


ICGN

International Corporate Governance Network

**Minutes of the ICGN Annual General Meeting
Held on 26th June 2013 from 13.00 (local time), at the Grand Hyatt Hotel, New
York, USA**

Participants

Michelle Edkins (Chair)	BlackRock, USA
Erik Breen (Vice-Chair)	Netherlands
Philip Armstrong	GCGF, USA
Heloisa Bedicks	IBGC, Brazil
Richard Bennett	GMI Ratings, USA
Frank Curtiss	Railways Pension Trustee Limited, UK
Jon Feigelson	TIAA-CREF, USA
David Pitt-Watson	London Business School, UK
Yoshiko Takayama	J-EURUS, Japan
Philippe Zaouati	Natixis AM, France

Apologies

Chris Ailman	CalSTRS, USA
Carol Hansell	Davies, Ward, Phillips and Vineberg LLP, Canada

In Attendance

Secretary:	Kerrie Waring, Acting Head and Company Secretary, ICGN
Membership:	103 ICGN Members in person including 9 represented by proxy

The Chair called the Annual General Meeting (AGM) to order at 13.00 hours.

1. Minutes

The minutes of the AGM held on the 27th June 2012 at the Sofitel Hotel in Rio de Janeiro, Brazil were received by the meeting.

2. Chair's report

The Chair's report was received by the meeting.

The Chair explained that the Board had spent the year focusing on the ICGN's strategy and concentrating on how to strengthen ICGN's finances. Time had been spent supporting the advocacy work of the committees and the Secretariat in delivering the work programme for ICGN. Since the last meeting, ICGN had held four successful ESG education programmes and the feedback had been positive. In addition, ICGN Policy Committees had issued numerous letters and produced two pieces of guidance.

For the coming year and beyond, ICGN intended to focus on three core pillars as identified in the ICGN strategy: influencing policy, connecting peers and informing dialogue:

- ICGN had a huge amount of expertise amongst the membership, which will be drawn upon to participate in the advocacy programme and to influence the development of

public policy initiatives which impact investors and long-term savers. Policy Committees will continue to respond to consultations and proactively identify priorities. Clearer committee procedures had also been produced to help committees operate more efficiently.

- On connecting peers, ICGN had published in advance, a schedule of events for the year ahead and has improved communications about the output of the committees and membership news.
- In terms of dialogue, ICGN is continuing the ESG training programme and seeking to establish an accreditation process. A brochure had been developed to demonstrate the value of ICGN membership. The website was also being improved.

A Global Network of Investors Association (GNIA) is being formed this year as a forum of the national investor bodies to share knowledge and experience on a global level via ICGN.

The Board had spent time on ICGN human resources and, in July, recruitment would begin for a Managing Director. The recruitment of a Policy Manager is also being considered to co-ordinate the work of the committees and to help raise the profile of ICGN's advocacy work. A full review of existing human resources will be undertaken to ensure current staffing expertise is commensurate with the needs of the business.

The Chair placed on record a few notes of thanks. Firstly, to the Secretariat staff who had focused on the work at hand, despite the uncertainty that came with a change in leadership. She noted that Kerrie Waring had done an outstanding job over the year, balancing the demands of a revised role and new responsibilities. The Chair also thanked the Board, and in particular, Chris Ailman for his service over the years noting that his expertise had played a key role in the work of the Board, and in terms of shaping ICGN's strategy. The Chair conveyed Chris' message that he had enjoyed being a Board member, Membership Committee Chair and Finance Committee Chair.

In conclusion, the Chair thanked the members, acknowledging that the ICGN, as a membership-led organisation, depended on members being actively involved. She thanked the members for their participation and commitment to the work of ICGN.

3. Financial statements

Frank Curtiss, Finance Committee Chair, introduced the ICGN financial statements for the year ended 31 December 2012.

The financial results showed a significant improvement over the previous year in 2011. This year, ICGN had a small operating deficit of £6,834 against a larger operating deficit 2011 of £90,435. After offsetting a minor tax rebate of £377, the overall year-end deficit was £6,457. The positive result was attributable to the success of ICGN conferences and to the implementation of the new membership fee structure.

Frank placed on record his thanks to the Secretariat in diligently managing expenditure and the work programme over the past 12 months, which included various income-earning activities, including two conferences, a dinner debate, training courses and the yearbook.

There being no further questions from the floor, the resolution "To approve the financial statements for the year ended 31 December 2012" was approved with 100% in favour and 0% against and 0% vote withheld.

4. Finance Committee report

Frank Curtiss presented the Committee's report which highlighted the work of the Committee over the past 12 months. He explained that the Committee regularly reviewed ICGN accounting policies and procedures, routinely received the quarterly management accounts, reviewed the liquidity position, and reported to the ICGN Board. A major other duty was to oversee the work of the external auditors and ensure that the quality of the audit undertaken is sufficient and that independence is maintained.

There being no questions from the floor, the resolution "To approve the report from the ICGN Finance Committee" was approved with 99% in favour, and 1% vote withheld.

5. Re-appointment of auditors

Frank Curtiss noted that the audit for the year had been conducted satisfactorily by Grant Thornton. The ICGN was sympathetic to limits of tenure, or periodic retendering and rotation. Grant Thornton had only been re-appointed three years, so it was too early to think about re-tendering absent any other reasons, and performance had been entirely satisfactory. The Committee therefore recommended the reappointment of Grant Thornton.

There being no questions from the floor, the resolution that "Messrs. Grant Thornton LLP, the retiring Auditors be and, are hereby reappointed as Auditors of the Company to hold office until the conclusion of the next AGM and that the Finance Committee shall determine their level of remuneration" was approved with 97.1% in favour, 1% against and 2% vote withheld.

SPECIAL BUSINESS, REVISION OF ICGN ARTICLES

6. Bylaws and Procedures Committee report

Simon Osborne, Bylaws and Procedures Committee Chair, expressed the Committee's gratitude to Leo Goldschmidt, who would not be joining the AGM due to ill health. Simon noted that Leo had had a marked influence on the development of ICGN constitutional documents, and ICGN owed him a debt of gratitude. Simon also thanked Michelle Edkins for the role she played as Board Liaison of the Committee until she became the ICGN Chair. Simon also welcomed Carol Hansell as Board Liaison to the Committee.

Simon explained that most of the report related to the work of revising the ICGN constitutional documents. The UK's Companies Act 2006 abolished the need to have a separate memorandum and articles of association and therefore the ICGN documents have been combined.

There being no questions from the floor, the resolution "To approve the report from the ICGN Bylaws and Procedures Committee" was approved with 97% in favour, and 3% vote withheld.

7. Special resolution to revise the articles of association

Simon placed on record his gratitude to Peter Anderson of SJ Berwin, a member of the committee, for his advice on the revisions and also thanked Shazia for her support. He noted a minor drafting error and stated that it would be corrected in due course.

There being no questions from the floor, the Special Resolution THAT:

- (a) the articles of association of the company be amended by deleting all the provisions contained in the Company's memorandum of association which, by

virtue of Section 28 of the UK's Companies Act 2006 are treated as provisions of the Company's articles of association; and

- (b) the articles of association, in the form produced to the meeting and signed by the chairman of the meeting for the purposes of identification, be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing articles of association.

was approved with 97.9% in favour, 0% against and 2.1% vote withheld.

BOARD NOMINATIONS AND ELECTIONS

8. Nomination Committee report

Mark Preisinger, member of the Nomination Committee presented the report on behalf of Bill Crist who was not able to join the AGM due to ill health. He explained that there was a robust process in place for Board nominations and it was the Committee's intent to put forth the best Board candidates.

Mark stated that the Committee faced some difficult choices in 2013. Four candidates came forward following the call for nominations. Additionally, 11 members of the current Board were qualified and indicated their intention to stand for re-election in 2013, with the exception of Chris Ailman. The Committee considered the contribution of each of the Board members over the course of the year, and determined that they were all suitable for re-nomination. The Committee therefore selected one of the four applicants, Geof Stapledon of BHP Billiton, for nomination to join the 11 incumbent Board members for recommendation to the ICGN membership for election for 2013/2014.

Ann Byrne, CEO of ACSI, opined that the composition of the Board should reflect a similar gender diversity as the membership of ICGN. She suggested that the Committee include in its future reports the ratio of men to women in the ICGN membership and how that relates to the diversity of the board.

Tracey Rembert, Senior Manager of Investor Engagement, Ceres asked why ICGN did not hold contested elections, i.e. where the candidates, both incumbent and new, stood for election for the 12 board positions even if there were more candidates than vacancies.

Peter Butler, from Governance for Owners responded, noting his previous role as Chair of the Nomination Committee for five years. He explained that the reason for the Committee nominating candidates for individual election was to ensure that potential candidates were not deterred out of fear of losing face if they were not elected. This was a particular issue in certain markets.

Peter also responded to the question posed by Ann, explaining that there were many factors taken into consideration such as geography, expertise and experience, as well as gender. He suggested that additional reporting about the extent to which the profile of the Board fitted that of the membership should cover all the criteria that the Committee was required to consider, noting that it was impossible to balance every single one of them. Committee member Sandra Guerra, from Better Governance added that it was important that the Committee considered the right mix of skills for the board as required. Mark assured the meeting that the comments would be communicated back to the Committee. He encouraged members to begin thinking about future candidates.

There being no questions from the floor, the resolution, “To approve the report from the Nominating Committee” was approved with 92.3% in favour, 3.8% against and 3.8% vote withheld.

9. Board re-elections/elections

Following the Nomination Committee Report, the resolution to re-elect/elect members of the Board of Governors for 2013/14, taking into account the recommendations of the Nominating Committee” was approved individually as follows:

	For	Against	Vote Withheld
Philip Armstrong	95.7%	1.1%	3.2%
Heloisa Bedicks	94.2%	3.8%	1.9%
Richard Bennett	90.3%	3.9%	5.8%
Erik Breen	92.3%	2.9%	4.8%
Francis Curtiss	96.2%	2.9%	1.0%
Michelle Edkins	93.2%	3.9%	2.9%
Jon Feigelson	81.9%	11.4%	6.7%
Carol Hansell	92.0%	5.0%	3.0%
David Pitt-Watson	93.3%	3.8%	2.9%
Geof Stapledon	86.0%	7.0%	7.0%
Yoshiko Takayama	94.2%	2.9%	2.9%
Philippe Zaouati	91.0%	7.0%	2.0%

10. Nomination Committee election

The Chair explained that the Committee membership had been refreshed considerably in the last few years, therefore the Board did not propose to make any changes this year. In addition, the profile of the Committee was representative on a geographical basis.

A proposal “To approve the Board’s proposal of the following members to serve on the Nomination Committee being William ‘Bill’ Crist (USA), Riens Abma (the Netherlands), Léo Goldschmidt (Belgium), Sandra Guerra (Brazil), Jean-Pierre Hellebuyck (France), Peter Montagnon (UK), and Mark Preisinger (USA) for the coming year” was approved with 88.9% in favour, 7.1% against and 4.0% vote withheld.

11-20. Committee reports

The Chair placed on record the Board’s gratitude to the work of the ICGN Committees over the previous year. The resolution to approve reports from ICGN Committees was approved individually as follows:

	For	Against	Vote Withheld
Accounting and Auditing Practices	93.6%	1.1%	5.3%
Business Ethics	92.0%	2.0%	6.0%
Country Correspondents	85.7%	6.1%	8.2%
Corporate Risk Oversight	89.7%	1.0%	9.3%
Integrated Business Reporting	93.1%	1.0%	5.9%
Membership	93.1%	1.0%	5.9%
Remuneration	88.7%	2.1%	9.3%
Scholarship Committee	90.6%	1.0%	8.3%
Shareholder Responsibilities	94.3%	2.3%	3.4%
Shareholder Rights	87.9%	3.0%	9.1%

Anthony Williams, from Cass Business School queried: how many people had a real idea on what was actually in the Committee reports. He suggested that in order to avoid the process being a meaningless formality, in future, a brief summary of the individual reports would be helpful.

The Chair explained that the reports are taken as read, as members felt that what was in the reports was the same as that reported, and no real benefit would be gained from a presentation of the contents of the reports. It was also assumed that members had read the AGM papers prior to the meeting. Michelle added that if members felt that this process was unsuitable, the process could be reviewed.

21. Statement and Guidance on Gender Diversity on Boards

Paul Lee, Co-Chair of the Shareholder Responsibilities Committee, introduced the Statement and Guidance on Gender Diversity on Boards. He clarified that the Committee intended to move beyond the gender diversity agenda and produce a paper more broadly on issues of board diversity. The issue of gender diversity was brought forward because of the immediacy of producing comments on the issue for the European Union.

Paul explained that the development of the Guidance was a truly collaborative effort and he expressed the gratitude of the Committee Co-Chairs to Kerrie for her editing work and the sub-committee for their input.

There being no questions from the floor, the resolution, "To approve the 'ICGN Statement and Guidance on Gender Diversity in Boards'" was approved with 92.8% of votes in favour, 3.1% against and 4.1% withheld.

22. Statement of Principles for Institutional Investor Responsibilities

Paul continued by introducing the Statement of Principles for Institutional Investor Responsibilities. He explained that the name had been changed from the original version produced in 2007 because the Committee wanted to emphasise that this was not just an issue of 'shareholder responsibilities', but rather, more broadly, responsibilities that arose through being an 'institutional investor'.

Paul stated that the Committee had built on the foundations that were laid by the excellent Committee work that had gone before, and the original shareholder responsibilities principles were very sound. The Committee had created a dozen principles that set out the simple, singular framework for investor responsibilities, six principles on internal governance of institutions and six principles on external responsibilities.

There being no questions from the floor, the resolution, "to approve the ICGN Statement of Principles for Institutional Investor Responsibilities" was approved with 95.9% of votes in favour, 1.0% against and 3.1% withheld.

23. Annual Conference site 2015

The Chair asked that the membership approve, 'in principle', the 2015 Annual Conference in Hong Kong. She explained that the reason it was 'in principle' was that the Secretariat was still discussing the viability of the Hong Kong Stock Exchange hosting the event. The rationale was that Hong Kong was a central force in the global economy, and a place where companies were seeking to list.

There being no questions from the floor, the resolution “to approve the Board’s recommendation in principle to hold the 2015 ICGN Annual Conference and AGM in Hong Kong” was approved with 94.3% of votes in favour, 4.7% against and 0.9% withheld.

ADJOURNMENT

There being no further business, the Chair thanked the members of the meeting and declared the meeting closed at 14.10 hours.

**Michelle Edkins, Chair
ICGN Board of Governors**