

D20 - LONG-TERM INVESTORS CLUB

“D20-LTIC”

CHARTER AND RULES

VERSION

26-04-2019

PREAMBLE

The financial institutions with a development, promotional or public mandate established by a member of the G20, and other financial or non-financial institutions or organisations from other countries who share a similar mandate (hereafter jointly referred to as the “**D20-LTIC**”), have agreed on the following key principles:

1. The public, promotional and/or development activities of the D20-LTIC have been playing, and will continue to play, a positive role in the global economy by supporting sustainable economic growth.
2. The D20-LTIC, with their long-term view as lenders and investors, support the G20 members in their objectives and actions, to strengthen their international cooperation and can enhance the financial, economic, social and environmental benefits produced by such actions and cooperation.
3. The D20-LTIC believe that long-term investors’ ability to adopt a long-term horizon in investment strategies is a crucial capacity in the global economy to foster and strengthen sustainable growth.
4. The activities and long-term investments of the D20-LTIC must support social and environmental improvements; therefore, the D20-LTIC should act in accordance with internationally recognized social and environmental responsibility policies.
5. The D20-LTIC share a long-term perspective and many common beliefs, although they have different mandates and areas of operation. Their diversity makes their commitments stronger and their unity as D20-LTIC more meaningful.

The D20-LTIC, desiring to lay down the “Charter and Rules” of the D20 - Long-term Investors Club, have agreed upon the following provisions:

ORGANIZATION AND OBJECTIVES

ARTICLE 1

NAME AND ADDRESS

1. The “D20 - Long-term Investors Club” (hereinafter referred to as the “**D20-LTIC**” or the “**Club**”) is hereby constituted; it shall perform its functions and carry on its activities in accordance with the provisions of this Charter and Rules.
2. The official address of the Club shall be that of the Clubs’ Secretariat.

ARTICLE 2

OBJECTIVES

1. The objectives of the Club are the following:
 - a. to share information and best practices among its Members;
 - b. to assist in following the agenda items of the G20 presidency that are of relevance to its Members;
 - c. to assist in formulating a joint position or response to the G20 on common topics that are of relevance to its Members;
 - d. to assist in communications with relevant G20 stakeholders and working groups; and
 - e. to promote cooperation and information exchange among its Members.

ARTICLE 3

ORGANS OF THE CLUB

1. The Club shall be directed and managed by a:
 - a. Heads of D20-LTIC Steering Committee (hereafter referred to as the “**Steering Committee**”),
 - b. D20-LTIC Sherpa Committee (hereafter referred to as the “**Sherpa Committee**”),the Steering Committee and the Sherpa Committee are hereafter jointly referred to as the “**Committees**”, and

- c. President and Co-President (hereafter jointly referred to as the “**Presidents**”),
- d. Secretary-General.

ARTICLE 4

HEADS OF D20-LTIC STEERING COMMITTEE

1. The Steering Committee shall be comprised of representatives of all Members of the Club.
2. The Steering Committee shall have at least one annual meeting. Such annual meeting shall, unless otherwise agreed, be hosted by the Member of the country that is holding the current G20 presidency.
3. The Member of the country that is holding the current G20 presidency is playing a crucial and active role in preparing the Steering Committee meeting, in organizing an annual forum devoted to the G20 development agenda, in coordinating the D20 Statement, in interacting with the current G20 presidency and in introducing current G20 issues for discussion by the D20-LTIC members.
4. The Steering Committee shall:
 - a. provide overall guidance, strategic orientation and set the annual work priorities for the Club;
 - b. discuss and decide on a joint report or statement (D20 Statement) as collective communication to the G20;
 - c. elect the President and the Co-President;
 - d. determine the powers and authority of the Presidents, the Sherpa Committee and the Secretary-General;
 - e. decide on the admission of new Members;
 - f. decide on the exclusion of a Member;
 - g. decide on changes to this Charter and Rules; and
 - h. decide on the dissolution of the Club.
5. Save as otherwise provided in this Charter and Rules, all decisions of the Steering Committee shall be taken by consensus.

The decisions of the Steering Committee shall be considered as approved if (a) they receive favourable votes or abstentions by all Full Members attending a quorate meeting or (b) they are approved pursuant to the Written Procedure described in Article 14.

ARTICLE 5

D20-LTIC SHERPA COMMITTEE

1. The Sherpa Committee shall be comprised of representatives of all Members of the Club.
2. The Sherpa Committee shall have at least one annual meeting and shall meet as often as required including by conference call or video conference.
3. Each Member shall nominate one Sherpa and can nominate multiple Co-Sherpas in order to perform the work within the Sherpa Committee.
4. The Sherpa Committee shall:
 - a. be chaired by the Secretary-General or by one of its Members;
 - b. decide on the Clubs' annual Budget and membership fees;
 - c. approve the Clubs' Annual Accounts;
 - d. decide on the creation and termination of working groups;
 - e. prepare the admission of new Members;
 - f. prepare changes to this Charter and Rules;
 - g. prepare the Steering Committee meetings;
 - h. prepare the draft D20 Statement or report under the leadership and coordination of the Member of the current G20 presidency;
 - i. implement the annual work priorities and other decisions taken by the Steering Committee;
6. Save as otherwise provided in this Charter and Rules, all decisions of the Sherpa Committee shall be taken by consensus.

The decisions of the Sherpa Committee shall be considered as approved if (a) they receive favourable votes or abstentions by all Full Members attending a quorate meeting or (b) they are approved pursuant to the Written Procedure described in Article 14.

ARTICLE 6

PRESIDENT AND CO-PRESIDENT

1. The Club shall be managed by the President and a Co-President elected by the Steering Committee.
2. When electing the President and the Co-President among the Members, consideration shall be given by the Steering Committee to the regional diversity among Members and to have a least one of the Presidents coming from a G20 constituency.

3. A professional change of one of the Presidents will require a new election of that position.
4. The term of office of the President shall be for three, that of the Co-President for two consecutive years, commencing on the day following the meeting during which they were elected. It shall expire at the end of the Steering Committee meeting immediately following the expiry of the term. The term of the Presidents may be extended by decision of the Steering Committee.
5. The Presidents shall chair and lead the work of the Steering Committee.

ARTICLE 7

SECRETARY-GENERAL AND SECRETARIAT

1. The Secretary-General shall be appointed by the Presidents, and may be removed, by common decision of the Presidents.
2. The tasks of the Secretary-General are to organize and administer the work of the Club; to draw up the Club's Annual Accounts and propose the Budget (as described in Article 18); to provide secretarial services to the Presidents and the Committees; to chair the Sherpa Committee and to implement the decisions taken by the Committees.
3. The Secretary-General may be supported in the performance of his or her tasks by a Secretariat.

ARTICLE 8

HONORARY PRESIDENT

1. The Steering Committee may award the title of Honorary President to a former President or Co-President of the Club.

ARTICLE 9

MEMBERSHIP

1. Any financial or public institution from a G20 member, with a public, promotional or development mandate or any financial or non-financial institution or organization that identifies itself with the objectives, beliefs and rules set forth in this Charter and Rules is eligible to apply for membership of the Club.
2. Categories:

There are two categories of members: Full Members and Associate Members (herein together referred to as "**Members**").

- a. **Full Members:** Any financial institution with a development, promotional or public mandate established by a member of the G20, and other financial institutions from another country who share a similar mandate.

Full Members have the right to vote and have the obligation to pay the membership fee.

- b. **Associate Members:** Any non-financial institution or organization such as associations or federations that identifies itself with the beliefs of the Club.

Associate Members have no right to vote and no obligation to pay the membership fee.

3. Admission:

- a. The admission of a new Member, either as a Full Member or an Associate Member, shall be decided by the Steering Committee.
- b. Any institution interested in joining the Club (hereafter referred to as an “**Applicant**”) shall express its interest in writing by submitting a signed version of the Clubs’ application form (to be made available to the Applicant on request) committing to comply with this Charter and Rules.
- c. In close coordination with the Applicant, the Secretary-General shall submit the application form, to the Sherpa Committee.
- d. The Sherpa Committee shall examine whether applications submitted to it comply with the provisions of the Charter and Rules and the directives laid down by the Committees.
- e. In recommending to the Steering Committee on any application, the Sherpa Committee shall give consideration to standards applied by the Applicant in the following fields: reporting, information and financial transparency; compliance with international and/or national accounting standards; corporate governance; social responsibility; environmental responsibility.

4. Termination:

- a. Any Member may leave the Club by notification in writing to that effect addressed to the Presidents, delivered to the Secretary-General.
- b. A leaving Full Member remains obliged to pay the membership fee for the year, if the written notification to leave the Club is received after the annual budget for that year has already been approved.
- c. A Member of the Club may be excluded from the Club by a unanimous vote of the Steering Committee (with the exception of the Member concerned).

ARTICLE 10

PARTICIPATION OF THIRD PARTIES

1. The Presidents or the Secretary-General may invite experts or other third parties to attend and, if required, to talk on particular matters, at the request of a Member or on their own initiative.
2. Third parties interested in membership of the Club may be invited by one of the Presidents or the Secretary-General to attend the Committees meetings as observers if no Member has an objection.
3. Experts, observers and other non-Members of the Club may be asked to withdraw when the Committees move to a vote.

ARTICLE 11

CLUB'S PARTICIPATION IN EXTERNAL NETWORKS

1. Given the central role played by the OECD in preparing the agenda of the G20 presidencies, the Club may designate one of its Members to attend meetings organized by the OECD in order to report and facilitate the involvement of the Club in the work of the G20.
2. After consultation with its Members, the Club may appoint representatives to advisory groups, working groups or think tanks set up by international or multilateral entities in the areas of regulation, supervision or other areas as agreed by the Members, in order to express its points of view and report to the Club.

ARTICLE 12

MEETINGS AND AGENDA

1. The Secretary-General shall convene the Committees' meetings.
2. The Secretary-General shall draw up the agenda in consultation with the Members' representatives who are sitting on the relevant Committee.
3. The agenda shall distinguish between:
 - a. proposed measures about which the relevant Committee is asked to take a decision or to give an opinion;
 - b. other issues put to the relevant Committee for information or a simple exchange of views.
4. The Secretary-General shall serve notice of the meeting, the agenda and proposed measures about which the Committee's opinion or decision is required and any other working documents to the Members' representatives who are sitting on the relevant Committee, as a general rule, no later than fifteen calendar days before the date of the meeting.

5. Each notice shall specify the date, time and place of the meeting.
6. In urgent cases, and where the measures to be adopted must be applied as soon as possible, the Secretary-General, in agreement with the Presidents and in agreement with the Members' representatives who are sitting on the relevant Committee, may shorten the period laid down in the above paragraph.
7. The chair of the meeting shall ask all Members' representatives attending a Committee meeting for approval of the agenda at the beginning of the meeting. Changes to the agenda must be agreed by consensus.

ARTICLE 13

REPRESENTATION AND QUORUM

1. For Committee meetings, a Member may be represented by another Member. The Member that is being represented must inform the Secretary-General of this in writing.
2. The quorum required for the Committee's deliberation about proposed measures to be valid is the presence of at least 25% Members in person.

ARTICLE 14

WRITTEN PROCEDURE

1. A Committee's opinion or decision may be obtained by written or electronic procedure (hereafter referred to as "**Written Procedure**"). To this end, the Secretary-General shall send the Committees' Members the proposed measures on which their opinion is sought. Any Member that does not express its opposition before the deadline laid down in the communication, is considered to have given its tacit agreement to the proposal; the response period must not be less than fifteen calendar days.
2. In cases of urgency, the Secretary-General in agreement with the Presidents may shorten the response period.
3. However, if any Member requests that the proposed measures be examined at a Committees meeting, the Written Procedure shall be terminated without result; the Secretary-General shall then call a Committees meeting as soon as possible.

ARTICLE 15

MINUTES

1. The Secretary-General shall draw up minutes (hereafter referred to as the “**Minutes**”) of each Committee meeting. These Minutes shall contain the decisions taken and the opinions expressed by the various participants. The Minutes shall also include a list of the meeting participants.
2. Draft Minutes shall be sent to the Members of the relevant Committee within fifteen calendar days following the meeting or the conference call.
3. Members shall send any written comments they may have on the Minutes to the Secretary-General. The relevant Committee shall be informed of this. If there are any disagreements, the proposed amendment shall be discussed by the relevant Committee. If the disagreement persists, the proposed amendment shall be annexed to the Minutes.
4. Minutes of meetings may be approved via Written Procedure or during the following meeting.
5. After approval, Minutes shall be signed by the chairperson(s) of the meeting as well as by the Secretary-General or by a member of the Secretariat in the absence of the Secretary-General.

ARTICLE 16

WORKING GROUPS

1. The Committees may create working groups (hereafter referred to as “**Working Groups**”) to examine particular issues of interest which require work or attention over a longer period. The Committees may also terminate the Working Groups at any time, taking into account the deliveries achieved and the general interest on the particular issue.
2. The Working Groups should be led by an interested Member and, if requested, with the support of the Secretary-General and/or the Secretariat. The leader of the Working Group should define the objectives and a timetable for the Working Group and select the appropriate way of working together in order to achieve the objectives at best.
3. The Working Groups shall report back to the Committees on their progress on a regular basis.

ARTICLE 17

BUSINESS MEETINGS

1. Any Member of the Club, in coordination with the Secretary-General, may invite other interested Members for a business meeting or a workshop (together hereafter referred to as “**Business Meetings**”) on a particular subject. If requested, the Secretary-General and/or the Secretariat shall support and facilitate the coordination and setup of the Business Meetings.

2. The main intention of the Business Meetings is to foster the exchange of knowledge and experience on a given topic among interested Members. The setup shall facilitate the informal cooperation among Members to increase understanding and potentially create new business opportunities among them.
3. The Committees shall be informed about the content of the Business Meetings.

ARTICLE 18

FINANCES AND ANNUAL ACCOUNTS

1. All Full Members shall contribute to the running costs of the Club by means of a membership fee.
2. The Sherpa Committee shall approve the amount of the membership fee on an annual basis upon a proposal by the Secretary-General.
3. Members may support the Club with additional financial contributions intended to support a specific activity.
4. Full Members are required to pay the membership fee within 10 weeks after having received the invoice. Failure to pay the membership fee within 12 months may be grounds for termination of membership.
5. The Secretary-General shall draw up the annual accounts (hereafter referred to as the “**Annual Accounts**”) of the Club and an annual budget (hereafter referred to as “**Budget**”) and shall submit them to the Sherpa Committee for approval.
6. Specific expenditures above the equivalent of EUR 5,000 shall be approved by the Sherpa Committee on a case-by-case basis. Expenditures of and below EUR 5,000 shall be approved by the Secretary-General as long as those expenditures remain in the limits of each heading of the annual Budget approved by the Sherpa Committee. The Secretary-General will keep all records and justifications available to all Members on request for a period of seven years.
7. Any surplus that remains at the end of a year shall be available to meet expenses of the following years.
8. The Secretary-General is not authorised to take the Club’s cash balance into overdraft.
9. The Club’s financial year shall run from 1 January to 31 December each year.

ARTICLE 19

TRAVEL AND EXPENSES

1. All Members of the Club shall bear their own travel and subsistence expenses when taking part in meetings or other business of the Club.
2. The Sherpa Committee may decide on the reimbursement of any third party’s travel and subsistence expenses on a case-by-case basis.