comments around Four Ps: Purpose, Programme, Partnerships, and People.

Ms. Ojiambo also presented on her ideas for enhanced engagement of Board Members both in and between Board Meetings, including scheduling more Board touch-points, and providing additional opportunities for Board Members to interact and discuss important topics.

Board Members were particularly pleased with the bilateral communications that they had had with Ms. Ojiambo, and the fact that they were able to contribute to her first impressions through those meetings. They felt that her perspective on the Compact was in line with their experience, and they offered a number of suggestions of important areas for the new strategy. Much of the discussion focused on the need for multilateral partnerships at both the global and local levels.

3 REMARKS FROM THE SECRETARY-GENERAL

Mr. Polman welcomed UN Secretary-General António Guterres, and briefed him on the Compact's strong progress on its goals – particularly around growth – before inviting him to give his remarks.

The Secretary-General began by highlighting the need for a new approach to multilateralism — one that does not just include Governments, but also business and civil society. He noted that multilateral institutions and processes must adopt a multi-stakeholder approach, and called on the UN Global Compact to be a driving force in pushing Governments to accept this new multilateralism.

The Secretary-General noted the need to accelerate the good progress that the Compact and the business community have made, in light of the COVID-19 pandemic. The pandemic has reversed many years of progress on food security and poverty eradication, and has aggravated the inequalities that exist in our societies. So, it is more important than ever to make progress at speed and scale. He stressed the importance of Governments, companies, institutions and local authorities adopting common policies around the recovery, calling for an organized recovery based on the principles of sustainability and inclusivity.



Fundamentally, this recovery requires a new social contract where Governments, business, and civil society develop mutual understanding on key areas where society can and should be more sustainable and more inclusive. These areas include: education, bridging the digital divide within societies, utilization of social safety nets, decent work, labour rights, human rights, and the fight against authoritarianism. The Secretary-General called on Board Members and all of the Compact's participants to advance the idea of a new Global Compact in which everyone can unite and in which business can be an important force for good.

He also highlighted the importance of a fair globalization, one that gives the developing world more of a voice in international institutions, and seeks to correct some of the imbalances that still exist in the global economy. A fair globalization requires a redistribution of power and wealth at the global level, and the creation of one global market.

The Secretary-General also emphasized the importance of accountability and breaking the cycle of corruption. He noted that action to combat COVID-19 is being undermined by corruption in a number of countries around the world. Corruption in those countries is hindering the possibility of development and of investment, and is a major obstacle to justice. He called on the Compact to make anti-corruption efforts a priority.

In closing, the Secretary-General noted that COVID-19 crisis has proven that Governments, the private sector, and people have the ability to dramatically change the way they operate and the way they live. This knowledge can be applied to other crises that require change, including the climate crisis, and the need for a new social contract.

4 THE ROLE OF THE COMPACT IN AMPLIFYING THE SG's PRIORITIES

Following the Secretary-General's remarks, Ms. Ojiambo provided her own reflections before turning it over to the Board. She commented that the Secretary-General's remarks set the imperative for the Compact, and that his point around business often leading transformation and thus needing to be part of inclusive multilateralism is something that she wants to take forward. She remarked that business must now shape global social and economic frameworks because businesses cannot survive when the societies around them are failing. Ms. Ojiambo reinforced the Compact's commitment in amplifying the Secretary-General's vision, commenting that as the organization embarks on a new global strategy, its eye is firmly on the Decade of Action.

Then, Ms. Adesola led Board Members in a discussion around how the Compact and the Board can amplify the priorities that the Secretary-General identified in his remarks. She began by calling on three speakers before opening it up to the rest of the Board Members for a free-flowing discussion. The first speaker was Anand Mahindra, Chairman of Mahindra Group. He spoke about the importance of tackling entrenched social inequalities, and emphasizing communities. The second speaker was Francesco Starace, CEO & General Manager of Enel SpA. He reflected on the need for a new social contract and rebuilding trust. He also highlighted inequalities around access to education, noting that the education divide has grown because of the COVID-19 pandemic. The third speaker was Sandra Wu, Wen-Hsiu, Chairperson & CEO of Kokusai Kogyo Co. Ltd. She spoke about the importance of resilience in addressing crises, including the COVID-19 pandemic, and called on the Compact to make resilience a core part of its programming, noting that it is an area where the Compact can have clear impact. Following Ms. Wu's remarks, Ms. Adesola opened the discussion to the rest of the Board Members.

Board Members strongly supported the Secretary-General's call for networked multilateralism that is inclusive of business, civil society and labour organizations, and for a new social contract, and they welcomed his focus on anti-corruption. The discussion focused on how the Compact could support the Secretary-General's priorities by building partnerships at the global and local levels and how the Compact must both "raise the bar" and "raise the floor" in terms of holding companies more accountable to their commitments to the Ten Principles.

Following the discussion, Ms. Adesola invited the Secretary-General to share his final reflections. The Secretary-General commented on the importance of Global Compact Networks, and encouraged Networks in developing countries to partner with UN Country Teams. He called on business to drive innovation, and to build alliances with civil society, institutions, and local authorities. In closing, he expressed his confidence in the Board and in the role that Board Members play in mobilizing societies.

5 INSPIRATIONAL REMARKS: YOUNG SDG PIONEER

Alvin Seo, Group Sustainability Manager of Singapore Telecommunications Ltd (Singtel) gave an inspirational presentation to the Board on the way that young people in South East Asia see the COVID-19 crisis, and what, in his view, the Compact can do to address the concerns of those youths. Mr. Seo is one of the Compact's Young SDG Pioneers — a select group of young employees of UN Global Compact participants who are leading the way on specific areas of sustainability. Mr. Seo is the SDG Pioneer for a 1.5°C-compliant business model.

Mr. Seo began his presentation by introducing himself and his role with Singtel, before delving into the primary themes that emerged from his consultation with other young people in Singapore, Indonesia, Thailand and the Philippines. Those themes are:

- The economy and unemployment — in particular, the concern that rising unemployment has hit vulnerable communities much harder
- Increased visibility of inequality along with loss of trust in private and public institutions
- Long-term impact on mental health

In addition to these three themes, the idea emerged that COVID-19 is the first major generational crisis for young people in South East Asia, and its effect on the way that people see the world, has been significant.

For each theme, Mr. Seo discussed what business can do to address the problem, and how the Compact can support business in that regard. Specific recommendations for business included focusing on supply chain sustainability, enhancing and streamlining their communication with communities, and putting a focus on the mental health of their employees during the pandemic. Specific recommendations for the Compact included advocating for accessibility in employment, and enhancing the Young SDG Innovators Programme and its mentorship opportunities for young people.

6 20th ANNIVERSARY CAMPAIGN & UNGA WEEK PREVIEW

Dan Thomas, Chief of Communications and Strategic Events, presented the milestones of the UN Global Compact's 20th anniversary campaign, which was launched at an in-person event in Davos during the World Economic Forum Annual Meeting this year. The next milestone of the campaign will be the Compact's Uniting Business LIVE series of events during UN General Assembly Week. Uniting Business LIVE consists of three events:

- **Private Sector Forum** [21 September]: PSF, the Compact's highest-level convening, will focus on the topic of UN75 and the importance of multilateralism. In the context of multilateralism, it will touch on the issues, of human rights, labour rights, peace, and justice.
- **Global Impact Forum** [22 September]: This forum will showcase on-the-ground and practical examples from Global Compact Networks and will feature the work of the Compact's Global Impact initiatives.
- **SDG Business Forum** [23 September]: This forum, organized in collaboration with the International Chamber of Commerce (ICC) and the UN Department of Economic and Social Affairs (UN DESA) will focus on how businesses – in partnership with Governments and civil society — are addressing COVID-19 and related crises.

Mr. Thomas then presented on the Compact's plans for the 75th anniversary of the United Nations on UN Day — 24 October. The Compact is planning a digital activation of its 11,000 participating companies and their 100 million employees on social media using the hashtag: #Uniting Business.

Board Members strongly supported getting employees involved in UN Day and noted that it is important not to leave workers behind. They supported the engagement of Chief Marketing Officers and recommended that the Compact also engage Chief Legal Officers and HR leaders if they want to optimize engagement among employees. Board Members also expressed their desire to be closely involved and requested more details so that they could share them with their organizations.

MEETING ATTENDANCE

BOARD MEMBERS:

1. **H.E. Mr. António Guterres** | Secretary-General, United Nations
2. **Ms. Bola Adesola** | Vice-Chair of the Board, UN Global Compact; Former Managing Director & CEO, Standard Chartered Bank Nigeria
3. **Ms. Clara Arpa Azofra** | CEO, ARPA Equipos Móviles de Campaña
4. **Mr. Patrick Chalhoub** | CEO, Chalhoub Group
5. **Mr. Emanuel Chirico** | Chairman & CEO, PVH Corp.
6. **Dr. Delia Ferreira Rubio** | Chair, Transparency International
7. **Ms. Natasha Fröjd** | Outgoing-Chair, UNGC Government Group; Program Manager, SDC
8. **Mr. Philip Jennings** | Former General Secretary, UNI Global Union
9. **Dr. Musimbi Kanyoro** | Former President & CEO, Global Fund for Women
10. **Mr. Steve Kenzie** | Co-Chair Global Network Council; Executive Director, GCN UK
11. **Mr. Anand Mahindra** | Chairman, Mahindra Group
12. **Mr. Roberto Marques** | Executive Chairman and Group CEO, Natura & Co.
13. **Sir Mark Moody-Stuart** | Chairman, Foundation for the Global Compact
14. **Ms. Flora Mutahi** | CEO, Melvin Marsh International
15. **Mr. Paul Polman** | Vice-Chair of the Board, UN Global Compact
16. **Ms. Sanda Ojiambo** | CEO & Executive Director, UN Global Compact
17. **Mr. Ren Hongbin** | Former Chairman, China National Machinery Industry Corporation
18. **Ms. Fiona Reynolds** | CEO, Principles for Responsible Investment
19. **Mr. Francesco Starace** | CEO & General Manager, Enel SpA
20. **Mr. Roberto Suarez-Santos** | Secretary General, Int'l Organisation of Employers
21. **Mr. Jean-Pascal Tricoire** | CEO, Schneider Electric
22. **Ms. Sandra Wu, Wen-Hsiu** | Chairperson and CEO, Kokusai Kogyo Co. Limited

GUESTS:

23. **Mr. Alvin Seo** | 2019 UNGC Young SDG Pioneer; Manager, Group Sustainability, Singtel Ltd.
24. **Ms. Marie Wibe** | Incoming-Chair, UNGC Government Group; Senior Advisor, Danish MoFA