



**ICGN**

International Corporate Governance Network  
*Inspiring good governance & stewardship*

**Minutes of the ICGN 2021 Annual General Meeting  
Held in a hybrid format on 2 September 2021 from 14:00 BST**

Board members

Present:

Robert Walker	LVC Strategies, Canada (Chair)
Melsa Ararat	School of Management, Sabanci University, Turkey
Ian Burger	Newton Investment Management, UK
Christine Chow	IHS Markit, UK
Michael Herskovich	BNP Paribas Asset Management, France
George Iguchi	Nissay Asset Management Corporation, Japan
Henry Jones	CalPERS, US
Dan Konigsburg	Deloitte Touche Tohmatsu Limited, US
Claudia Kruse	APG Asset Management, The Netherlands
Robert Lewenson	Old Mutual Investment Group, South Africa
Paul Schneider	Ontario Teachers' Pension Fund, Canada
Susanne Stormer	PwC Denmark

Nomination Committee Chair

Geof Stapleton	BHP, UK
----------------	---------

Executive

Kerrie Waring	Chief Executive Officer, ICGN
George Dallas	Policy Director, ICGN

Secretary

Chris Hodge	Governance Perspectives, UK
-------------	-----------------------------

Membership

74 ICGN members participated in the meeting.

110 members had voted in advance of the meeting, and a further 19 voted at the meeting.

The Chair called the Annual General Meeting ("AGM") to order at 14:02 hours

The Chair advised that only people who were registered on the ICGN Register of Members as an Individual Member or as the authorised representative of an Organisational Member – or their appointed proxies - were entitled to vote.

He also advised that most resolutions were ordinary resolutions which required 50% + 1 of votes to be favour in order to be approved. The only exceptions were the resolutions on proposed changes to the Articles which were special resolutions requiring 75% + 1 votes in favour.

### **Item 1: Minutes**

The minutes of the 2020 ICGN AGM were received by the meeting.

There were no questions from the floor.

In favour: 100%

Against: 0%

One member withheld their vote.

### **Item 2: Annual Review**

Kerrie Waring (CEO) introduced the 2020-21 Annual Review, which summarised ICGN's work programme and financial position to 31st December 2020 and described the status of ICGN membership and more recent activities undertaken until July 2021.

Ms Waring described the impact of the changes to ICGN's membership and fee structure that had been approved by members at the 2020 AGM. Over 80% of ICGN Members had committed to the reforms and membership revenue had more than doubled over the previous year, accounting for 90% of overall funding. This meant that, while ICGN suffered a loss of around £250,000 in 2020 due to Covid, reserves were set to be rebuilt expeditiously despite conference revenue remaining less than one third of pre-COVID levels.

Ms Waring reported that ICGN had lost 19% of Members due to the fee increases but noted that this was fewer than the 30% that had been anticipated. New member recruitment was buoyant with 39 new organizations joining since the beginning of 2021 and the assets held under management by investor members had increased by \$5 trillion to \$59 trillion over the year to date.

Ms Waring gave an overview of ICGN's activities during the period covered by the Annual Review. Due to COVID restrictions it had been necessary to defer all in person events, but an extensive programme of online activities had been developed in their place. Ms Waring thanked ICGN's sponsors who had reallocated much of their support to virtual events.

Other activities included:

- Restructuring ICGN’s policy committees to align them more strategically with ICGN’s Global Governance and Stewardship Principles and to ensure relevance with systemic regulatory priorities. Ms Waring expressed her thanks to the Committee members for their significant contribution;
- Revising the ICGN Global Governance Principles, which were being presented for member approval at the AGM, and updating the ICGN Model Mandate guidance in collaboration with the GISD Alliance;
- Continuing to support governance and stewardship reforms in Japan, including through Ms Waring’s membership of the Council of Experts convened by the FSA and TSE and the development of a new training course for Japanese corporate directors; and
- Increasing ICGN’s education activities and resources with the appointment of an Education Advisor and new faculty members. The online Governance, Stewardship and Sustainability Course was now accompanied by ICGN’s first book written by George Dallas and Mike Lubrano.

Ms Waring concluded by thanking the ICGN Team for their diligence and commitment in often trying circumstances, and the ICGN Board (and in particular the outgoing Chair Bob Walker) for their ongoing support and direction. She commended the Annual Review to members.

There were no other questions from the floor.

The 2020-21 ICGN Annual Review was received by the meeting.

In favour: 100%

Against: 0%

No members withheld their vote.

### **Item 3: ICGN Financial Statements**

Paul Schneider (Chair of the Audit and Finance Committee) introduced the financial statements for the year ending 31 December 2020. He placed on record his thanks to the Committee members for their work during the past year, and to the ICGN Secretariat for their support.

2020 was a challenging year financially for ICGN. The year ended with a loss of £248,207 compared to a £17,779 loss in 2019. There was a reduction in reserves from £605,421 in 2019 to £357,214 at the end of 2020.

The loss of conference revenues in 2020 had a significant impact on ICGN’s 2020 finances. However, the increase in virtual events blunted the impact of not being able to hold conferences. In total they had contributed approximately £167,000 to the bottom line.

On the expense side, staff costs were the largest expense. In 2020, the board also approved a significant expenditure to upgrade the ICGN website which was seen as critical for ongoing member engagement.

The risk register is annually reviewed and approved by the Committee and the Board. Mr Schneider noted that a number of changes had been made in 2020, adding new risk factors of global pandemics and systemic conference failure while elevating the sudden loss of the CEO and macro-economic austerity to priority risk factors.

With respect to the audit, the audit process had been more rigorous this year as the auditor was looking for stress testing, cash flow statements, and forecasts to ensure that ICGN could continue as a going concern. Mr Schneider was pleased to report that ICGN had received an unqualified audit opinion.

There were no questions from the floor.

The financial statements for the year ended 31 December 2020 were received by the meeting.

In favour: 100%

Against: 0%

No members withheld their vote.

#### **Item 4: Appointment of the auditors**

Mr Schneider invited members to approve the reappointment of Haysmacintyre for 2022. Haysmacintyre was first appointed as auditor at the 2020 AGM to replace Grant Thornton. The Audit and Finance Committee has reviewed the performance of Haysmacintyre and were happy to recommend their reappointment.

There were no questions from the floor.

IT WAS RESOLVED THAT Messrs Haysmacintyre LLP the retiring auditors be, and are hereby, reappointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Audit and Finance Committee shall determine their level of remuneration.

In favour: 100%

Against: 0%

One member withheld their vote.

#### **Item 5: Review of the Articles of Association**

Dan Konigsburg (Chair of the Governance Committee) introduced a series of resolutions intended to implement the recommendations of the review of ICGN's Articles of Association. The review had been prompted by the necessity to amend the Articles to

reflect the changes to ICGN’s membership structure approved at the 2020 AGM, and was the first comprehensive review of the Articles since 2008.

An Articles Review Group had been appointed in October 2020 which reported to the Board, through the Governance Committee. The Group reviewed the Articles against the Model Articles for private companies under the UK Companies Act 2006 and the ICGN Global Governance Principles, and undertook a benchmarking exercise comparing ICGN’s Articles with those other governance and investor stewardship organizations.

A consultation with members on a number of possible amendments was carried out from January to March this year, which then extended until April. As a result of the feedback from the consultation the Board decided not to propose any changes to the board nomination process, but to proceed with the other changes on which members had been consulted. These concerned the ICGN’s objects, the length of tenure of the Chair and Vice Chair, the ability to hold virtual General Meetings and the ability of the Board to take decisions outside board meetings in limited circumstances. A law firm (Bates, Wells & Braithwaite) was engaged to help with the drafting of the revised Articles.

Because of the complexity of some of the drafting, a consultation with members on the draft wording was held during June. No significant issues had been raised as a result of that consultation.

Mr Konigsburg concluded by commending the proposed amendments to the meeting.

In relation to the Resolution 5.1, to extend ICGN’s Objects to refer to investor stewardship as well as corporate governance, Mr Konigsburg was asked whether consideration had been given to also changing the ICGN’s name to reflect the breadth of its activities. Mr Konigsburg and Ms Waring stated that this had been considered by the Board but a decision taken that no change should be made at the moment as the name ICGN was widely recognised.

There were no other questions from the floor.

Resolutions to amend the Articles were approved individually as follows:

	<b><i>Purpose of resolution</i></b>	<b><i>For (%)</i></b>	<b><i>Against (%)</i></b>	<b><i>Number of votes withheld</i></b>
5.1	To approve amendments to the Articles regarding the extension of ICGN's defined purpose to include investor stewardship as well as corporate governance.	99	1	0
5.2	To approve amendments to the Articles regarding the ability to extend the length of tenure of the Chair and Vice-Chair as members of the Board of	95	5	4

	Governors subject to certain conditions.			
5.3	To approve amendments to the Articles regarding the ability to hold physical, hybrid or remote General Meetings and members' rights of participation in such meetings.	100	0	0
5.4	To approve amendments to the Articles regarding the ability of the Board of Governors to approve decisions outside Board meetings in certain circumstances.	98	2	7
5.5	To approve amendments to the Articles required to implement the changes to ICGN's membership structure approved by members at the 2020 AGM.	98	2	2
5.6	To approve a number of technical amendments to the Articles including amendments to reflect changes to UK law relating to the requisitioning of General Meetings and to make use of gender-neutral terminology throughout the Articles.	99	1	0

#### **Item 6: Nomination Committee appointments**

Dan Konigsburg introduced this item. He placed on record his thanks to the members of the Nomination Committee, led by the Committee Chair Geof Stapledon, for their work during the past year.

Mr Konigsburg introduced the recommended candidates for the Nomination Committee. All of the current members were being recommended for reappointment, and Deborah Gilshan was being recommended as a new member.

Mr Konigsburg was asked whether the Chair and Vice Chair of the Board of Governors would continue to participate in the Committee as non-voting members. He confirmed that this was the case.

There were no other questions from the floor.

Resolutions to elect members of the Nomination Committee for 2021/22 were approved individually as follows:

	<b>Committee Member</b>	<b>For (%)</b>	<b>Against (%)</b>	<b>Number of votes withheld</b>
6.1	Richard Bennett	100	0	4
6.2	Deborah Gilshan	100	0	2
6.4	Carola van Lamoen	100	0	3
6.5	Anne Molyneux	99	1	3
6.5	Geof Stapledon	98	2	2

### **Item 7: Board of Governors elections**

Geof Stapledon (Chair of the Nomination Committee) introduced this item. He thanked all members of the Committee for their hard work during the year and welcomed Deborah Gilshan who was joining the Committee for the year ahead.

He then invited the three members of the Board who were standing down having reached the end of their tenure (Bob Walker, Melsa Ararat and George Iguchi) to say a few words.

Mr Stapledon explained that the remaining nine members of the current Board were being put forward for re-election, alongside three new candidates (Debby Blakey, Seiji Kawazoe and Luz Rodriguez).

In considering potential candidates, the Committee had access to the Board, Governance Committee and the CEO to ensure it had a good understanding of the strategic direction of the organisation. In the Committee's view the three proposed new candidates had a mix of backgrounds, skills and experience designed to add to the Board's ability to drive the ICGN's strategy and to contribute to strong corporate governance, and Mr Stapledon commended them to members.

There were no questions from the floor.

Resolutions to elect members of the Board of Governors for 2021/22 were approved individually as follows:

	<b>Governor</b>	<b>For (%)</b>	<b>Against (%)</b>	<b>Number of votes withheld</b>
7.1	Debby Blakey	99	1	5
7.2	Ian Burger	100	0	2
7.3	Christine Chow	98	2	3
7.4	Michael Herskovich	99	1	4
7.5	Seiji Kawazoe	100	0	4
7.6	Henry Jones	99	1	4
7.7	Claudia Kruse	99	1	2
7.8	Dan Konigsburg	99	1	3

7.9	Robert Lewenson	100	0	4
7.10	Luz Rodriguez	100	0	3
7.11	Paul Schneider	100	0	3
7.12	Susanne Stormer	98	2	2

### **Item 8: Revisions to the ICGN Global Governance Principles**

George Dallas (Policy Director) introduced the revised ICGN Global Governance Principles for member approval. He also took the opportunity to express his thanks to all members of the existing policy committees for their contribution to ICGN's thought leadership and to welcome the members of the newly constituted committees

Mr Dallas noted that the ICGN Global Governance Principles were last revised in 2017 and were subject to periodic revision to ensure that they remained relevant and generally aligned with regulatory and market-led developments governance globally. Following an initial Member consultation in mid-2020, the Secretariat had proposed drafting changes which were reviewed and agreed by the Board. ICGN Members were subsequently consulted on specific drafting changes between November 2020 and January 2021. Mr Dallas expressed his thanks to the more than 40 members who had responded to that consultation.

Mr Dallas summarised the main differences between the 2017 edition of the ICGN Global Governance Principles and the revised version for which member approval was being sought. These included: greater emphasis on the governance of sustainability; holding boards accountable for understanding stakeholder needs; identifying and reporting on systemic risks; tighter diversity and independence standards; disclosure of the company's approach to capital management; and ensuring shareholders have the ability to participate fully in AGMs.

There were no questions from the floor.

The revised ICGN Global Governance Principles were received by the meeting.

In favour: 98%

Against: 2%

No members withheld their vote.

### **Item 9: Any Other Business**

There being no other business, the Chair declared the meeting closed at 16.12 hours.