



# ICGN

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## **ICGN'S GLOBAL INVESTMENT COMMUNITY CALL FOR MAJORITY VOTING IN THE US**

Following recommendations from ICGN Members at last weeks' Annual General Meeting in Toronto, the ICGN has issued a letter to Chairman Dodd and the Senate Committee on Banking, Housing and Urban Affairs regarding the importance of majority voting.

*"ICGN members and investors around the world ask for simple majority rule democracy in corporate board rooms. We ask congress to act now to make board rooms and directors more accountable to the shareholders which they represent. At a time in history when the US federal government spends billions of dollars supporting the democracies of fledgling nations abroad, in the US itself, majority voting does not apply for the providers of capital in public markets. We ask for congress to extend the basic fundamental obligation that requires a director that does not have a majority of votes cast to stand down from a board. Such lack of majority vote is a message from the shareowners that they want a new representative,"* said Christianna Wood, ICGN's Chairman of the Board of Governors.

While it is encouraging to note voluntary adoption of majority voting by many US corporations, it is significant that the regulatory framework does not underpin such a basic premise. The ICGN seeks to encourage the US Congress to implement the principle of

majority voting as emphasised in Clause 2.9 of the ICGN's Global Corporate Governance Principles (2009): *“Shareholders should have a separate vote on the election of each director, with each candidate approved by a simple majority of shares voted, and sufficient time and information to make a considered voting decision.*

**ENDS**

## **EDITORS' NOTES**

The Letter and 'ICGN Global Corporate Governance Principles' are available via the ICGN website at [www.icgn.org](http://www.icgn.org)

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The ICGN is a global membership organisation of around 500 institutional and private investors, corporations and advisors from 47 countries. Our investor members are responsible for global assets of US\$9.5 trillion. The mission of the ICGN is to contribute meaningfully to the continuous improvement of corporate governance best practices through the exchange of ideas and information across borders. Information about the ICGN, its members, and its activities is available on our website: [www.icgn.org](http://www.icgn.org).