The Conference Board operates with a unique mission: to equip the world’s leading corporations with the practical knowledge they need to both improve their own performance and better serve society. Our founders believed the first obligation of an enterprise is to build and sustain a successful business. This would, in turn, create employment and stimulate economic development. Our members have always shared these beliefs, but today they also seek to contribute value in more specific and direct ways to the communities in which they operate.

Public access

As part of The Conference Board societal mission, we make a portion of our research available free to the public so that a broad audience can benefit from our work. For our members, we offer a rich portfolio of activities focused on societal objectives, such as sustainability and education.

Funding for these activities comes from our member organizations, which we feel obligates The Conference Board to report regularly and specifically on the programs that support our societal mission. This publication covers the activities that we believe provided a societal benefit in 2017. Its purpose is to inform both our members and the broader business community of our efforts and to hold ourselves accountable for delivering services the public values and makes the most of our members’ financial support.

Our investment in societal initiatives

Over the last three years, The Conference Board has invested more than $31 million in societal initiatives, including $10.6 million in 2017 alone. These investments support a wide range of activities—from our published economic indicators, which are influential in public policy circles worldwide, to our portfolio of reports, meetings, webcasts, and councils, which are devoted to helping top companies meet their social obligations. The significant increase in our investments during the last three years stems from the 2015 merger between The Conference Board and the Committee for Economic Development.

The Conference Board Investment in Societal Initiatives

<table>
<thead>
<tr>
<th>Year</th>
<th>$ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>6.2</td>
</tr>
<tr>
<td>2012</td>
<td>7.2</td>
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<td>7.2</td>
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<td>2016</td>
<td>10.6</td>
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<tr>
<td>2017</td>
<td>10.6</td>
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</tbody>
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Note: The years represented are calendar years.
The Center model

The Conference Board has 16 centers that span the full spectrum of business and society. While all centers touch upon projects that provide a societal benefit, this report highlights only those centers whose work is primarily societal in nature. This report summarizes our work as thought leaders for member organizations and the broader business community in several important areas, including sustainability, corporate philanthropy, social responsibility, education, diversity and inclusion, and sustainable capitalism, among others.

The Conference Board Centers

Sustainability
Corporate Citizenship and Philanthropy
Corporate Governance
Public Policy
Global Economy
China
Labor Markets
Consumer Dynamics
Strategic HR
Diversity and Inclusion
Talent Management
Human Capital Analytics
Employee Engagement
Communications and Marketing
Innovation and Productivity
Digital Transformation
Sustainability

Sustainability is a key focus area of our research, peer learning, and leadership development activities. The insights produced by these efforts help executives develop, implement, and benchmark programs in the pursuit of business strategies that create long-term value.

In 2017, we released 10 reports, covering a broad range of corporate sustainability issues, including *The Conference Board CEO Challenge® 2017: Meeting the Sustainability Challenge*. The report details the strategies chief executives plan to pursue to address the business challenge of sustainability.

Another major report, *Business Transformation and the Circular Economy: A Candid Look at Risks and Rewards*, examines lessons learned and best practices from companies transforming their business models to capture value from the circular economy. The report includes case studies—featuring real-world experiences of firms that have engaged their teams on circular economy projects—and candid details on their challenges and successes. The report provides a set of practical recommendations for companies to consider, based on interviews and a survey of business leaders who are members of The Conference Board Sustainability Councils and Chief EH&S Officers Council. A webcast series accompanied the report, including panelists from companies featured in the case studies.

We released *Sustainability Practices: 2017 Edition* and an update to the accompanying *Sustainability Practices Dashboard*, a web-based intelligence tool that captures data on 76 environmental and social practices of companies in the S&P Global 1200 Index and segments results by market index, geography, sector, and revenue group. This release represents the fifth update to the sustainability benchmarking report, first launched in 2012.

We also published an executive briefing to help business and society understand the implications of President Trump’s announcement to withdraw the United States from the Paris Agreement on climate change. The briefing, *US Leaving Paris Accord: Much Ado About Nothing?*, drew on a survey of 76 senior executives from major European and US corporations to gauge the anticipated effects of the US withdrawal on their companies’ climate strategy and carbon-reduction efforts.

At our 16th Annual Sustainability Summit in New York City, we discussed the financial and competitive benefits of sustainability and the role of sustainability reporting as a driver of value for the business. Insights from these discussions were captured in the report *18 Truths about Sustainability: Insights from the 16th Annual Sustainability Summit*. These and other topics were also discussed among members of our 12 sustainability-related councils, including Sustainability Council – Strategy & Implementation, Sustainability Council – Innovation & Growth, Chief EH&S Officers’ Council, and the European Corporate Responsibility and Sustainability Council. The Conference Board also launched two new councils—the Sustainable & Socially Responsible Purchasing Council and the China Corporate Responsibility and Sustainability Council.

Rounding out the year, we also formed an external advisory board for The Conference Board Sustainability Center. Among other priorities, the advisory board is tasked with ensuring our research continues to meet the needs of our members and society.
Corporate Citizenship and Philanthropy

As the world becomes hyper-connected, interactions with society are a critical component of business success. Our Center for Corporate Citizenship and Philanthropy documents and analyzes trends and best practices in corporate giving, employee volunteering, and strategic community engagement.

In 2017, The Conference Board partnered with Americans for the Arts to examine trends in business support and employee engagement for the arts. The survey draws on 125 responses from companies of all sizes that participate in arts-related corporate philanthropy, employee engagement, volunteer programs, or sponsorships. The report features a comprehensive set of charts segmenting aggregate data across industries and size groups. One key finding: businesses are looking to engage their employees through the arts, fueling recruitment and retention.

Last year, CECP: The CEO Force for Good, in association with The Conference Board, found in its annual Giving in Numbers: 2017 Edition that the world’s leading corporations are emphasizing strategy and outcomes more than ever, with 60 percent of companies allocating more resources to programs that align with their strategic social cause area, and 87 percent of companies measuring the impact of at least one grant. Additionally, median total giving among all companies increased by 2.3 percent between 2014 and 2016, with pharmaceutical companies seeing the greatest increases in societal investments. Support for the arts and cultural programs is also on the rise, with corporate cash giving in this segment growing 48 percent in the last three years. Now in its twelfth year, Giving in Numbers is the leading study on the funds, resources, and skills that companies invest globally to solve pressing societal challenges.

Corporate Governance

As rebuilding the public’s trust in business takes center stage, boards of directors and the C-suite feel the pressure of increased expectations.

Last year, The Conference Board Governance Center® released a series of reports that detail what corporate board directors believe their role entails. One of these reports, What Is the Corporate Director’s Job? Large Passive Investors’ Perspectives on the Board Member’s Job Description, features the results of a panel discussion. Investors who attended the meeting—including representatives from the “Big Three”: The Vanguard Group, BlackRock, and State Street Global Advisors—advocate for as much shareholder engagement for corporate directors as possible. They believe engagement has been the missing link in the corporate governance debate, which has traditionally focused on the primacy of shareholders versus directors.

Working with the Committee for Economic Development (CED), the Governance Center co-hosted panel discussions where more than 100 corporate governance practitioners discussed the state of corporate governance, corporate political contributions, the job description of a corporate director, and cybersecurity oversight. The Conference Board published a report featuring highlights from these meetings, Governance Outlook for Directors: Highlights of the 2017 The Conference Board /CED Spring Policy Conference. The Governance Center also released Have We Reached a Tipping Point? Insights and Highlights from The Committee on Corporate Political Spending Meeting, which includes highlights of a late 2016 meeting of its Committee on Corporate Political Spending.
That committee was created in 2010 to address the issue of corporate campaign funding following the *Citizens United v. the Federal Election Commission* US Supreme Court decision.

Other research projects include the 2017 edition of *CEO Succession Practices*, which found that CEO departures from underperforming companies reached a high not seen in 15 years, and the 2017 edition of *CEO and Executive Compensation Practices*, which reported that total CEO compensation for Russell 3000 companies increased for the seventh consecutive year.

The Governance Center continued its *Director Notes* series, featuring reports from leading governance experts. Among the topics addressed: sustainability disclosure, ESG shareholder proposals, the effectiveness of a lead independent director, board oversight of long-term value creation, the integration of creating shared value and corporate governance, the role of the nomination committee in Indian companies, and the effect of gender diversity on board decision-making.

The Governance Center also broadcast several webcasts on such topics as whistleblower regulations and practices, global compensation, crisis management, US tax reform, and the impact of immigration enforcement. Through the cooperation of Center members, fellows, and governance thought leaders, the Center launched a blog series—*On Governance*. Thought leaders representing law firms, auditors, cybersecurity consultants, investors, and corporate directors wrote about CEO pay-ratio disclosure, board assessment programs, director fiduciary duties, social media risks, and corporate political-spending disclosure.

**Public Policy**

Running through all CED research and outreach initiatives is its commitment to sustainable capitalism—the notion that addressing the economic system’s challenges through a nonpartisan lens will ultimately strengthen the system for all.

From pre-K to postsecondary education, CED achieved impact in advancing policies that raise the success and performance of students, employees, and companies. At its 2017 Fall Policy Conference, as part of a discussion on *Reimagining Higher Education for the 21st Century*, CED released a policy brief featuring 13 recommendations for reauthorizing the federal Higher Education Act (HEA). The recommendations aim to help the United States educate more Americans to higher skill levels at lower cost per person. Several weeks later, the US House Committee on Education and the Workforce introduced its HEA reauthorization bill, which incorporated five of CED’s recommendations and passed an amendment to the bill for the Government Accountability Office to study another one of CED’s proposals.

Recognizing children’s need for a strong start in education, CED issued a report highlighting an early childhood workforce investment credit based on Louisiana’s state model. The credit rewards professional development for child-care providers, which can foster children’s learning and school readiness.

Additionally, CED partnered with the Early Learning Policy Group to conduct a feasibility study to expand access to early childhood education for children ages birth to five in Mecklenburg County, North Carolina. The report includes financial recommendations to support both high-quality child care and voluntary, universal public pre-K for four-year-olds.
On the K-12 front, CED continued to support implementation of college- and career-ready standards through a multipronged outreach campaign. CED was awarded a grant from the Carnegie Corporation of New York to conduct a focus group series across the United States that engages business leaders with parents. The education project is an opportunity to share firsthand information about workplace demands for high-school graduates and to consider recommendations that promote readiness for all students to succeed in the 21st century economy.

CED also published a report detailing the prospects for corporate income tax reform. Corporate Income Tax Reform in 2017 lays out five recommendations for effective reform. CED also released a policy statement on how policymakers can improve regulation to benefit the economy.

CED continued to address fiscal health issues by hosting sessions on infrastructure, health care, and tax reform at the Spring Policy Conference. To further disseminate recommendations on infrastructure, CED published a policy brief containing solutions to challenges facing America’s surface transportation system.

Last year, CED began implementing the Paystub Education Project to raise awareness about fiscal responsibility. CED completed the project by launching a comprehensive website where employees can learn how line items on their paystubs correspond to government spending and tax programs. By doing so, individuals will become more engaged stakeholders in the fiscal activities of the federal government.

On the immigration front, CED published a report that details how we can implement immigration policy that boosts the US economy without impacting native-born workers. Immigration Policy That Works recommends a two-pronged coordinated strategy of (1) (re)training Americans for occupations experiencing shortages and (2) shifting the priority of our immigration system toward filling skills gaps that current resident Americans do not fill.

CED also published a report on improving the Affordable Care Act (ACA). Adjusting the Prescription details the challenges facing the ACA and provides a set of market-based, nonpartisan recommendations for improvement.

CED’s Distinguished Performance Awards Program recognizes business leaders who have answered the call for leadership in their companies and the communities in which they operate. History has shown that when business becomes significantly involved in helping to solve key economic problems, it can have a long-term positive effect on society. Highlighting the outstanding work of our award recipients offers the business community strong examples they can follow. In 2017, CED honored the leaders of several major organizations: Mark Bertolini, Chairman and CEO of Aetna; Deanna M. Mulligan, President and CEO of Guardian; Ronald P. O’Hanley, President and Chief Operating Officer of State Street Corporation; Sandra Peterson, Group Worldwide Chairman of Johnson & Johnson; Mike Petters, President and CEO of Huntington Ingalls Industries; and Arne M. Sorenson, President and CEO of Marriott International.

At its twice-yearly policy conference in Washington, DC, CED bestowed the Leadership in the Nation’s Interest Award, an award presented to business leaders who champion public policies for the common good. The 2017 honorees are Barbara M. Barrett, Chairman of the Aerospace Corporation, and Laura Karet, President and CEO of Giant Eagle, Inc.
Global Economy

Each year, a portion of The Conference Board societal investments supports our economic research. Our indexes, forecasts, and projections help business leaders, policymakers, and practitioners understand and anticipate economic shifts and developments that have a significant impact on society. Our economic data and thought leaders are regularly featured in major media outlets, including Bloomberg, CNBC, the Financial Times, Wall Street Journal, MarketWatch, CBS Radio, and others.

The Conference Board produces several barometers of consumer and business confidence, including the widely quoted Consumer Confidence Index®. We also provide economic indicators for the world’s major economies. The Conference Board Leading Economic Index® is published in 12 countries and the Euro Area, which together represent more than two-thirds of global GDP.

In addition to high-frequency economic information, The Conference Board also provides several large datasets with global metrics, including productivity. The Conference Board Total Economy Database™ features international comparisons of the trends and sources of economic growth and productivity, including data for more than 120 countries on levels and growth rates of GDP, labor productivity, employment, and hours worked, which are available to the public. We also provided a new update of industry-level productivity measures for European economies, which was commissioned by the European Commission.

The Conference Board Global Economic Outlook provides projections for short- and medium-term growth measures for the world economy. The Global Economic Outlook includes 11 major regions and individual estimates for 33 mature and 32 emerging-market economies—the main results of which are available to the public. We held two press briefings on the global economy for domestic and foreign media organizations based in the New York area, and we hosted a dozen meetings with representatives from numerous embassies and consulates in the United States, as well as official delegations from a variety of countries, including China, the European Union, and the United Kingdom.

Throughout 2017, our Global Economy Center Blog continued to feature insights and analysis on trending economic issues from senior thought leaders. Covered topics include innovation, digital transformation, the outlook for emerging markets, and employment, among others. We also began to accelerate our work on foreign trade performance and changes in global value chains, specifically by leveraging a new database from the University of Groningen, through which trade in value-added (rather than gross) exports and the degree of integration of global value chains can be better tracked.

Finally, in addition to The Conference Board Economics Watch® program, which features a monthly outlook for the United States, Europe, and emerging markets, we launched “Window On,” a new webcast series on hot topics. In 2017, we held virtual panel discussions on a wide range of subjects, including the aftermath of the US presidential election, trade, taxes, the Paris Climate Accord, and the disruptive effects of digital technology. As of 2018, the “Window On” program is publicly available.
China

Because we are on the ground in China and supported by long-term experience there, The Conference Board can provide extensive research and insights on economic, policy, and regulatory developments that affect your business and the communities in which you operate.

In the past few years, the implementation of sustainable business practices has become an increasingly important feature of large multinational companies’ long-term China strategy. As China’s environment continues to deteriorate, and social and economic pressures build, failing to address corporate sustainability issues could have serious future cost, reputation, and growth consequences for companies operating in China. The Conference Board China Corporate Responsibility and Sustainability Council continues to provide China-based senior executives with a program and meeting place through which to deepen their knowledge, sharpen their skills, and share solutions on the management of China-specific corporate responsibility and sustainability issues.

In 2017, we published *A Roadmap to Sustainable Supply Chain Standards: Decoding Progress, Challenges and Best Practices*. The report is a resource for understanding how sustainable supply chain standards and codes of conduct are evolving, and how companies can adapt to increasing demands for global transparency and accountability. The report, a product of The Conference Board China Center, benchmarks the current practices of large multinational corporations and provides practical steps for staying at the forefront of good practice.

Last year, we also released *Sustainability Practices in Asia-Pacific*, a report that analyzes disclosure of environmental and social practices by public companies in 12 Asia-Pacific markets. The report is accompanied by a database that enables businesses to benchmark their activities and performance against peers.

Labor Markets

The labor market conditions in which your company operates affect not only recruiting, but also retention, compensation, productivity, profits, and engagement.

Last year, we published a report on *Immigration Policy That Works: Bringing Foreign-Born Workers into High-Shortage Occupations to Grow Our Economy*. Many Americans see immigrants as taking American jobs and bidding down wages. Yet immigration holds the potential of filling jobs that currently go vacant—thereby expanding production and creating more jobs for all. How can immigration fulfill its potential to help the economy as a whole without hurting native-born workers? By moving toward a more employment-based approach to immigration policy, the United States could stimulate greater economic growth and better meet the needs of all its citizens.

In terms of labor market metrics, *The Conference Board Employment Trends Index™* and *The Conference Board Help Wanted OnLine®* data series provide critical information on supply and demand aspects of the US labor market in the short-term. The International Labor Comparisons program provides data on the labor force, wages and compensation, and productivity and unit
labor costs that enable business, academic researchers, and policymakers to assess the relative health of labor markets worldwide and the competitiveness of manufacturing sectors across 38 countries.

Diversity and Inclusion
A successful business strategy should embrace the value of differences—within an organization, among its partners, and throughout the evolving global workforce.

In 2017, The Conference Board published a major report on *Inclusion + Innovation: Leveraging Diversity of Thought to Generate Business Growth*. The research is based on a global survey of nearly 200 senior executives responsible for either innovation or diversity and inclusion, and includes case studies from four leading companies: Kaiser Permanente, DBS Bank LTD, Saint-Gobain Performance Plastics, and AT&T. Our research confirms that inclusion and innovation are related. The report findings show that highly inclusive companies are more likely to have a track record of continual innovation and outperform less-diverse organizations. We shared our findings at public conferences, member briefings, leadership development forums, and webcasts.

Last year, CED also launched the Advancing Women in Corporate Leadership initiative at its fall policy conference. The effort was developed to complement the previously launched Every Other One initiative to encourage corporations to increase the number of women on boards. With the support of 20 business champions, CED encourages corporations to increase the number of women in corporate leadership positions. Following the launch, CED and The Conference Board hosted a webcast on effective strategies for placing more women in leadership roles.

Conclusion
Each of the activities detailed in this report represent our goal of helping the world’s leading corporations thrive at the intersection of business performance and societal advancement.

Aligning our efforts with our members’ priorities is critical to achieving this dual mission. Ensuring that our efforts are effective and have an impact—on the business community and on society—is an aspiration that we endeavor to meet each year.

We hope this report is helpful in describing our work and that it offers those who benefit from our programs an opportunity to consider how our work could be improved further.

We encourage readers to explore the work of The Conference Board in these areas in greater depth on our website: [www.conferenceboard.org](http://www.conferenceboard.org)