



**IPADE**  
BUSINESS SCHOOL  
UNIVERSIDAD PANAMERICANA



## **Communication on Engagement Global Compact**

**Period covered by this Communication on Engagement**

From: March 2021 To: March 2023

Mexico City, April 2023

## **Part I. Statement of Continued Support by the Chief Executive**

**Message from Lorenzo Fernández Alonso  
Dean IPADE Business School**

**Dear community,**

As many other business schools in the world, the past two years have made us face multiple and enriching challenges. More than ever, our dedication to reinforce the way business education can help leaders reshape and rebuild organizations for the common good has become a backbone to our activities.

Despite going through these turbulent times, I am pleased to share with all our stakeholders how IPADE Business School has taken a context-as-opportunity approach to strengthen our commitment to the United Nations Global Compact and its Ten Principles in the domains of Human Rights, Labour, Environment and Anti-Corruption.

We are eager to share our Communication on Engagement as a testament of the various activities through which the Principles have become alive in our strategy, internal operations, academic outputs, and academic delivery.

IPADE's mission is "To educate leaders with a global vision, a sense of social responsibility, and Christian values, who are capable of transforming organizations and society." Our vision is: "To remain as a world-class business school. To be the best in business humanism." In the following sections we are delighted to describe some of the main strategies that we have implemented in the past two years which have found the point of intersection between our mission, our vision, and Global Compact's Ten Principles.

Our Communication on Engagement will emphasize the internal relevance of the Principles in our strategic planning exercise for the period of 2021-2024. We have dedicated significant resources and effort to build a platform that allows us to periodically measure IPADE's impact from an environmental, social and governance perspective. Internal task forces have been created for this purpose. For the past two years IPADE has worked on a new version of its Code of Ethics and other relevant internal protocols and regulations which aim to strengthen our commitment towards the well-being of our collaborators, reinforcing sustainability in our operations, anti-corruption actions among other. We have committed to provide infrastructure that promotes research aligned with the Principles (for example, we have created a Research Center on Social Responsibility) and incentivized transversal research in sustainability across academic departments. In February 2022 we hosted a meeting at IPADE with PRME's Secretariat; exciting ideas were put on the table to

reinforce our commitment to partnering with Global Compact's network in Mexico and Latin America.

It is important to mention that this report is not meant to be an exhaustive description of all our institution's actions to promote the Principles; the purpose of this COE is to showcase exemplary actions which will hopefully be illustrative to our stakeholders.

We are happy to commit to sharing this information with our community of stakeholders and are welcome to receive relevant feedback regarding the content of this report.



*Lorenzo Fernández Alonso*

**Lorenzo Fernández Alonso**  
**Dean IPADE Business School**

## **Part II. Description of Actions**

The following section describes exemplary actions implemented by IPADE to incorporate the Global Compact Principles into our internal operations and external engagement. Some of the actions described are the result of ongoing efforts, others have more recently been incorporated into our operations and academic delivery.

### **1. Strategic Planning Exercise for the period of 2021-2024**

Our strategic planning exercise for the period of 2021-2024 was a participatory exercise through which IPADE defined the backbone dimensions of its doing for the upcoming years. The five strategic priorities for the 2021-2024 period are:

1. Financial strengthening.
2. Social responsibility.
3. Research.
4. Internationalization.
5. Innovation.

This COE emphasizes the “Social responsibility strategic goals” of the strategic planning exercise because of their direct impact to how the Principles are promoted in everyday activities of our institution. Each one of these goals is assigned to a responsible member from IPADE’s faculty and/or staff, they have relevant performance indicators and a budget:

1. Make IPADE be recognized as a thought leader on social responsibility issues nationwide.
2. Develop an internal methodology to systematically and regularly measure IPADE impact.
3. Create awareness on social responsibility matters and the prevailing situation in Mexico and Latin America among the business community.
4. Develop ideas and materials (e.g., case studies) that inspire businesspeople to create self-sufficient structures, business models, and third sector organizations capable of reducing poverty and promoting inclusive growth in their communities.

### **2. Participatory process for a new Code of Ethics and internal protocols and regulations for our community’s wellbeing**

At the core of IPADE's mission is an emphasis on humanism. This means that we consistently emphasize how work is a platform to strengthen ethical culture in business. For this reason, IPADE undertook the task of systematizing its ethical practices through a participatory process with its different stakeholders to promote the highest standards of ethical behavior in our Institution. Our Code of Ethics ([https://www.ipade.mx/wp-content/uploads/2023/04/Codigo\\_Etica\\_IPADE.pdf](https://www.ipade.mx/wp-content/uploads/2023/04/Codigo_Etica_IPADE.pdf)) brings to life the Principles in the following ways: 1- internally, it brings issues to the table which are core to the Principles (e.g., some of the relevant content of our Code of Ethics relate to the integrity of our research processes and to the anti-corruption strategies we have in place); 2- the Code

includes a series of protocols and internal regulations to promote a culture of well-being, transparency and accountability (for example, our "Protocol for the Attention of Safe Situations" (PASS) and the "Safe Whistleblower Protocol for IPADE employees") and; 3- the Code has become a tool and a point of reference to become visible to other members of the business community. Exhibit 1 shows relevant extracts of our Code of Ethics which have a direct connection to the Principles.

### **3. Strategies to increase applied research in relation to the Principles**

#### *Giving life to the Principles through IPADE's Research Centers*

There are various ways through which IPADE has conducted applied research and thought leadership to advance best practices related to the Principles. One of our strategic objectives is to develop ideas and materials that inspire businesspeople to create self-sufficient structures, business models, and third sector organizations capable of reducing poverty and promoting inclusive growth in their communities.

Since 2021 IPADE laid the foundations for the Research Center for Social Responsibility which aims to generate and disseminate rigorous and practical knowledge, and to promote spaces to develop and maximize the capabilities of the Mexican business community to generate positive social change that translates into inclusive growth strategies for Mexico and the world. The Research Center has various active research projects in partnership with businesses in the fields of sustainable agriculture, impact investment and cross-sector partnerships for sustainability. Additionally, other active research centers at IPADE (Research Center for Women in Senior Management, BBVA Research Center for Family Businesses, Research Center for Philosophy and Management and Research Center for Business Entrepreneurial Initiative) have also promoted research and high-impact projects to enhance our understanding of how different fields of management can engage with the Principles. For example, the Research Center for Women in Senior Management has created a Network of Women to increase the number of female board members in Mexico (more than 200 women have been contacted with relevant boards in Mexico).

### **4. Increase in the offer of focused and transversal contents that promote the Principles**

In line with our previous actions, we have encouraged faculty from all Academic Departments to strengthen the ESG conversation through research and academic delivery. One of the strategic objectives for 2021 to 2024 is that "All academic departments shall include content on ESG (Environmental, Social and Governance) topics in the MBAs and Senior Management Programs". Our Senior Management Programs, Corporate Management & Leadership Program, Focused Programs and Custom Programs also integrate core contents on sustainability and social responsibility. In the following description we provide examples of how the Principles are integrated into our different programs.

*Courses:* the academic structure of the full-time and executive MBA includes mandatory courses in Business Ethics, Sustainability and Social Responsibility. This year a new course on Climate Leadership which focuses on climate science for business leaders was also incorporated into the full-time MBA.

Additionally, all Academic Departments are encouraged to include specific content that addresses compliance and ethical issues. For example, the Managerial Information and Control Department offers specific content related to fraud, the Operations Management Department includes content related to sustainable supply chains.

*Student Clubs and volunteering strategies:* the Full-Time MBA offers students the possibility to get involved in different industry-related Clubs. The Social Innovation Club leads various social impact initiatives (mentoring students from El Peñón and Montefalco for example). Other Clubs have also incorporated social impact strategies, for example, the Consulting Club has provided pro-bono consulting in various topics to non-profits.

*Sustainable Leadership Week for the Executive MBA:* in 2022 all our Executive MBA students attended a 5-day intensive sustainability program. This included site visits, cases, and experiential content with key stakeholders from the Mexican and international scenario to discuss grand challenges and the role of business in addressing them.

For our *Continuing and Updating Management Programs*, the thematic backbone of three Academic Departments (Marketing Management Department, Operations Management Department, Social and Political Environment Department) focused on sustainability topics.

## **5. Promote the Global Compact and its principles through more active partnerships.**

In February 2022 we had the pleasure of hosting a meeting with UN PRME's Secretariat which included Dr. Mette Morsing, Head of PRME, Luisa Murphy, Senior Manager of Global Impact, Paulo Speroni, Manager of Strategy, Governance & Innovation, among other key PRME actors.

The aim of the meeting was to discuss our commitment to promote the responsible management agenda from IPADE's identity and to discuss our commitment to take advantage of the platform provided by PRME to promote the "Responsible management" agenda in the region. Exhibit 2 includes photographs of our working session. From this meeting, we enlisted key areas of focus for the next years.

## **6. Continuous outreach and social development projects with our internal and external communities**

### **Internal wellbeing of our collaborators**

IPADE is constantly seeking ways to increase the wellbeing of our collaborators, and to inspire the business community to do the same in their own organizations. Like other business schools in the

world, the past three years have been filled with significant wellbeing challenges. We have sought to provide meaningful ways to contribute to the wellbeing of our community. We have carried out internal evaluations and action plans to improve the wellbeing of our collaborators. For example, during 2022-2023, nine workshops were offered to our collaborators on the following topics: Know your insurance, Spine Hygiene, Gynecological and gastroenterological check-ups were performed, and a Visual Health Campaign was implemented (433 collaborators from IPADE attended).

A few exemplary actions that we have implemented in that line: a- we have voluntarily set an internal minimum wage (approximately 40% above the minimum national wage) to contribute to the regional livelihood crisis; 2- We have voluntarily offered our personnel who have not completed basic level studies, access and tools to complete these educational levels; 3- we have voluntarily offered transportation services to our personnel that allow them to have a better quality of life; 4- the "Vanguardia" program offers our employees the possibility of continuing their training free of charge in various subjects such as public speaking, personal finances, among others. In 2021 we offered 61 courses to 379 collaborators and 2022 we offered 41 courses to 603 collaborators.

### Social impact and engagement

One of IPADE's most consistent strategies to create positive social impact is the capacity-building process with rural schools Fundación El Peñón and Montefalco. Since 2005 IPADE has sought to contribute to provide a high-quality education model in a vulnerable community in Morelos, Mexico. Through economic scholarships, infrastructure, and capacity-building tools IPADE has contributed to impact the lives of students and their families. Table 1 shows the number of students for the 2020-2021 and 2021-2022 academic cycles for both schools.

Table 1. Number of students impacted of El Peñón and Montefalco

Academic Period	Students of Montefalco	Students of El Peñón
2020-2021	510	383
2021-2022	490	396

IPADE engaged its Full-Time MBA and Executive MBA students as volunteers to carry out site works, such as planting trees, painting, and remodeling the facilities to support both schools. In addition, IPADE has contributed to many capacity building processes to increase the autonomy of the schools (e.g., voluntary participation of IPADE's faculty in the schools' Board, among other). Exhibit 3 includes additional information on the number of students who have graduated from both schools.

### **Part III. Measurement of Outcomes**

Since 2021, one of the main pillars of our internal sustainability and social responsibility strategy is to measure our progress systematically and periodically.

To fulfill this purpose, it was important to consider two factors: 1) the relevance of having the evaluation of third parties to demonstrate the achievements of the model, and above all, our potential areas of improvement in social and environmental matters; and 2) to have internal cross-cutting mechanisms that allow us to institutionalize the measurement of progress and improvement plans in our business school. Both factors have been considered and implemented. Both our environmental arm and our social arm now have the perspective of third parties who evaluate us.

In addition, we have created an interdisciplinary Internal Task Force (includes members of IPADE's Operational Team, faculty members, research staff) to see progress in terms of greenhouse gas emissions reduction and carbon footprint.

#### **1. Positive Impact Rating results**

As a business school devoted to promoting positive social change in organizations and in society it is important to partner with organizations with access to global best practices in the matter. For this purpose, in 2023 we partnered with Positive Impact Rating for Business Schools (<https://www.positiveimpactrating.org>) an organization dedicated “to measure how business schools contribute to solving societal challenges and act as a lever of change to the transformation of the business school landscape”.

Exhibit 4 shows the preliminary results of our evaluation in the Positive Impact Rating. According to the voices of our student community from different programs we are a “Level 4: Transforming School” which refers to schools with a positive impact culture, embedded in governance and systems, with visible results progress in many impact dimensions<sup>1</sup>. From this baseline measurement we have designed an action plan which will include the strengthening of communication of the Principles.

#### **2. Diagnosis of the carbon footprint of IPADE, Campus CDMX**

In line with the Environmental dimension of the Principles, IPADE has begun a rigorous process to measure our carbon footprint and implement a coherent plan of actions to continuously improve. Exhibit 5 shows the visual representation of the preliminary results of the diagnosis of IPADE's carbon footprint (Scope 1 and 2 Mexico City Campus) The total GHG emissions generated by IPADE in 2021 were 501 tCO<sub>2</sub>e, an indicator distorted by the effect of confinement due to the COVID-19 pandemic; while by 2022 it generated 748 tCO<sub>2</sub>e, an increase of 247 tCO<sub>2</sub>e, i.e., an increase of 49% over the

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<sup>1</sup> <https://www.positiveimpactrating.org/report2022>



emissions generated in 2021. This represents the starting point of what we expect to be an input for relevant decisions in terms of our overall sustainability standards.

### **3. Recognition for our research in sustainability**

A final mechanism for evidencing our results is through the awards we have received for relevant sustainability research. In 2022 we were awarded the “Best Paper Award: Paper on Environmental Sustainability and Entrepreneurship” sponsored by the Ewing Marion Kauffman Foundation for the paper: Moss, T.W., Dahik Loo, A.C., & Diaz Parada, F. (2022). Partnerships as an enabler of resourcefulness in generating sustainable outcomes. *Journal of Business Venturing*, 37(1).

This award was given in the context of the Organizations and Environment (ONE) Division of the Academy of Management. Specifically, it recognized cutting-edge scholarship in this area and encouraged scholars to forge a research agenda at the intersection of entrepreneurship and environmental sustainability.

## **Part IV. Exhibits**

### **Exhibit 1. Extracts from IPADE's New 2023 Code of Ethics**

#### *3.1 ENVIRONMENTAL CARE*

We want to take care of our common home; therefore, we prevent our operations and processes from negatively impacting the environment, we try to incorporate best environmental practices: use of clean energy, energy saving systems, waste reduction, as well as sanitation, water saving and reuse.

#### *3.2 SOCIAL INITIATIVE*

We are interested in being an active part of the efforts made to benefit the culture of social responsibility with our employees, suppliers and communities directly related to IPADE's purpose, through social participation and volunteer programs.

#### *6.2 ANTI-CORRUPTION*

We want to contribute to a climate of honesty. We do not accept, under any circumstances, to offer, pay, solicit or receive any kind of bribe, gratuity, gift, benefit, or similar illegal or unethical disguised payment.

We have a "zero tolerance" approach to corruption. No exceptions apply, including possible local customs and practices or particular competitive conditions.

#### *6.3 MONEY LAUNDERING PREVENTION*

Business and service transactions should only be made with companies, candidates to participate in our programs or suppliers whose identity, reputation and activities are legitimate. We aim to comply with the regulations for the prevention of money laundering and the financing of terrorism.

#### *ETHICS COMMITTEE*

IPADE has an Ethics Committee in charge of ensuring compliance with the guidelines of this Code, as well as the attention and management of what is received through the ethics channel. The Committee is made up of the persons appointed by the IPADE Board of Directors for a period of three years, with the possibility of being re-elected.

Once a year, the Ethics Committee will be responsible for reviewing and proposing the necessary changes to improve this Code.

The Ethics Committee does not replace the functions and bodies of the "Protocol for the Attention of Safe Situations" (PASS) and the "Safe Whistleblower Protocol for IPADE employees".

IPADE's Policies with special reference to the Code of Ethics:

- IPADE's internal work regulations
- Procurement Policy

- Cybersecurity Policy
- "Corporate Communication Policy" and "Guide of good practices in social networks".
- Data Protection Policy
- Protocol for Attention to Sensitive Situations (PASS)
- Psychosocial Risk Prevention Policy (NOM 035)

**Exhibit 2. PRME Visit to IPADE Business School**

PRME Staff IPADE Visit. February 22, 2022



Pictures: Courtesy of IPADE Business School

**Exhibit 3. Graduate students in El Peñón and Montefalco since 2017**

Number of graduate students Fundación El Peñón

Graduates	Junior High school	High school	Total
2017-2018	63	34	97
2018-2019	41	41	82
2019-2020	71	55	126
2020-2021	66	55	121
2021-2022	62	55	117

Number of graduate students Colegio Montefalco

Graduates	Elementary	Junior High school	High school	Total
2017-2018	29	64	55	148
2018-2019	24	64	43	131
2019-2020	23	62	51	136
2020-2021	25	60	59	144
2021-2022	20	74	58	152

Exhibit 4. Preliminary Results: Positive Impact Rating



Source: preliminary report Positive Impact Rating 2023

**Exhibit 5. Preliminary Results: Diagnosis of the carbon footprint of IPADE, Scope 1 and 2 Mexico City Campus**

