



**ICGN**

International Corporate Governance Network

**ICGN Global Network of Investor Associations (GNIA)  
Meeting Summary  
held via video conference  
15 November 2023**

**About:** The ICGN established the GNIA in 2013 to enable national investor associations to share priorities around corporate governance, shareholder rights and responsibilities beyond local jurisdictions to an international audience thereby contributing to global reform efforts. The GNIA is co-chaired by the Council of Institutional Investors (CII) and ICGN.

Please find the members' updates below. Comments and views expressed are their own.

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**Asia - Asian Corporate Governance Association (ACGA)**

ACGA convened members for their ACGA 22<sup>nd</sup> Annual Conference: Asian Business Dialogue on Corporate Governance 2023 in Mumbai, India, on 1-2 November 2023. The report is available [here](#). ACGA will soon launch their Asia Corporate Governance (CG) Watch survey. Previous ACGA CG Watch surveys can be found [here](#).

**Australia - Australian Council of Superannuation Investors (ACSI)**

Apologies sent.

**Brazil - Association of Capital Market Investors (AMEC)**

In the past year, Brazil has been shaken by corruption scandals involving Brazilian companies, including Americanas, a retail giant [found](#) to be hiding almost US\$4 billion in debt. As a result, the Brazilian government is trying to bring more political direction for state-owned enterprises.

**Canada - Canadian Coalition for Good Governance (CCGG)**

Canadian investors are concerned about a new form of defensive by-law proposed by a Canadian law firm which would automatically postpone any shareholder meeting for 45 days when it appears that one or more director candidates in an uncontested election will not receive enough votes to be elected by a majority. The bylaw would not apply where a shareholder provides prescribed advance notice of a 'vote against' campaign but would automatically apply where there is no 'vote against' campaign and shareholders have simply organically exercised their rights to vote against director nominees in numbers that meet the specified threshold, which could be as low as 25%. The by-law empowers the board with discretion to waive this postponement, shifting the burden from the board to shareholders.

Read Catherine McCall, CEO of CCGG, op-ed on this topic [here](#).

**France - Association Francaise de la Gestion Financiere (AFG)**

No update.

## **Germany - Society of Investment Professionals in Germany (DVFA)**

The 30 % Club Germany Investor [Group](#) is a newly established initiative by Allianz Global Investors, Amundi, Candriam, Columbia Threadneedle Investments, Legal and General Investment Management, and Sycomore Asset Management aimed at accelerating progress on gender balance by increasing the number of women executive board members.

The German government's advisory council for sustainable finance put forth a proposal to establish an engagement platform for investors in Germany. The German government's advisory committee is currently discussing this.

The Financing for the Future [Act](#) was adopted by the German Bundestag on 17 November 2023. The Act, which [aims](#) to "improve mobilise more private capital and to make Germany more attractive to the financial sector as a place to do business", introduces the possibility for SMEs to issue multiple-vote shares with voting rights of up to 10 votes per share, among other changes.

## **ICGN update from the Secretariat**

ICGN had engaged with policymakers in the EU Commission, UK, Italy, Spain, Malaysia, Australia, Canada, as well as globally, including the ISSB and the IAASB. ICGN launched a [Toolkit](#) on 'Systemic Stewardship' which provides guidance on how investors can engage with policy makers to help bring about market-wide and systemic governance reforms, and a [Viewpoint](#) on reflecting climate change in financial reporting. ICGN had engaged with members on topics related to risks to investor protection, following concerning corporate governance-related developments in the UK particularly.

ICGN responded to several consultation responses related to the Fair Reward Framework (UK), gender [diversity](#) on company boards and in executive positions (Japan), [shareholding](#) disclosures (Japan) and [disclosure](#) of corporate governance practices (Canada). ICGN also sent a [letter](#) to the EU Parliament on the Directive on multiple-vote share structures.

ICGN had launched a new member-benefit: a bi-weekly Policy Newsletter, with monitoring of key global regulatory developments, which had been very well-received by members.

## **Italy – Assogestioni**

No update.

## **The Netherlands – Eumedion**

A proposal to impose a 17% tax rate on share buy-backs has been adopted by the Parliament, and it will be voted on by the Senate on 19 December 2023. The tax-rate would come into force in January 2025.

Eumedion is having extensive engagements on remuneration, as this is a policy which according to law needs to renew every four years.

## **Switzerland – Asset Management Association Switzerland (AMAS)**

Switzerland published a new Swiss Stewardship [Code](#) on 4 October 2023, which AMAS led the development of. The Code is directed at asset owners and asset managers as well as third-party service providers to whom investors delegate their stewardship activities. Its objective is to create an effective basis and guidance for more stewardship across the Swiss investment industry while offering a framework that leads to better comparability.

## **United States of America (U.S) - Council of Institutional Directors (CII)**

CII sent a [letter](#) to the Public Company Accounting Oversight Board (PCAOB) on 26 October expressing general support for its proposed amendments that would update the liability threshold for auditors from recklessness to negligence.

Additionally, CII - in a [letter](#) and meetings at the U.S Securities and Exchange Commission (SEC) - has pressed for the agency to require the adoption of a holding period for unregistered shares in an IPO from the date of the registration statement, as recommended in a March 2023 petition filed by a group of academics, former SEC officials and legal scholars.

A required holding period would enable purchasers in a public offering to sue an issuer, underwriter or other gatekeeper for material misrepresentations or omissions in the registration statement (pursuant to Section 11 of the Securities Act). A recent US Supreme Court decision said that purchasers can only bring a Section 11 suit if they can trace their shares to a registration statement.

For many years, traceability was not a problem because underwriters generally imposed a lock-up period (usually six months) during which unregistered shares could not be sold. Over the past decade, however, underwriters have increasingly given themselves discretion to waive lock-up restrictions, and direct listings may result in registered shares and unregistered shares hitting the market at or near the same time.

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