



ICGN

International Corporate Governance Network
Inspiring good governance & stewardship

ICGN Policy Committee Procedures Guidance

1. Constitution

- 1.1. ICGN Policy Committees are constituted by the ICGN Board, in accordance with Articles 11.18 of the ICGN Articles of Association.
- 1.2. Policy Committees are accountable to the Policy Oversight Committee (POC) comprised of 'Liaisons' from the ICGN Board, on behalf of ICGN Members and report, in the first instance, to the ICGN Secretariat on committee activities.
- 1.3. The POC reviews the proposed committee workplans annually and the ICGN Secretariat provides day-to-day direction and coordination of the committees' activities. The POC may, from time to time, offer committees direction relating to ICGN's strategic and/or operational priorities.
- 1.4. Policy Committees must request the Secretariat's approval for the establishment of any sub-committees unless the sub-committee is wholly drawn from the current committee membership.

2. Purpose

- 2.1. Policy Committees should give due regard to the fact that, as an investor-led organisation of governance and stewardship professionals, the ICGN's mission is to advance the highest standards of corporate governance and investor stewardship worldwide in pursuit of long-term value creation, contributing to sustainable economies, societies, and the environment.
- 2.2. Policy Committees are responsible for supporting the Secretariat in influencing public policy by providing a reliable source of knowledge on corporate governance and investor stewardship issues, thereby contributing to a sound regulatory framework through global advocacy. They also support the ICGN Secretariat in identifying and promoting high standards of governance and stewardship practices.
- 2.3. Policy Committee's activities should be consistent with ICGN's overall policy direction, and comprise a suitable balance between stakeholder outreach, authoring publications, commenting on the review of ICGN Principles and on ICGN responses to public consultations drafted by the ICGN Secretariat, and participating or supporting ICGN webinars and events.

3. Chair

- 3.1. Policy Committees should be chaired by at least one member representing an investment related institution.
- 3.2. Committee Chairs are appointed by the Board upon recommendation from the POC as advised by the ICGN Secretariat. Committee Chairs are responsible for leading Committee meetings and coordinating the committee workplan with support from the Secretariat and in alignment with ICGN's purpose and long-term strategy.
- 3.3. Committee Chair tenure is subject to review on an annual basis by the Secretariat, POC and Board. The Chairs are appointed for a period of 12 months, or until the next committee composition review which preferably takes place in April, following the conclusion of the ICGN membership renewal process. The tenure for the Chair is a minimum of three years and a maximum six years.
- 3.4. The Board may, at its discretion and in exceptional circumstances, remove a Committee Chair before the expiration of the committee's normal term, or extend the Committee Chair's tenure. If a Committee Chair resigns or ceases to be a member of ICGN during the term of office, the POC Board may co-opt a replacement Chair to serve for the remainder of the term.
- 3.5. A Committee Chair should have acknowledged expertise in his or her subject matter and be able to build consensus amongst committee members. The Chair should keep all members abreast of key committee developments on a regular basis and establish a positive, constructive, and proactive committee tone, encouraging contributions from all committee members.
- 3.6. A Committee Chair sets the agenda, in consultation with the Secretariat, and chairs committee meetings. In the absence of a Committee Chair, the remaining members present will elect one from among themselves to chair the meeting.

4. Board Liaison

- 4.1. Each Policy Committee will include a 'Board Liaison' who serves on POC and represents the ICGN Board.
- 4.2. Board Liaisons are appointed from incumbent ICGN Board members by the Governance Committee to serve on ICGN Policy Committees. Board Liaison tenure is reviewed every year and is contingent on ICGN Board membership. It is expected that the Board Liaison will retire from the Policy Committee upon their retirement from the ICGN Board.
- 4.3. The role of the Board Liaison includes:
 - a. to enhance communication between the Board and the committees;

- b. to work with the Policy Committees and the ICGN Secretariat in the development of their work programme to ensure that they remain current and aligned with ICGN's annual policy priorities;
- c. to review Policy Committee materials prior to publication, including comment letters, position papers and best practice guidance; and
- d. to attend committee meetings throughout the year and be available to chair any in-person meetings with members if the Policy Committee Chair is not attending.

5. Composition

- 5.1. Policy Committees should have a minimum of six and desirably no more than 15 members. Committee size and attendance should be kept under review to ensure that members are active participants and that there is scope for regular introduction of new members without placing strains on committee size.
- 5.2. Policy Committee composition should be investor-led, gender balanced, and geographically diverse to the extent possible. Committee members are drawn from the ICGN membership with due regard to ICGN's policy on diversity, equity, and inclusion. It is expected that all committee members have relevant knowledge and experience required to perform the committee's tasks.
- 5.3. Committee membership is contingent on the individual or their organisation being an ICGN Member. Should the individual or organisation cease to be an ICGN Member, their position on the committee is immediately retired unless and until ICGN membership under a new employer or status is confirmed.
- 5.4. Policy Committee membership carries positive professional recognition, which comes with accountability and expectations about member involvement and contribution. Members invited to join ICGN Policy Committees are expected to play an engaged and active role in the committee's activities, including informing the committee of any relevant regulatory developments in their own markets.
- 5.5. Policy Committee members are appointed jointly by Committee Chairs and ICGN Secretariat. Committee members are appointed for a period of 12 months, or until the next composition review which usually takes place in April, following conclusion of the ICGN membership renewal process. In exceptional circumstances, ICGN members may be appointed throughout the year to committees at the discretion of the Secretariat in consultation with Committee Chairs and in accordance with committee composition guidance set out in section 5.2.
- 5.6. The tenure for committee members is a maximum six years. The Committee Chair, ICGN Secretariat or Board may, at its discretion and in exceptional circumstances, remove a committee member before the expiration of the committee's normal term, or extend the committee member's tenure.

- 5.7. Only in exceptional circumstances should one individual or organisation serve on more than one ICGN Policy Committee.
- 5.8. Non-members of ICGN may be co-opted by committees and/or appointed to a committee by the ICGN Secretariat or POC, but only in exceptional circumstances and where it is for ICGN's benefit, provided that the number of co-opted members does not exceed one-third of the membership of the committee.
- 5.9. Policy Committee meetings will be attended by the ICGN Secretariat.

6. Committee performance evaluation

- 6.1. The composition of each committee and its effectiveness is subject to review on an annual basis by the Committee Chair, ICGN Secretariat and POC.
- 6.2. The review should take place annually, preferably soon after the ICGN membership renewal period concludes in April and include an assessment of individual committee member contribution and tenure.
- 6.3. A committee member will be asked to retire from committee membership if they or their organisation cease to be an ICGN Member. Any committee member who has been unable to participate actively in the work of the committee, or fails to attend three consecutive committee meetings, may be asked to step down so that their place can be given to someone who can make a more active contribution.
- 6.4. New candidates for Policy Committee membership are considered from ICGN surveys, as well as from the ICGN overall membership. The Committee Chair, Secretariat or POC may propose new members for consideration in individual committees at any time during the year.
- 6.5. Based on the review of committee member retirements and potential appointments, the Committee Chair and ICGN Secretariat jointly agree Committee composition for the year ahead. This is reported to the POC on an annual basis.
- 6.6. The ICGN Secretariat will maintain an accurate list of Committee Members and ensure that the ICGN website and other public documents are up to date.

7. Proceedings

- 7.1. Policy Committee meetings are held at least once every three months.
- 7.2. Policy Committee meetings are called by the ICGN Secretariat, in consultation with the Chair. Such notice should be sent no later than 15 working days before the meeting and a calendar invitation and meeting agenda shall be sent to all committee members.
- 7.3. Communications should primarily be by virtual means and emails, complemented by a meeting of the Committee in person around relevant ICGN conferences. Video

calls will be recorded by the Secretariat, and the recording will be made available to the Committee members.

- 7.4. The quorum for committee meetings is three members, and in addition there may be a member of the ICGN Secretariat present in an ex-officio capacity in addition to the ICGN Board Liaison.
- 7.5. A normal planning process involves reaching consensus as a committee as to the year's main outputs in alignment with ICGN's strategic objectives and developing an executable workplan. This plan should include timeframes, deliverables and identify committee members tasked with specific responsibilities. The committee workplan is agreed in consultation with the ICGN Secretariat and POC.

8. Reports

- 8.1. The Secretariat will write the summary notes of each meeting. The Secretariat will keep a record of meeting attendance.
- 8.2. Policy Committee Chairs and Board Liaisons should engage with ICGN Members at meetings in person, where possible, alongside relevant ICGN Conferences to solicit feedback on their work plan and to consider future policy priorities.
- 8.3. The ICGN Secretariat will report regularly to the POC and ICGN Board on Policy Committee activities.

9. Conflicts of interest & confidentiality

- 9.1. Policy Committee members should disclose all (including potential) conflicts of interest (such as exploitation of any property, information or opportunity), arising through business or other relationships, to the Secretariat as soon as they become aware of the conflict, (or ought reasonably to have become aware of the conflict). In exceptional circumstances, the disclosed conflict may be reported to the POC for determination of whether any action is required to be taken or not.
- 9.2. In circumstances where a committee member has a business or other relationship relating to a matter to be discussed at a meeting, he or she must:
 - (a) declare an interest before discussion commences on the matter;
 - (b) withdraw from that part of the meeting, unless expressly invited to remain;
 - (c) not be counted in the quorum for that part of the meeting; and
 - (d) withdraw during the vote and have no vote on the matter.
- 9.3. Committee deliberations are confidential and committee members should at all times maintain the committee's confidentiality.
- 9.4. Policy Committees should not discuss investee company specific matters.

- 9.5. The Chair and committee as a whole are responsible for ensuring that all members are fully aware of their responsibilities.

10. Other matters

- 10.1. Committees will not knowingly incur expenditure or liability on behalf of ICGN except when authorised by the Secretariat. In cases where an expenditure is requested, the Chair will discuss the request with the Secretariat for express, written approval.
- 10.2. Any statement made by the Chair or committee members, unless approved in advance by the Secretariat, are the personal views of the individual and should not be attributed to ICGN or the Secretariat.