

25
YEAR
ANNIVERSARY



ICGN

International Corporate Governance Network
Inspiring good governance & stewardship



ICGN Annual Review

June 2019 - June 2020



Influence · Connect · Inform

About ICGN

Established in 1995 and led by investors responsible for assets under management in excess of US \$54trillion, ICGN is a leading authority on global standards of corporate governance and investor stewardship. We promote high standards of governance for companies and investors alike in their pursuit of long-term value creation contributing to sustainable economies world-wide. This is achieved through:

- Influencing policy by providing a reliable source of investor opinion on governance and stewardship;
- Connecting peers at global events to enhance dialogue between companies and investors around long-term value creation; and
- Informing dialogue through education to enhance the professionalism of governance and stewardship practices.

For more information visit www.icgn.org



ICGN is grateful to the following sponsors for their generous support in 2020



Annual Review

The ICGN Annual Review highlights work programme achievements from June 2019 to June 2020 and includes a summary of ICGN's financial position to 31st December 2019. The ICGN Annual Review is presented to ICGN Members at the Annual General Meeting to be held on 23rd September 2020.



Contents

Building resilience and value	4
ICGN response to COVID-19	5
ICGN membership benefits	6
Milestones over 25 years	7
Influence: policy & advocacy	8
Connect: networks & events	14
Inform: education & awards	22
Media visibility	26
ICGN Members	28
ICGN board & committees	30
ICGN secretariat	33
Risk oversight	34
Annual financial results	35



Building resilience and value

This year, the ICGN Annual Review reflects a divide in how we have delivered our work programme over the last twelve months: before and during COVID-19.

The pandemic has had a significant impact on ICGN's activities, as it has on so many of our Members' own organisations. We are facing one of the biggest challenges in ICGN's 25-year history. Regrettably, restrictions on gatherings and travel meant it was necessary to postpone our events including the ICGN Annual Conference and AGM, both of which had been due to take place in Toronto in June 2020.

The material drop in conference revenue this year threatens ICGN's long-term sustainability, particularly if it continues for a prolonged period. This threat has given greater impetus to the strategic review that was announced in last year's Annual Review. That review has generated a new membership value proposition and funding model, which will be put forward for Members' approval at the rescheduled AGM in September.

We are proud to have delivered a work programme led by ICGN Members for over 25 years which is international in scope and governance focused. We are grateful to the ICGN Policy Committees who have been busier than ever. Our advocacy efforts to promote high standards of governance for sustainable valuable creation is evident in our regulatory submissions, while our Global Principles provide a benchmark for investor voting policies and company engagement worldwide. We have also started the process of reviewing the ICGN Global Governance Principles and ICGN Model Mandate, while the ICGN Global Stewardship Principles have already been updated and are subject for Member approval at our AGM.

ICGN's mission has never been so important. We will continue to strive to ensure that our Member's interests are protected as decisions are made by governments and companies that will impact on them significantly. Subject to membership fee reform, we aim to strengthen ICGN's policy work to better align our advocacy efforts more closely with real-time regulatory developments, engage more ICGN Members in policy development and promote our work more prominently.

Last year, we held a series of successful events starting with the Annual Conference in Tokyo – our first ever carbon neutral conference. This year, we have transitioned to an online format and delivered a series of well-received webinars and Viewpoints on the impact of the pandemic to ensure Members continue to get the support despite all the disruption. We are very grateful to the ICGN Team for their innovation, hard work and dedication as we embraced a new series of activities for Members to enjoy.

While managing our way through the COVID-19 crisis, we do know that one day it will end and we will once again meet face to face. ICGN will continue to deliver value to our Members through this period and we are positioning the organisation strategically to help 'build back better'.

We would like to thank everyone who has contributed to the work of ICGN over the last twelve months: hosts, partners, speakers, sponsors and, most importantly, ICGN Members. You have always been the source of ICGN's strength and influence' from the initial meeting of a few founding Members in Washington DC 25 years ago to the global network that it is today. Long may that continue.



Kerrie Waring
CEO

Handwritten signature of Kerrie Waring in black ink.



Robert Walker
Chair

Handwritten signature of Robert Walker in black ink.

ICGN response to COVID-19

On 30th January, the World Health Organisation declared a global health emergency as a new coronavirus “2019-novel coronavirus” (COVID-19) was identified. ICGN’s response to this can be considered in two parts: the policy response; and the operational response.

In terms of the policy response, ICGN has taken actions to ensure that companies and governments do not overlook the needs of investors in their response to the pandemic, and to help Members consider the short- and long-term implications for their own organisations and their approach to corporate governance and stewardship.

We published a ‘Statement of Shared Governance Responsibilities’ in April, delivered webinars under the theme of the ‘evolving social contract’ in June and July and published ICGN Viewpoints which address how companies and investors can respond to the governance challenges presented by COVID-19.

The CEO has led the ICGN’s operational response decisively through the crisis and the ICGN Team has worked diligently to transition our work programme into a virtual format. The health and safety of the ICGN Team is our priority and staff have worked from home since 16th March – a week before the UK Government introduced ‘lockdown’ measures.

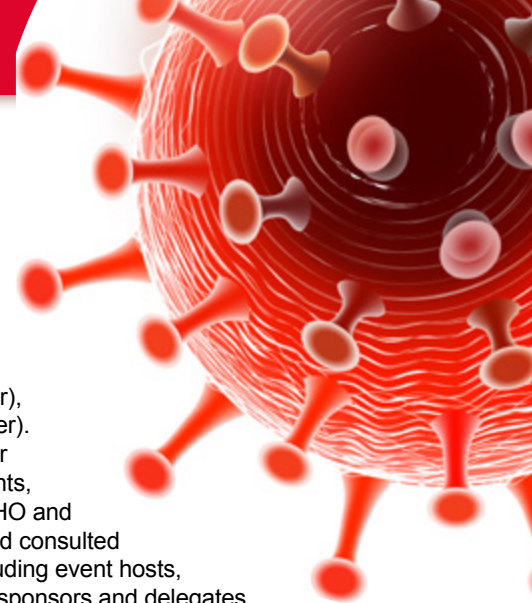
The ICGN Board established a Crisis Committee to support the CEO in assessing the risks that COVID-19 presents to ICGN and any mitigating actions, while the Audit & Finance Committee and Governance Committee also provided advice. The ICGN Board itself met more frequently to be appraised of rapidly evolving developments.

While dealing with the ongoing effects of the COVID-19 crisis on our activities, we have simultaneously addressed ICGN’s long-term sustainability. A Strategy Working Group was established by the Board to address ICGN’s over-reliance on conference revenue as a primary source of funding and to review our membership value proposition. As a result, ICGN Members have been consulted on a series of new initiatives which will be introduced, pending approval of ICGN membership fee reform.

ICGN had planned to deliver four conferences in 2020: Seoul (February), Toronto (June), Stockholm (September), and London (November). In determining whether to defer or cancel events, we have assessed WHO and government advice and consulted with stakeholders including event hosts, planning committees, sponsors and delegates. Despite our best efforts, all ICGN conferences have been postponed in 2020, some of which will be deferred to 2021.

Due to the impact of the COVID-19 crisis, the 2020 year-end financial position is likely to result in substantial financial loss and two-thirds of ICGN’s reserves will be depleted (although this is not apparent in the financial statements in this Annual Review which are for the year ending 31 December 2019). The proposed 2020 increases in membership fees are essential to safeguard ICGN’s financial health in the short-term and ensure ICGN’s sustainability over the longer-term.

As with other companies, ICGN’s financial statements have been subject to a higher degree of audit scrutiny this year. We are pleased to have received an unqualified opinion having explained how robust the ICGN’s business model is in the face of COVID-19 related risks and what actions have been taken to mitigate them, now and in the future. This included stress test scenarios, cash flow statements and financial forecasts to demonstrate the Board’s assessment that ICGN remains a going concern.



ICGN membership benefits

ICGN's mission is to advance the highest standards of corporate governance and investor stewardship in pursuit of long-term value creation and sustainable economies.

ICGN's work programme is international in scope and focused on governance standards, advocacy, effective stewardship, international networking and company engagement. We acknowledge that shareholder rights bestow stewardship responsibilities and encourage accountability with a focus on outcomes across the investment chain.



ICGN Members can:

- 1. Access the highest standards of governance principles** which provide a benchmark for investor voting policies and company engagement.
- 2. Influence public policy from a global investor perspective** to improve governance standards and protect minority shareholder rights.
- 3. Supplement in-house governance resources** to help professionalise stewardship capabilities with market-led opinion, information and education.
- 4. Demonstrate a stewardship commitment** by publicly acknowledging ICGN membership and endorsing our flagship Principles and Guidance.
- 5. Engage with senior governance professionals across the investment chain** to advance stewardship objectives by attending ICGN conferences or webinars.

Milestones over 25 years



Influence: policy & advocacy

ICGN statement on shared governance responsibilities

In April 2020, ICGN issued an open letter to companies, regulators and stakeholders setting out governance priorities during the COVID-19 pandemic and beyond, in an effort to advance an international dialogue among investors and companies around effective responses to the pandemic while looking to restore and rebuild a more sustainable global economy. The letter emphasised the need for companies to:

- Prioritise employee safety and welfare while meeting short-term liquidity requirements to preserve financial health and solvency;
- Pursue a long-term view on social responsibility, fairness and sustainable value creation;
- Take a holistic and equitable approach to capital allocation decisions; and
- Communicate with stakeholders to instil confidence and trust in a company's approach to build resilience into strategy and operations

The letter also commented on the responsibility of investors to take a long-term systemic approach in their dealings with companies, which may require them to review some of their own policies and priorities.

This letter received a wide range of press coverage, making the front pages of international newspapers: The Nikkei (Japan) and Korea Economic Daily (South Korea), with coverage also in the UK's Financial Times.

The statement was debated over a series of webinars under the theme of the evolving social contract, held in June and July 2020.

Global principles: governance & stewardship

The ICGN Global Stewardship Principles, which were first published in 2003 and most recently updated in 2016, provide an international framework for investors to implement their fiduciary obligations on behalf of clients and beneficiaries. Following consultation with Members in 2019 and early 2020, we are proposing several additions to reflect changes in market practice and regulation. These include:

- More emphasis on fiduciary duty, culture and values by institutional investors;
- Highlighting the importance of ESG factors in investment decision making as well as stewardship;
- More focus on systemic risks relevant to institutional investors;
- More emphasis on applying stewardship to asset classes beyond equities;
- Identifying capital allocation as a topic for engagement for both creditors and shareholders; and
- Protecting voting rights against dual class shares and other forms of differential ownership

The latest version of the Principles is subject to member approval at the ICGN AGM on 23rd September 2020.

Later in 2020, ICGN will review its Global Governance Principles, our primary standard for well-governed companies which was last updated in 2017. An initial consultation seeking Members' views on the usefulness of the Principles and how they might be updated was launched in July 2020.



ICGN policy priorities and committee outputs

ICGN has five policy priorities which address sustainable value creation, successful stewardship, effective boards, shareholder rights and disclosure and transparency. Each priority is promoted by a Policy Committee composed of ICGN Members and we are pleased to report on their work over the twelve months to June 2020.

We are very grateful to all committee Members who share their time and expertise for the benefit of all ICGN Members.

PRIORITY 1

Long-term investment perspectives and sustainable value creation, promoted by the ICGN Ethics & Systemic Risk Committee (ESRC)



chaired by: **Deborah Gilshan**, The 100% Club

ESRC addresses systemic risks and opportunities that might affect the preservation and enhancement of long-term corporate value, impacting on capital market stability, economic growth and broader social prosperity. These issues also link to the United Nations Sustainable Development Goals. Core priorities include corporate purpose and accountability, culture and integrity, anti-corruption practices, regulatory and fiscal policies, technological disruption, environmental damage, climate change and social risks including wealth inequality.

Key outputs include:

- Revisions to ICGN guidance on anti-corruption practices, June 2020
- Viewpoint on COVID-19 as a systemic risk, March 2020
- Letter on OECD consultation on corporate tax, November 2019
- Viewpoint on investor framework for addressing systemic risks, June 2019

ESRC Members:

- Melsa Ararat** (Sabanci University)
- Mirza Baig** (Aviva Investors)
- Fabio Bianconi** (Morrow Sodali)
- Daniela Carosio** (Sustainable Value Investors)
- Vineet Chhibber** (JP Morgan Asset Management)
- Lauren Compere** (Boston Common Asset Management)
- Karin Halliday** (AMP Capital Investors)
- John Jarrett** (EY)
- Nokuthula Khumalo** (Transnet Soc)

Anti-corruption

ICGN's policy priorities place increasing emphasis on systemic risks that face investors, particularly those with long-term time horizons. We regard corruption as a systematic risk in this context – and a matter that investors and companies should consider alongside other critical systemic risks, such as climate change or wealth inequality.

ICGN's Guidance on Anti-Corruption Practices was originally published in 2009. The updated Guidance explains how companies and boards can combat corruption internally through company values, policies, oversight and transparency. It is also intended to support investor engagement with companies and boards on matters relating to bribery and corruption.



PRIORITY 2

Making successful stewardship a reality, promoted by the ICGN Shareholder Responsibilities Committee (SHREC)

co-chaired by: **Danielle Melis**, Independent Board Member & **Alison Schneider**, Alberta Investment Management Corporation

SHREC advocates high standards of investor governance and stewardship and supports the ICGN Global Stewardship Principles and ICGN Model Mandate both of which have inspired changes to regulation in markets around the world.



Key outputs include:

- Work on revisions to the ICGN Global Stewardship Principles, to be approved at ICGN's 2020 AGM
- Letter response to Taiwan Stock Exchange on Taiwan's Stewardship Code, March 2020
- Letters to the Council of Experts on the Japanese Stewardship Code, January 2020 and November 2019
- Viewpoint on the role of the creditor in stewardship and corporate governance, September 2019

SHREC Committee Members:

- Mirte Bronsdijk** (APG Asset Management)
- Stephen Davis** (Harvard Law School)
- Carol Nolan Drake** (Carlow Consulting LLC)
- Anne-Marie Jourdan** (Fonds De Reserve Pour Les Retraites)
- Tetsuo Kitagawa** (Aoyama Gakuin University)
- Cedric Laverie** (ISS)
- Niels Lemmers** (VEB – Dutch Shareholders Association)
- Robert Lewenson** (Old Mutual Investment Group)
- Charles Macek** (Vicinity Centres)
- Tracy Stewart** (SBA Florida)
- Ryoko Ueda** (J-IRIS Research)
- Michael Vies** (Hermes Investment)
- Noah Wortman** (IMF Bentham)

Model Mandate

The 'Guidance on Model Contract Terms between Asset Owners and Managers' (better known as the 'Model Mandate') was first published in 2012. The primary aim of the guidance was to help asset owners to express what they expect of the asset managers that they engage, and to reflect those expectations in asset management contracts and mandates.

While the contents of the Guidance remain relevant now it is currently undergoing review and Member consultation to reflect all the issues that matter to asset owners and their beneficiaries in 2020 in terms of the stewardship provided by asset managers. The revised Model Mandate will take account of changes to regulations and standards in many markets since 2012 (including ICGN's own Global Stewardship Principles).

Consultation on the Guidance began in May 2020. The updated Guidance is expected to be published in early 2021.

The role of the creditor

ICGN's Viewpoint on the role of the creditor in corporate governance examines the relationship between creditors and shareholders and identifies areas of common ground with long-term equity investors. These include:

1. A statement on financial policy and capital allocation. A risky financial strategy is not intrinsically flawed as long as it is appropriately communicated to creditors.
2. Risk management. This includes traditional financial and operational risks, but increasingly focuses on integrating ESG risks in an enterprise-wide context.
3. Board effectiveness. Both shareholders and creditors want strong boards to provide independent support and constructive challenge to the company and its executive management.
4. Robust audit, accounting and reporting, including reporting of ESG or so-called "non-financial" (or pre-financial) issues.
5. Remuneration. Incentive structures should discourage executive management to take disproportionate risks to receive bonus awards.

PRIORITY 3

Building effective boards amidst the changing boundaries of governance, promoted by the ICGN Board Governance Committee (BGC)

co-chaired by: **Gigi Dawe**, CPA Canada & **Carola van Lamoen**, Robeco Institutional Asset Management BV



BGC focuses on the quality of the board of directors as the primary oversight body responsible for driving long term corporate value.

In doing so boards are accountable to shareholders, while balancing the interests of relevant stakeholders in generating wealth for society as a whole. The committee's priorities include board composition, remuneration, capital allocation, independence and oversight of risk management.

Key outputs include:

- Viewpoint on COVID-19 and executive remuneration, June 2020
- Letter to corporate leaders on governance priorities during the Covid-19 pandemic, April 2020
- Viewpoint on artificial intelligence and board effectiveness, March 2020
- Viewpoint on the board's role to oversee culture, January 2020
- Viewpoint on innovation and the role of the board and investors, July 2019

BGC Committee Members:

Sarah Bell (Grant Thornton)

Pru Bennett (Independent)

Mike Cho (Korea Corporate Governance Service)

Daniel Jarman (BMO Global AM)

Rosalind McKay (Cbus)

Severine Neervoort (Norges Bank Investment Management)

Joel Posters (Future Fund)

Eszter Vitorino (Kempen Capital Management)

Megumi Terayama (Nikko Research Center, Inc.)

Artificial intelligence and corporate governance

The potential applications of Artificial Intelligence (AI) are wide in scope and pose commercial opportunities for companies. However, implementing AI can also present significant risks and requires specific governance considerations by company management and corporate boards.

ICGN's Viewpoint discusses some of these implications and recommends that investors engage with companies on:

- The use the company makes of AI and the potential opportunities for improving operations and enhancing revenue;
- The risks to the business associated with AI, and how these are measured and managed;
- The implications for stakeholders, including data privacy; and
- Whether the board and the management have the necessary expertise to deal with these issues.



PRIORITY 4

Protecting minority shareholder rights, promoted by the ICGN Shareholder Rights Committee (SHRIG)

co-chaired by: **Bram Hendriks**, Kessler Topaz Meltzer & Check, LLP & **Eugenia Jackson**, Director, Allianz Global Investors



SHRIG seeks to protect minority shareholder rights to ensure that investors are properly equipped to discharge their fiduciary duties. This extends to the equitable treatment of shareholders and advocating against differential share ownership structures, voting rights and cross border voting infrastructure, company engagement and investor collaboration.

Key outputs include:

- Letters on amendments to Japan's Foreign Exchange and Foreign Trade Act, October 2019 - April 2020
- Letter on the Hong Kong Exchanges and Clearing Limited consultation on corporate weighed voting rights, April 2020
- Viewpoint: How different markets are handling shareholder meetings during the COVID-19 health emergency, March 2020
- Letter to the US SEC consultation on raising thresholds for shareholder proposals, December 2019
- Viewpoint on capital allocation, July 2019

SHRIG Committee Members:

Rients Abma (Eumedion)
Christine Chow (Hermes Investment Management)
G. Blair Cowper-Smith (OMERS)
Tom Elliott (Capital Group)
Stephen Erlichman (Individual)
Gerard Fehrenbach (PGGM Investments)
Michael Herskovich (BNP Paribas)
Alexander Juschus (DVFA e.V.)
Rupert Krefting (M&G)
Nana Li (Asian Corporate Governance Association)
Arne Loow (AP4 Fjarde AP-Fonden)
Massimo Menchini (Assogestioni)
David Smith (Aberdeen Standard)
Peter Swabey (ICSA)

Capital allocation

The ICGN Viewpoint recommends that each company's framework should focus on what the company believes to be the optimal balance between the interests of key stakeholders, address all main uses of capital that are relevant for the business, and set out governance and decision-making process around major capital decisions.

Investors should see engagement with companies on capital allocation issues as a fundamental part of their stewardship programme.

Regulators, stock exchanges and issuers should consider enhancing shareholder rights in respect of capital allocation decisions in markets where these are not sufficiently robust.

“ I value being an ICGN member due to the depth and quality of the conversations that happen within the organization and throughout the membership network. Members continually seek fresh insights and collaboration among peers that I am able to bring back to my everyday work at BCI. ”



Jennifer Coulson, **BCI**,
Canada

PRIORITY 5

Seeking transparency through robust reporting, audit and metrics, promoted by the ICGN Disclosure and Transparency Committee (DTC)



chaired by: **James Andrus**, CalPERS

DTC advocates high quality corporate reporting through reliable auditing standards to enable investors to exercise their investor rights on an informed basis. This extends to integrated reporting which provides meaningful disclosure around a company's risk, opportunities and prospects for the future taking into account long-term value drivers associated with ESG factors. The DTC also advocates recognition.

Key outputs include:

- Letter to the European Commission consultation on the review of the Non-Financial Reporting Directive, June 2020
- Letter to PCAOB on audit quality, March 2020
- Letter to the Global Reporting Initiative on their Corporate Governance Data Framework, February 2020
- Letter on the IAASB's exposure draft for quality management at the firm and engagement level, July 2019
- Letter to the Hong Kong Stock Exchange on the review of ESG reporting and related listing rules, July 2019

DTC Committee Members:

- **Melanie Adams** (RBC Global Asset Management)
- **Aaron Bernstein** (Global Proxy Watch)
- **Jean-Philippe Desmartin** (Edmond de Rothschild)
- **Lamia El Bouanani** (Moroccan Institute of Directors)
- **Farha-Joyce Haboucha** (formerly Rockefeller & Co.)
- **Andrew Hobbs** (Ernst & Young LLP)
- **George Iguchi** (Nissay Asset Management)
- **Natasha Landell-Mills** (Sarasin & Partners LLP)
- **Nga Pham** (Monash Centre for Financial Studies)
- **Karin Ri** (Asset Management One)
- **Yoshiko Shibasaka** (KPMG)



Connect: networks & events

One of ICGN's core objectives is to connect like-minded people from around the world who share a common interest in promoting high standards of corporate governance and responsible investment practices. To support this objective, ICGN convenes two influential global networks: the Global Network of Investor Associations and the Global Stewardship Code Network.

Global Network of Investor Associations

In 2013, the ICGN established the GNIA as an international collaboration of investor-led organisations with a common interest in promoting shareholder rights and responsibilities and effective standards of corporate governance. Chaired by CII alongside ICGN, GNIA meets monthly to share knowledge on policy priorities.

GNIA Members



Global Stewardship Code Network

ICGN established the GSCN in 2016 to provide a forum for organisations responsible for developing and implementing stewardship codes to exchange information and ideas. The Network now has 19 Members from five continents. It meets in person annually at ICGN's Annual Conference and Members participate in quarterly calls.

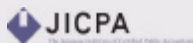
In the twelve months to June 2020, GSCN received presentations on updates to the UK and Japanese stewardship codes, reviews of the Taiwanese and South African codes and ICGN's Global Stewardship Principles, and a progress report on implementation of the US Investor Stewardship Principles. Members also discussed issues such as monitoring of compliance with codes, and the impact of the EU Shareholder Rights Directive.



International events

ICGN ANNUAL CONFERENCE

Hosted by the Tokyo Stock Exchange (TSE) /Japan Exchange Group (JPX) with lead Partner The Japanese Institute of Certified Public Accountants (JICPA) from 16 – 18 July 2019



Professor Kunio Ito
Professor and Director
Graduate School of Commerce &
Management, Hitotsubashi University



Christina Ahmadjian
Director, Japan Exchange Group and
Professor, Graduate School of Business
Administration
Hitotsubashi University

Featuring over 100 speakers from over a dozen countries, the ICGN Annual Conference attracted around 500 delegates to discuss refocusing corporate governance for sustainable value creation. Keynote speakers included Toshida Endo, Financial Services Agency; Hiro Mizuno, GPIF; Takashi Hibino, Keidanren and Professor Kunio Ito, Hitotsubashi University.

Key subjects debated:

- Linking sustainable finance to the real economy
- Strengthening the influence of independent directors
- Board responsibility for managing systemic risk in times of uncertainty
- Reforming corporate disclosure for 21st century reporting

Endorsed by:



2020 Conferences postponed

The events due to have been held in the first six months of 2020, most notably the Annual Conference in Toronto and regional conferences in Seoul and Stockholm, had to be postponed due to the COVID-19 pandemic.

“ My membership in ICGN affords me access to the best thinking and discussions of the global best practices around corporate governance available today. At ICGN’s conferences, the conversation around the latest trends in legislation and regulation are reviewed and debated with colleagues from many different jurisdictions. It is a wholly useful, informative and engaging membership. ”

John Trammell, **Symphony Financial Partners**, USA

ICGN MIAMI CONFERENCE

Hosted by Florida State Board of Administration (Florida SBA), in partnership with Associação de Investidores no Mercado de Capitais (Amec)



Kellie Huennekens
Head of Americas
Nasdaq Center for Corporate Governance



Rick A. Fleming
Investor Advocate
Securities and Exchange Commission (SEC)

Our Miami meeting attracted around 200 people from 17 regions for two days of thought-provoking discussion and debate with an Opening Keynote from Rick A. Fleming of the U.S. SEC. He was joined by Dr. Robert K. Massie, Associate Fellow, Institute for Policy Studies for the afternoon Keynote Address.

Key subjects debated:

- Climate Change Risk: Priorities, Protection and Practices
- Rise of Passive Investment: Consequences for Corporate Governance
- Human Capital Management – Best Practices and Investor Insights

ICGN GLOBAL STEWARDSHIP FORUM, LONDON

26 November 2019



David Styles
Director of Corporate Governance and Stewardship
Financial Reporting Council



Valeria Piani
Director, Sustainable Investing
UBS Asset Management

ICGN's second Global Stewardship Forum attracted around 150 delegates to hear a keynote address from David Styles of the FRC on the revised UK Stewardship Code. Edward Mason, Head of Responsible Investment, the Church Commissioners for England spoke about leading collaborative engagement with ExxonMobil on climate change disclosure, for which he had been recognised as the 2018 ICGN Stewardship Champion.

Key subjects debated:

- Evidencing the impact of company engagement
- Aligning asset manager's incentives with their stewardship performance
- Strengthening investor voting policies

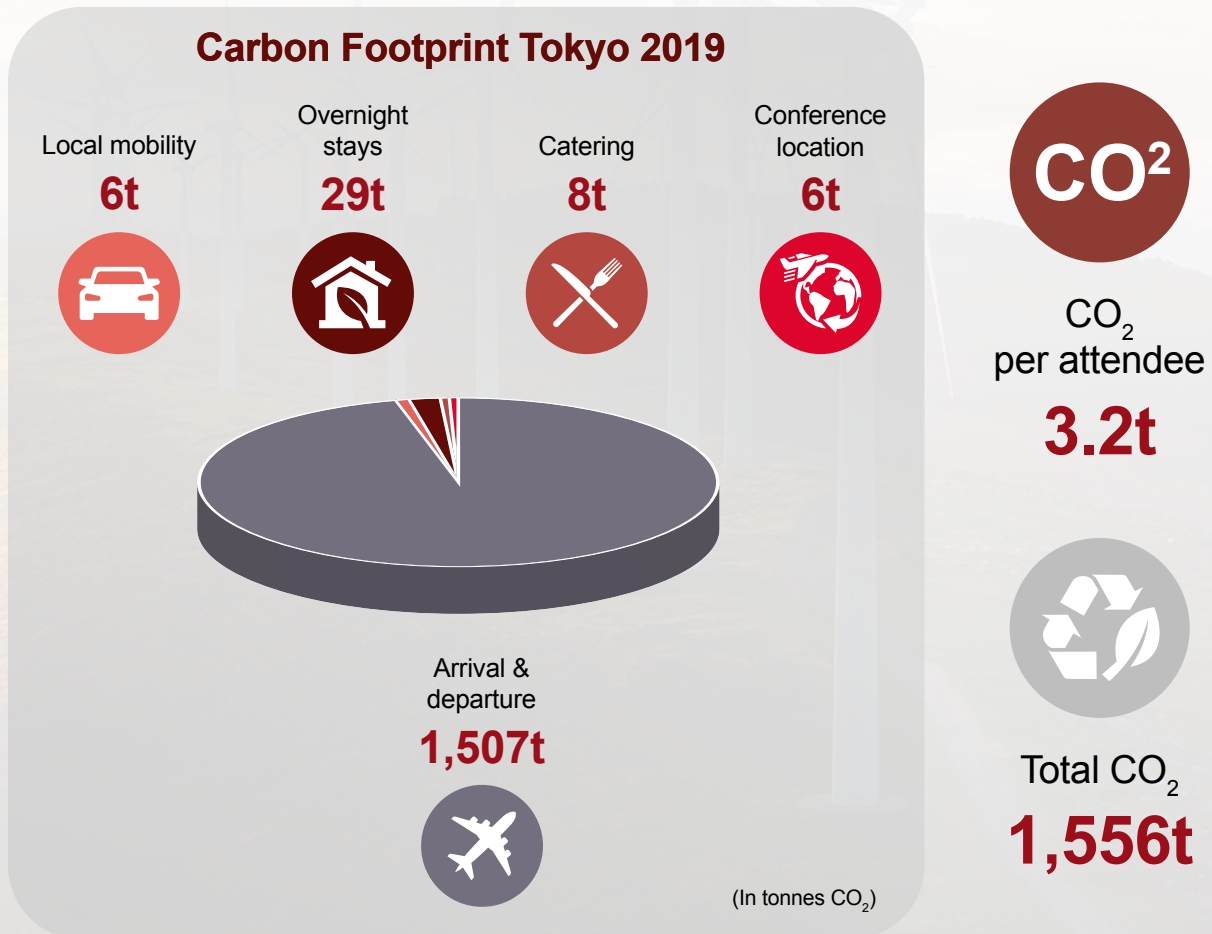
Thank you to all our sponsors

Symphony Financial Partners, Japanese Institute of Certified Public Accountants, MSCI, Deloitte, Nuveen – A TIAA Company, KPMG, ISS, Nestle, Japan Shareholder Services, EY, Sumitomo Mitsui Trust Asset Management, Mitsubishi UFJ Trust and Banking (Asset Management), Asset Management One, Nissay Asset Management, J-Eurus IR, GO Investment Partners, Tokio Marine Asset Management, Broadridge, DRRT, PwC, Pomerantz, CGLytics, Glass Lewis, Sustainalytics, Fidelity Investments, Morrow Sodali, The FAIRR Initiative

Carbon neutral conference

ICGN has committed to make the ICGN Annual Conference carbon neutral. This initiative was launched at the Tokyo conference in July 2019, and we are grateful to Nissay Asset Management for their sponsorship. We worked with Project Climate to calculate the carbon footprint of the event – shown below - which was offset by a donation of €9,342 to a Gold Standard climate protection project.

At the conference attendees had the opportunity to vote for one of two projects. The winning project supports efforts in Laos to utilise run-off river hydro power. Unsustainable firewood is the main source of energy consumption in Laos which results in the deforestation of valuable tropical forests. This project supplies rural communities with a reliable and green source of energy, and saves more than 45,000t of CO₂ every year.



ICGN webinars

Our interactive and informative webinars address key governance priorities from an investor perspective. Key themes have included:

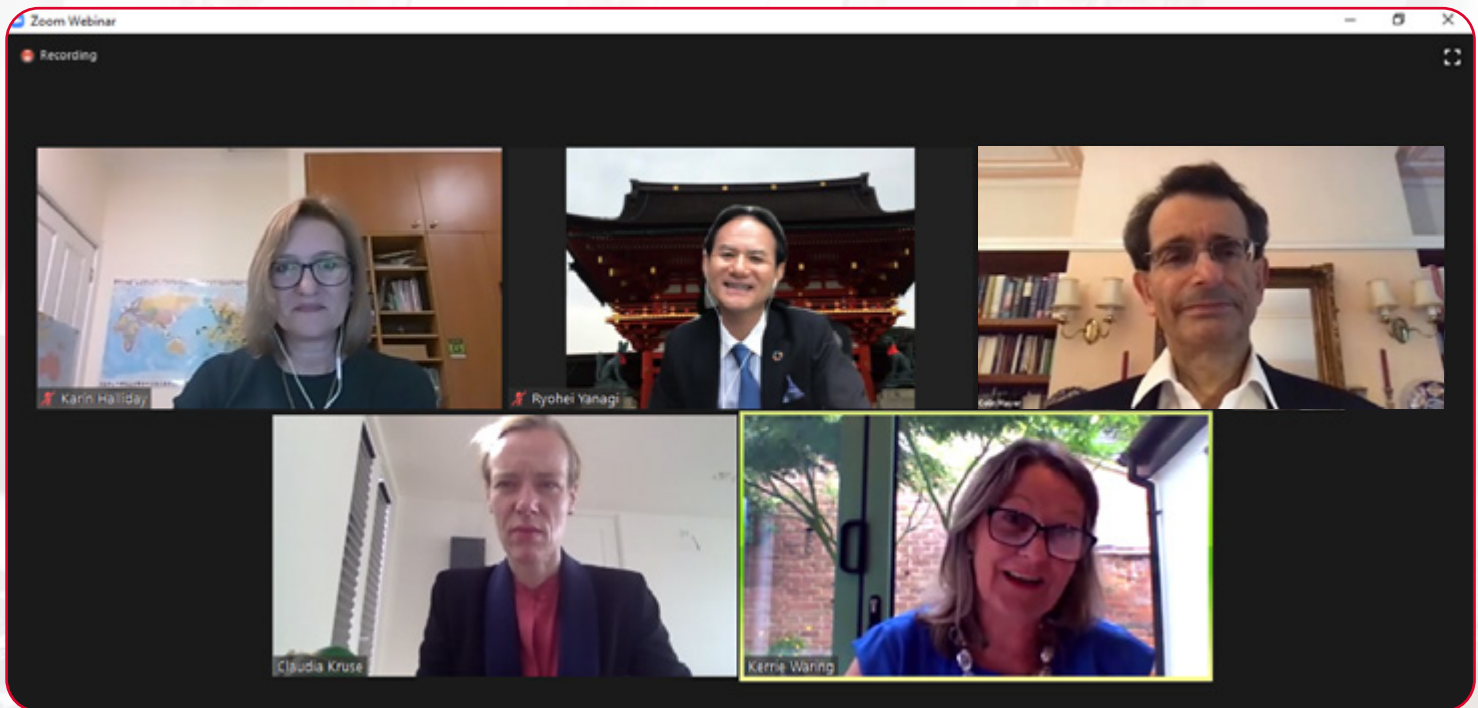
- Engaging boards on climate change by Karina Litvack, Eni SpA
- Corporate culture by Gigi Dawe, CPA Canada
- Human capital management by Aaron Bernstein, GPW
- Systemic risk by Deborah Gilshan, 100% Club, George Dallas, ICGN & Bill Burckart, TIIP
- Foreign Exchange and Foreign trade Act, by Hideaki Imamura, Ministry of Finance, Japan

ICGN webinars have been exclusive to Members and we were pleased to make them open to all to encourage investor and company dialogue during the COVID-19 global health crisis.

Evolving social contract series

In June and July 2020 ICGN presented a series of webinars to discuss key themes emerging from the pandemic. These covered:

- Executive pay: reframing for the long-term
- Corporate reporting: communicating resilience & sustainable value creation
- New accountability mechanisms in the age of stakeholder capitalism
- Human capital: sustaining morale and promoting fairness
- Pandemics and climate change: colliding systemic risks
- Trust and the social contract: expectations, collaborations and responsibilities



Top Row (L-R) **Karin Halliday**, AMP Capital; **Dr. Ryohei Yanagi**, Eisai Co., Lt & Waseda University; **Prof. Colin Mayer**, University of Oxford. Bottom row (L-R) **Claudia Kruse**, APG Asset Management; **Kerrie Waring**, ICGN; taken during the webinar on new accountability mechanisms in the age of stakeholder capitalism.

Focus on Japan

ICGN has actively promoted high standards of governance and stewardship in Japan for decades: the ICGN Annual Conference was first hosted by the Tokyo Stock Exchange (TSE) in 2001 and again in 2019 to discuss progress towards governance reforms. ICGN has submitted dozens of letters to regulatory authorities calling for governance reforms. Since 2017, ICGN's CEO, Kerrie Waring, has served as a Member of the Council of Experts convened by the TSE and Financial Services Agency (FSA) to review and update Japan's Corporate Governance and Investor Stewardship Codes.



“ ICGN's CEO provided valuable insight to the revision of Japan's Stewardship Code in 2017, particularly regarding independent oversight, conflicts of interest and collective engagement. ICGN's guidance on CEO selection as well as the role of independent directors, nomination committees and remuneration committees was particularly appreciated in the review of the Corporate Governance Code. ”



“ ICGN gave an international perspective on board diversity which contributed to the “Diversity 2.0 Action Guidelines’ detailing actions that companies should take to incorporate diversity into their organisations. Recognising such contribution, the Government of Japan formally supports and is sincerely appreciative of ICGN efforts and METI hopes for continued collaboration with ICGN in the future. ”

Statement of Japan policy priorities

In 2019, ICGN published Japan Policy Priorities to help inform regulators, companies and others on priorities for reform from a global investor perspective:

- 1. Corporate reporting:** (a) publish the securities report (Yuho) pre-AGM (b) reduce AGM clustering (c) increase AGM notice period to 30 days and publish in English
- 2. Board independence:** (a) increase majority of independent directors (b) enhance definition of director independence (c) disclose clear procedures and rationale for director appointments
- 3. Board evaluation and nomination:** (a) establish independent Nomination Committees (b) conduct external board evaluation (c) improve board evaluation disclosure
- 4. Executive pay and remuneration committees:** (a) establish independent Remuneration Committees (b) abolish the rule that individual remuneration below YEN 100 M does not need to be disclosed (c) annually disclose executive pay on an individual basis
- 5. Capital efficiency and cross-shareholdings:** (a) improve disclosure capital policy (b) disclose a target to reduce cross shareholdings over a specified period (c) disclose the nature of all cross-shareholding

Fostering company engagement

In June 2019, ICGN signed a Memorandum of Understanding with Keidanren to foster understanding between Japan's corporate leadership and overseas investors around high standards of corporate governance and investor stewardship practices.

“ In Japan, the government has worked to develop the environment for companies to proceed with corporate governance reforms, with such measures as introduction of the Stewardship Code and Corporate Governance Code. We wish this MoU with ICGN will further facilitate the dialogue with global investors, increase the value of Japanese businesses and contribute to Society 5.0 for SDGs. ”

Mr Takeshi Kunibe, Vice Chair of **Keidanren** and Chairman of the Board of **Sumitomo Mitsui Financial Group**

“ Around 30% of shares in JPX listed companies are held by overseas investors, many of whom are ICGN Members. This MoU signifies a new era for constructive engagement and aims to help build understanding and a common sense of purpose to preserve and enhance long term corporate value for sustained economic growth upon which society and future generations depend. ”

Kerrie Waring, Chief Executive Officer, **ICGN**



Kerrie Waring, and **Mr Takeshi Kunibe** at the signing of the Memorandum of Understanding between ICGN and Keidanren



Inform: education & awards

ICGN Governance, Stewardship and Sustainability Course

In 2011 ICGN launched its education programme with a course on the integration of environmental, social and governance (ESG) in the investment process, funded by a grant by the European Commission. Since then the course has been a popular feature of ICGN conferences and has been delivered in over a dozen jurisdictions.



This course has been redesigned to focus on the growing profession of stewardship, in which ESG integration remains an important and distinctive feature. The new course, titled Governance, Stewardship and Sustainability (GSS) was launched as a pilot project in July 2019, hosted by the Tokyo Stock Exchange, and was repeated at ICGN's regional conference in Miami in October 2019.

In 2020, due to COVID-19 and the accompanying travel restrictions, ICGN's Education Advisor Mike Lubrano and Policy Director George Dallas adapted the course into a webinar format. They presented the course over three, two-hour webinars in June 2020. This condensed version of the in-person GSS course offered attendees the opportunity to learn and connect in a safe environment. The course was well received by over 20 participants and as a result, ICGN has decided to run the course again later in the year.



Mike Lubrano
Education Programme
Advisor
ICGN



George Dallas
Policy Director
ICGN

“ For GPIF, a universal asset owner with one of the largest AUM in the world, the ICGN is a valuable partner who provides us with the well-balanced views on holistic and practical ESG issues. We look forward to further discussions with its Members and conferences going forward. ”



Hiroshi Komori, GPIF,
Japan

“ ICGN's 25 years of success in advancing global standards of corporate governance benefits not only its Members, but the wider investment community. Its tireless championing of stewardship, and the long-term value creation made possible by improved governance standards, supports HESTA and other asset owners to deliver the best possible long-term risk-adjusted returns for Members. ”



Debby Blakey, HESTA,
Australia

“ Most important for me is to have the possibility to exchange views on corporate governance and sustainability with colleagues from across the globe and to stay updated on important developments in other parts of the world. Being able to provide input to comment letters sent by an influential organization such as ICGN is also a key asset. ”



Rients Abma, Eumedion,
The Netherlands

ICGN Yearbook

First published in 2005, the ICGN Yearbook is an exclusive Member benefit and draws on insights from the world's leading commentators on corporate governance issues. It provides a memento of governance developments and serves as a point of reference on topical issues of the day. 2019 articles included:

- Aligning business and community interests, from Charles Macek, Chairman, Vivid Technology Ltd and Earthwatch Institute
- Remuneration: why is fairness within the company and within society important, from Carol Nolan Drake, Founder & CEO, Carlow Consulting LLC
- The EU agenda for corporate governance and stewardship, from Josina Kamerling, CFA Institute



ICGN Yearbook 25th Anniversary Edition

As this year marks ICGN's 25th Anniversary, we are producing a special edition of the ICGN Yearbook, which will be released later this year. Since ICGN's inception in 1995 the corporate governance landscape has evolved greatly and this special edition will feature a collection of articles past and present from founding Members; former Chairs and other Members who have made significant contributions to the ICGN work programme over the past 25 years. We thank all of you for your support!

Contributors include: Michelle Edkins; Leo Goldschmidt; Yuji Kage; Mervyn King; Sophie L'Helias; Richard Regan; Anne Simpson and many more.

ICGN Governance Awards

The inaugural ICGN Governance Awards were presented at the 2001 ICGN Annual Conference in Tokyo and, since then, have been given annually to individuals who have demonstrated exceptional achievements in corporate governance.

ICGN GLOBAL GOVERNANCE AWARD

In 2019, the ICGN was pleased to return to Tokyo to award the ICGN Global Governance Award to Prime Minister Shinzō Abe in recognition of achievements towards improving corporate governance in Japan as part of a wider economic revitalisation strategy.



Shinzō Abe
Prime Minister, Japan

“ I would like to express my sincere appreciation for receiving the ICGN Global Governance Award. I am extremely grateful and honoured that the corporate governance reform in which I put all my efforts as a major part of Abenomics policy is recognised by ICGN, which consists of global capital market participants. ”

ICGN LIFETIME ACHIEVEMENT AWARD

One of the founder Members of the ICGN, Sophie L'Hélias, was awarded an ICGN Lifetime Achievement award at the Miami conference in honour of her long-standing commitment to raising corporate governance standards across the globe.



Sophie L'Hélias
**President,
LeaderXXchange &
Lead Independent
Director, Kering**

“ It is an immense honour to receive the ICGN Lifetime Achievement Award and follow in the footsteps of some of the world's most recognized leaders in corporate governance. The power of ideas, information and innovation is compounded when they are shared. That's what drove us to co-found the ICGN. It remains true to its mission as a vital resource for investors and companies to step-up and address the critical global challenges of today. ”



ICGN Global Stewardship Awards

The ICGN Global Stewardship Awards were presented in London in November 2019. The purpose of the awards is to recognise individuals and organisations whose actions have helped to make effective stewardship a reality and to encourage good quality disclosure on stewardship policies and practices.

STEWARDSHIP CHAMPION AWARD

Natasha Landell-Mills of **Sarasin & Partners** was awarded for her commitment to campaigning for a more investor-focused approach to corporate reporting and audit. Upon receipt of the award, **Natasha** said:



“ I feel incredibly honoured to receive this award for what has been a team effort to promote more reliable company accounts and truly independent audit. While easy to overlook as a technical issue, accounting is profoundly important to stewardship. Put simply, accountability depends on reliable accounts. While we have seen important steps forward, serious flaws persist. More investors need to demand change. Auditors need to be held to account. ”

ICGN GLOBAL STEWARDSHIP DISCLOSURE AWARD FOR ASSET OWNERS

We were pleased to present Canada Pension Plan Investment Board with the award for stewardship disclosure by an asset owner. This award was received by **Deborah Orida**, Senior Managing Director & Global Head of Equities, **CPPIB**:



“ Our core principles of accountability and high performance, as well as our responsibility to conduct ourselves as principled and thoughtful owners are central to our mandate to improve long-term investment returns for the Canadian workers and retirees we serve. Recognition of our achievements in disclosure is a great endorsement of our team as we help spark positive change through proactive and constructive dialogue as well as leading by example. ”

ICGN GLOBAL STEWARDSHIP DISCLOSURE AWARD (ASSET MANAGERS > £60BN AUM)

We were pleased to present Aviva Investors with the award for stewardship disclosure by an asset manager with over £60bn AuM. This award was received by **Mirza Baig**, Global Head of Governance, **Aviva Investors**:



“ We are pleased to have received this award for our stewardship reporting. The journey to sustainable capital markets requires investors to hold themselves to the same standards of transparency and accountability that we expect of companies. ”

ICGN GLOBAL STEWARDSHIP DISCLOSURE AWARD (ASSET MANAGERS < £60BN AUM)

We were pleased to present Martin Currie Investment Management with the award for stewardship disclosure by an asset manager with under £60bn AuM.

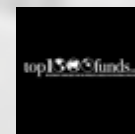
This award was received by **David Sheasby**, Head of Stewardship & ESG, **Martin Currie Investment Management**:



“ At Martin Currie we understand the value of stewardship in working towards a more sustainable investment environment that can better deliver long-term value for our clients. We recognise the key role that the ICGN plays in driving corporate governance and stewardship practices globally – especially in promoting effective and transparent disclosure. As such, we are really delighted to be recognised by the ICGN for our work with regard to our global stewardship disclosures. ”

Media visibility

ICGN is proud to have a global reach and to have featured in articles across 16 markets around the world in the last 12 months.



In the news....



ICGN CEO, Kerrie Waring on ICGN’s open letter in The Nikkei:

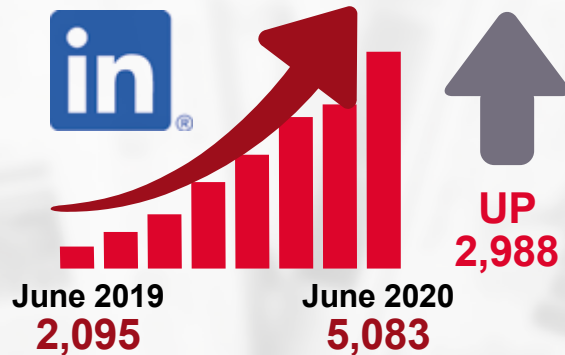
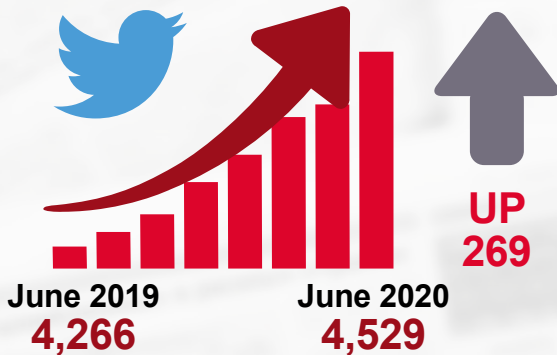
“ The Covid-19 pandemic presents the most significant public health and economic crisis of our time and calls for new forms of cooperation on a global scale. We must embrace a new era of engagement which elevates the importance of social factors as a key determinant to a company’s long-term financial health and sustainability. ”



ICGN Policy Director George Dallas on the topic of dual class shares in the Financial Times:

“ Dual class shares erode accountability to management and have the effect of entrenching managers and controlling owners. While in the short term this might protect a young company from the animal spirits of financial markets, the trade-off is not positive longer term for minority investors, or indeed for the company itself. ”

#Social Media.... Growing followers

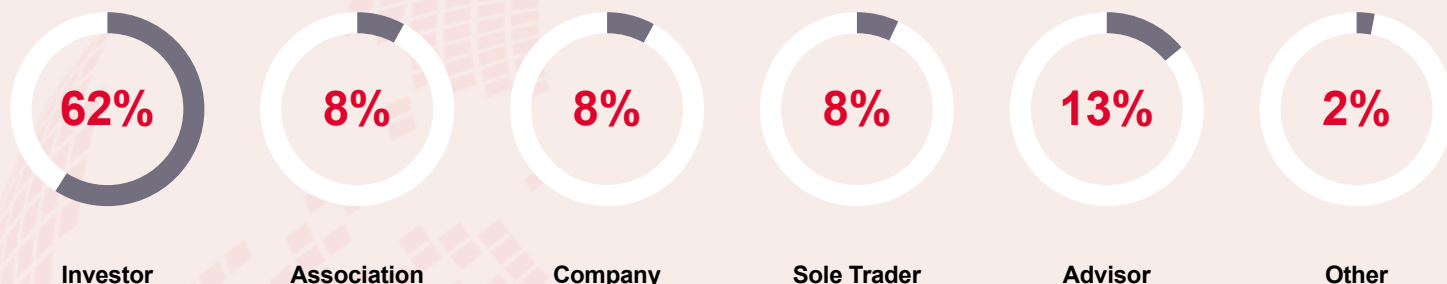


#ICGN19 #ICGN20 #Corporategovernance @ICGNCorpGov

ICGN Members

As of July 2020, 359 organisations are ICGN Members; between them there are over 800 individual members. We are led by investors who represent AuM in excess of \$US 54 trillion. Our Members are based in 43 countries with the majority from North America and Europe (including the UK). Our network includes many of the world's largest public pension funds, asset management firms, public listed companies and professional advisory firms.

Members by Type



“ The GEPF views governance as a key pillar in its organisational framework that ensures it is able to fulfil its core mission of paying out the promised benefits to its beneficiaries over the long term. The ICGN enables the GEPF not only to participate in developing world class governance practices but also to benchmark its current governance practices against best practice. Membership of the ICGN thus assists us to realise our mission which is to be a global leading and reputable pension fund that delivers quality service to beneficiaries. ”



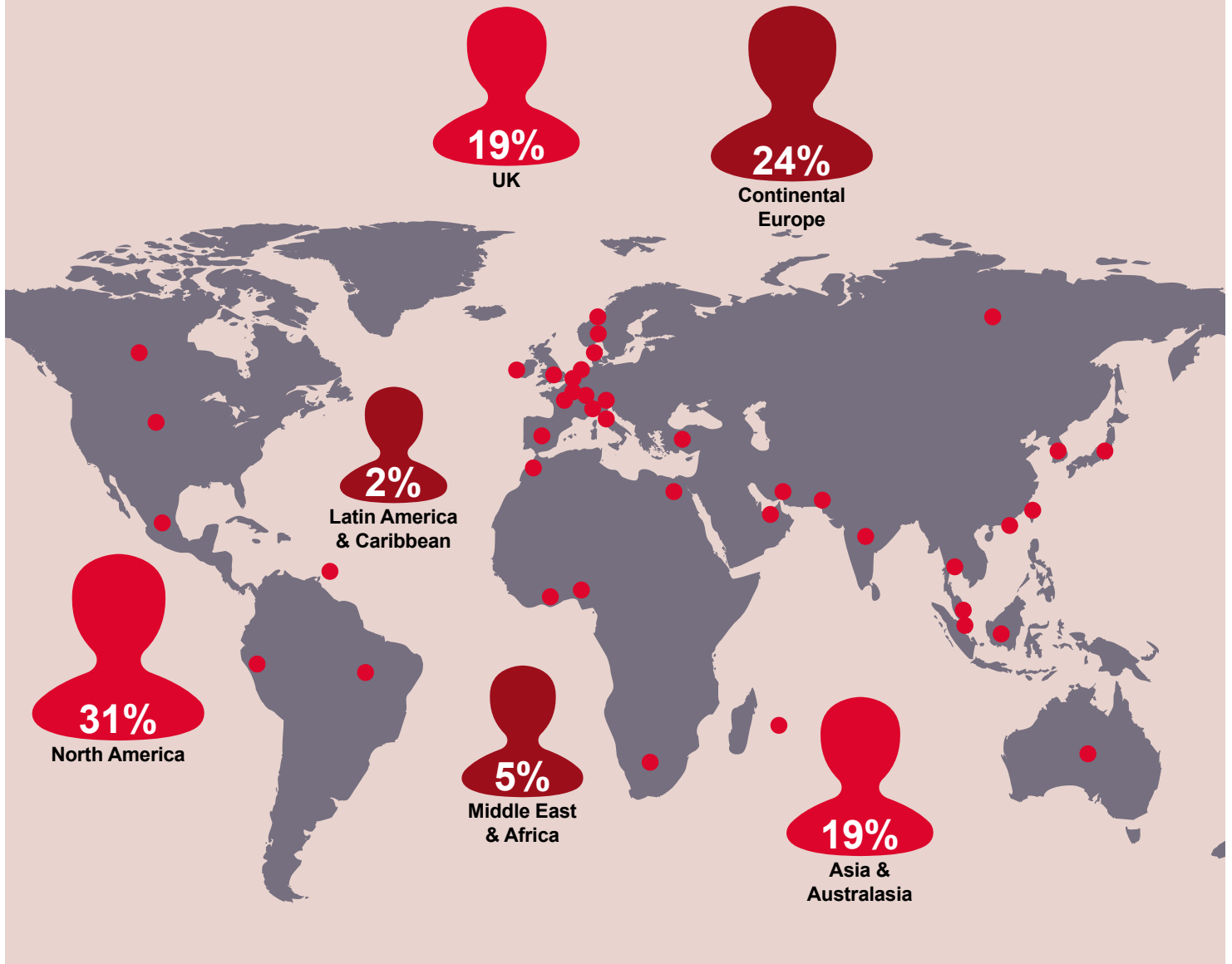
Adri Van Niekerk, **GEPF**,
South Africa

“ ICGN is the global recognised organisation for governance and stewardship. It helps BNP Paribas Asset Management enhance its stewardship policies and consider our priorities for the years to come. ICGN plays a critical role in pushing for the adoption of best standards across the world among issuers and investors. ”



Michael Herskovich, **BNP Paribas**,
France

Members around the world



ICGN Board & committees

The ICGN Board directs the affairs of ICGN through the oversight of the CEO who manages the ICGN Secretariat and work programme. Up to twelve Board Members are elected by ICGN Members annually, with the majority being investors. The current Board was elected at the AGM held in Tokyo on 16th July 2019.



Robert Walker
LVC Strategies
Canada



Melsa Ararat
Sabanci University
Turkey



Ian Burger
Newton Asset
Management
UK



Myeong (Mike) Cho
Korea Coporate
Governance Service
Rep of Korea



Christine Chow
Federated Hermes
International
UK



David Couldridge
Ninety One
South Africa



George Iguchi
Nissey Asset
Management
Japan



Anne-Marie Jourdan
Fonds de Reserve Pour
Les Retraites
France



Dan Konigsburg
Deloitte Touche
Tohmatsu Ltd
USA



Claudia Kruse
APG Asset
Management
Netherlands



Anne Molyneux
CS International
Switzerland



Paul Schneider
Ontario Teachers'
Pension Plan
Canada



Committees

Audit and Finance

Oversees ICGN financial reporting, internal controls, risk management and audit.

Key responsibilities include:

- Annual Operating Budget
- Annual Risk Register
- Financial Reserves Policy
- Audit oversight and review



Ian Burger
Newton Asset Management
UK

The Committee is chaired by Ian Burger and the Members are David Couldridge, Claudia Kruse and Paul Schneider.

Information on risk and audit oversight and the financial statements for the year ending 31st December 2019 can be found on page 34 onwards.

Awards

Recommends candidates for recipients of ICGN Awards relating to both Governance and Stewardship.

Key responsibilities include:

- Recommendation of Global Governance Award candidates to ICGN Board
- Ratification of Judging Panel decisions on recipients of the ICGN Global Stewardship Awards



Phil Armstrong
Gavi, The Vaccine Alliance
Switzerland

The Committee is chaired by Phil Armstrong and the Members are Melsa Ararat, Christine Chow and Anne-Marie Jourdan. Under its terms of reference, the Chair of the Committee is not a member of the Board of Governors.

Crisis Committee

During the COVID-19 pandemic a committee was formed to support the CEO in managing the effects of the crisis on ICGN's activities.



Bob Walker
LVC Strategies
Canada

The Committee was chaired by Robert Walker and the Members are Ian Burger, Anne-Marie Jourdan, Dan Konigsburg and Anne Molyneux.

Governance

Develops sound governance policies and practices relating to CEO appointment, performance and remuneration, succession planning, board composition and evaluation.

Key responsibilities include:

- Board evaluation and skills matrix review
- CEO succession planning
- CEO remuneration and performance appraisal
- ICGN Constitutional document oversight



Anne-Marie Jourdan
Fonds de Reserve Pour Les
Retraites
France

The Committee is chaired by Anne-Marie Jourdan and the Members are David Couldridge, Dan Konigsburg, Anne Molyneux and Robert Walker

Strategy Working Group

Develops strategic plans to address ICGN's current standing and makes long-term, multifaceted proposals to improve ICGN's future.



Dan Konigsburg
Deloitte Touche Tohmatsu Ltd
USA

The Group is chaired by Dan Konigsburg and the members are Ian Burger, Mike Cho, Paul Schneider and Robert Walker.

Nomination

Recommends board governor candidates to ICGN Members for annual election / re-election. The committee Members themselves are elected individually at AGM.

Key responsibilities include:

- Oversight of Board nomination and election process
- Communication with ICGN Members, ICGN Board and others
- Solicit nominations to serve on the ICGN Board of Governors
- Recommend candidates to ICGN Members for approval at AGM



Carol Hansell
Hansell LLP
Canada

The Committee is chaired by Carol Hansell and the Members are Richard Bennett, Anne Molyneux, Geof Stapledon, Carola Van Lamoen and Robert Walker. Under its terms of reference, the Chair of the Committee is not a member of the Board of Directors.



ICGN secretariat

The ICGN is a non-profit body, registered in the UK as a company limited by guarantee. The Secretariat is based in London, led by the CEO who manages a team of nine staff who develop, coordinate and deliver the ICGN work programme.



Kerrie Waring
Chief Executive Officer



George Dallas
Policy Director



Florence Doel
Senior Engagement
Manager



Paul Johnson
Head of Membership



Karel Krlicka
Business Development
Manager



Samantha Martin
Finance Administrator



Amiirah Nobeebaccus
Senior Events
Coordinator



Garvin Payne
Executive Assistant



Milly Sheehan
Senior Communications
and Events Manager



Elizabeth Thomas
Operations Director

Support

We are grateful to the following people for their valuable support this year



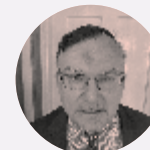
Amane Fujimoto
Japan Advisor



Deborah Gilshan
Policy Support



Chris Hodge
ICGN Advisor



Michael Irving
Finance Manager



Mike Lubrano
Education Advisor



Lesley Stephenson
Yearbook Editor

Risk oversight

The ICGN Risk Register is reviewed and approved by both the ICGN Audit & Finance Committee and ICGN Board of Governors on an annual basis. The Register is also subject to external audit review.

The purpose of the Risk Register is to identify material risks which may impact the solvency or significantly affect the activities of the ICGN and to clarify any mitigating actions which serve to reduce such risks.

New risk factors

Global pandemics

There is a high probability of this risk, as evidenced by the COVID-19 pandemic, with a high degree of impact on ICGN's business including loss of conference revenue and business disruption. To mitigate the risk, the health and safety of employees and Members is prioritized, conferences are cancelled, and virtual activities introduced. The ICGN Board initiates crisis planning protocols including the establishment of a crisis committee to support the leadership of the CEO through any crisis that arise.

Cancellation of all conference activity

While the ICGN Risk Register has always featured the cancellation of an individual conference as a potential risk, the loss of the entire annual portfolio of conferences was not envisaged. This new systemic level risk is high probability and can be caused by pandemics or by changes in approaches to international travel, for example flight shaming due to climate change concerns. This risk can be mitigated by reducing ICGN's reliance on conference revenues, investment in virtual event technology and introduction of carbon-offsetting incentives.

Failure of virtual events

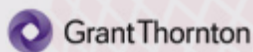
This year we have increased the frequency of webinars and virtual events to enhance membership benefits, while also introducing potential new revenue streams. Increasing our reliance on virtual events also increases the potential risk of failure which could lead to membership attrition and reduced revenue generation. Invest in technology. To mitigate this risk, we will invest in developing high quality and relevant virtual events.

Changes to existing risk factors

Macro-economic austerity

This risk was escalated in terms of inherent priorities. It can occur as a result of recession, geopolitics (e.g. BREXIT) systemic financial crisis and global events such as the COVID-19 pandemic and lead to ICGN Members being subject to budgetary cuts, potentially resulting in member attrition. The risk can be mitigated by ensuring high quality membership benefits and services and price sensitivity when making decisions around membership and conference fee levels.

Auditor review



Grant Thornton UK LLP ('GT') has served as ICGN's auditor since 2010, noting there has been changes in audit partner on two occasions. While ICGN is not legally obliged to do so, we recognise that it is good practice to change auditors on a periodic basis and issued a tender for audit services issued in 2019. After evaluating several organizations, the ICGN Board recommends the appointment of Haysmacintyre LLP to audit the 2020 Financial Statements. This recommendation will be put to Members for their approval at the AGM scheduled to be held on 23rd September 2020.

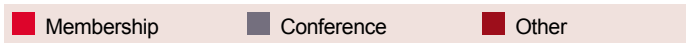
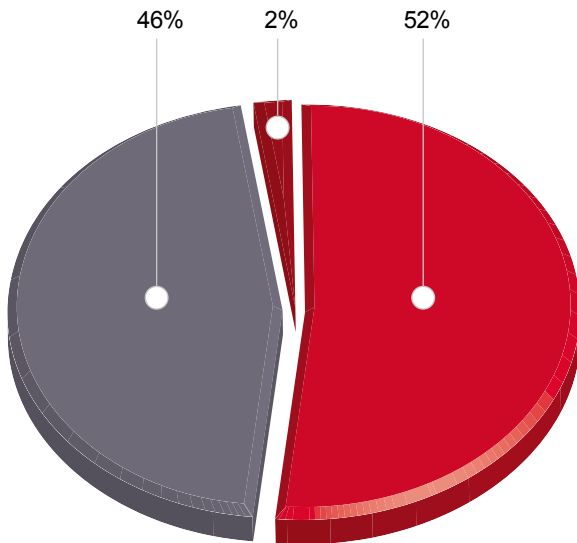
Annual financial results

Overview

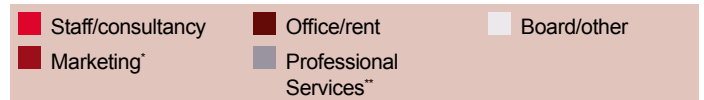
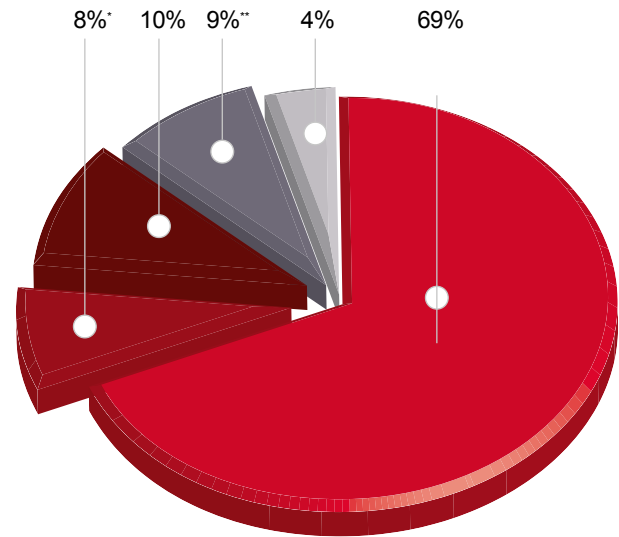
The ICGN Financial Statements to 31st December 2019 confirm a year-end loss of £17,779 (2018 profit: £31,126). The overall net effect on reserves is a reduction from £623,200 as at 31st December 2018 to £605,421. The impact of the COVID-19 crisis will be demonstrated in ICGN Financial Statements to 31st December 2020 which will be published in 2021.

Annual turnover in 2019 was £1,759,761 (2018: £1,662,897) with a gross surplus of £971,864 (2018: £924,202) after cost of sales. Total administration costs, i.e. Secretariat running costs, amounted to £990,543 (2018: £893,768).

Revenue (net costs)



Expenditure



*Marketing includes website, publications and travel

**Professional services include accounting, audit, legal and banking

2019 Income and Expenditure (£GBP)

	2019	2018
TURNOVER		
1 Membership	509,795	408,536
2. Conferences	1,223,382	1,228,852
3. Courses	25,604	14,900
4. Other income	980	10,609
Total turnover	1,759,761	1,662,897
Cost of sales	(787,897)	(738,695)
Total turnover minus cost	971,864	924,202
ADMINISTRATION		
5.Staff	(675,069)	(636,383)
6.Consultancy	(8,414)	(16,242)
7.Website	(32,900)	(28,989)
8. Rent	(55,239)	(45,153)
9.Office	(41,479)	(35,488)
10.Accounting	(33,040)	(29,485)
11.Audit	(12,400)	(12,000)
12.Legal/tax	(26,122)	(24,483)
13.Banking	(22,109)	(16,081)
14.Travel	(30,280)	(16,857)
15.Marketing/publications	(13,847)	(16,698)
16.Board/committees	(18,136)	(5,810)
17.Other costs	(21,508)	(9,401)
Total administration	(990,543)	(893,768)
Operating (loss)/profit	(18,679)	30,434
Interest receivable	900	692
(Loss) profit before tax	(17,779)	31,126
Tax on profit	-	-
(Loss) profit after tax	(17,779)	31,126
Retained earnings at year start	623,200	592,074
(Loss) profit for year	(17,779)	31,126
Retained earnings at year end	605,421	623,200

Notes to the results

1. **MEMBERSHIP**
ICGN membership subscriptions accounted for 52% (2018: 44%) of total revenue. Member recruitment was 15% (2018: 14%) and attrition was 9% (2018: 9%). The total number of individual Members as at 31st December 2019 was 798 (2018: 749) and overall membership income increased by 6% over the previous year.
2. **CONFERENCES**
The ICGN Annual Conference was held in Tokyo in June 2019 with regional meetings taking place in Amsterdam in February 2019, Miami in October 2019 and London in November 2019. ICGN Conferences contribute 70% of overall revenues, or 46% of revenues minus cost of sales (2018: 55%).
3. **COURSES**
ICGN delivered in-person courses in Amsterdam in February 2019, Tokyo in June 2019 and Miami in October 2019.
4. **OTHER INCOME**
This includes Yearbook advertorial and donations towards ICGN scholars
5. **STAFF**
The average number of employees during the year was 10 (2018: 9)
6. **CONSULTANCY**
Relates to training, staff recruitment and costs of stewardship award analysis
7. **WEBSITE**
Costs relate to maintenance and minor development
8. **RENT**
ICGN is a tenant of ICSA: The Governance Institute, and pays an annual rental which includes rates, service charge and insurance
9. **OFFICE**
Includes telephone, courier, stationery, postage, printing, software, IT support, equipment, surveys and subscriptions
10. **ACCOUNTING**
Buzzacott provides accounting services including monthly bookkeeping, quarterly management accounts, pay roll, quarterly VAT reporting, quarterly EC sales submissions, annual statutory accounts, and preparatory work for audit
11. **AUDIT**
Audit services from Grant Thornton
12. **LEGAL/ TAX**
Relates to employment advice and tax advice related to conferences
13. **BANK CHARGES**
Commission charges associated with membership and conference payment administration
14. **TRAVEL**
Expenses related to ICGN representation at events and meetings
15. **MARKETING/PUBLICATIONS**
Includes publication of material and guidance
16. **BOARD/COMMITTEES**
Includes costs of company secretarial and board evaluation services
17. **OTHER COSTS**
Includes depreciation and sundry items

25
YEAR
ANNIVERSARY



ICGN

International Corporate Governance Network

Inspiring good governance & stewardship

Contact us

For more information

By email: membership@icgn.org

By telephone: **+44 (0)20 7612 7092**