

CGDF Network Meeting

**Corporate Governance Best Practice  
Developments**

George Dallas

European Corporate Governance Institute

March 2024

## 2021 Revisions to the ICGN Global Governance Principles

### **“Traditional” corporate governance**

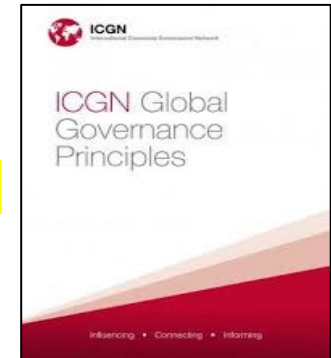
- Board diversity
- Board independence
- Capital allocation
- Executive remuneration
- Controlled or group companies
- Shareholder meetings

### **Sustainability related**

- Company purpose
- Director fiduciary duty
- Governance of sustainability
- Stakeholder relations
- Systemic risks
- ESG data and frameworks

## ICGN Global Governance Principles 2021

*“The board should promote the long-term best interests of the company by acting on an informed basis, with good faith, care and loyalty, for the benefit of shareholders, while having regard to relevant stakeholders.”*



## OECD/G20 revised Principles of Corporate Governance 2022

*“Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and the shareholders, taking into account the interests of stakeholders.”*



Note: the underlined phrase has been added since the OECD's 2015 definition.

## European Commission: Corporate Sustainability Due Diligence Directive 2022

### *Article 25*



### **Directors' duty of care**

Member States shall ensure that, when fulfilling their duty to act in the best interest of the company, directors of companies ... **to take into account** the consequences of their decisions for **sustainability matters**, including, where applicable, human rights, climate change and environmental consequences, including in the short, medium and long term.