

Minutes of the WBCSD AGM

27th October 2021 at 14.30 CET via Video Conference

The meeting has been validly convened.

Attendance: 45 Council Members attended (please see separate attendance record).

1.	Chairman's Opening Statement and Meeting Formalities
1.1	The Chair, Sunny Verghese, opened the meeting and welcomed all members and observers. The Chair noted that all Council Members had received voting instructions from Lumi.
1.2	It was noted that all Council Members had received the Notice of the Meeting and accompanying Briefing Note, which were taken as read. The Chair confirmed that 11 proxy votes had been received and that voting results would be displayed after each resolution. The Chair provided an overview of the previously circulated Agenda and noted that a simple majority was required for each resolution to be passed. Members were asked to submit any questions using the 'chat' function.
1.3	The Chair confirmed that the Executive Committee had invited Peter Bakker, President and CEO, to continue in post for a third term from 2022-2026. The Chair noted that Peter Bakker was an outstanding business leader who had made a significant contribution to WBCSD's mission to become the global leading voice of the CEOs leading sustainable companies and business transformation.
2.	CEO Update
2.1	Peter Bakker presented the CEO Update. It was noted that it was hoped that an in-person meeting in Tokyo could take place next year. Peter Bakker presented an overview of 2021, noting that Vision 2050 had successfully launched with the participation of over 50 companies. WBCSD had built a network of CFOs and member organisations were encouraged to ask their CFOS to participate. The roles of Diane Holdorf and Claire O'Neill were noted, with the latter leading at Cop26.
2.2	It was noted that there were 32 new members, 6 of whom had joined for a project trial period of six months. The results for 2020 were noted and the 2021 forecast was shown on screen. The forecast showed slight growth to CHF33.2m and costs at CHF33m, resulting in CHF250k in reserves.
2.3	<p>Peter Bakker outlined the highlights of the Strategy for 2022-27. The foundations of the Strategy were developed at the Council meeting three years ago in Lisbon, where it was agreed that the sustainability agenda should be focused around the three big global challenges of the climate emergency, the loss of nature and mounting inequality. It was noted that the new membership criteria was approved at last year's AGM, which would come into effect at the end of 2022. The Strategy presented for approval was also aligned with, and based on, Vision 2050.</p> <p>It was noted that the starting point of WBCSD's conversations would be with the member companies, as sustainability became a more mainstream issue. There were increasing social pressures, regulatory shifts, competitive pressure, consumer demands and questions from investors which were driving board conversations. The purpose of WBCSD was to support members and provide the tools to have those conversations and integrate sustainability into strategic plans. Peter Bakker outlined the new questions facing boards at present; how to de-carbonise operations, how to be 'nature-positive', how to contribute to an equitable and inclusive society and how to explain these transformations to capital markets and work together in value chains. These were the reasons WBCSD sought to position itself as the CEO-led organisation of the world's leading sustainable businesses, working together to</p>

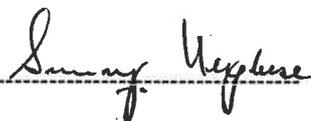
	accelerate the systems transformations needed to achieve a net-zero, nature-positive and equitable future.
2.4	<p>The 2022-2027 Strategy to achieve this aim had three pillars; the 'Imperatives', the 'Pathways' and 'Redefining Value'. Peter Bakker provided a summary of each.</p> <p>It was noted that the 'Imperatives' were the climate action imperative, the nature imperative and the equity imperative. The 'Pathways' outlined the need for collective action in the different value chains, driving companies to work together to create systems change. 'Redefining Value' sought to consider changing the engagement between capital markets and companies, which would be the most critical element to accelerate the work to be done and would include collaboration with the PRI.</p> <p>Peter Bakker confirmed that the aim of the Strategy was to constantly put members at the centre of everything WBCSD did; it was the companies which would have to transform via actioning the imperatives, working together across value chains and repositioning in terms of capital markets.</p>
2.5	<p>The matrix structure of strategy implementation was noted; the 'Imperatives' and 'Redefining Value' would be relevant to all companies. The 'Pathways' would apply to those in particular value chains. The structure of the strategy would be mirrored in the organisational structure, with the addition of a 'Members and Marketing' element and support operations. The management structure would also reflect the pillars of the strategy; Diane Holdorf would be the EVP Pathways, Raymond Palmen was newly appointed as Chief Marketing and Members Officer and Rodney Irwin would be COO. There would be two further appointments to be announced shortly. Claire O'Neill would become Co-chair of the Imperative Advisory Board, launched next year. It was noted that Federico Merlo would leave WBCSD in March; Peter Bakker thanked him for his efforts on behalf of the organisation.</p>
2.6	<p>It was noted that the Budget for 2022 was an item for approval. The increase in revenue allowed resources to be deployed to support the projects listed in the member survey.</p>
2.7	<p>The Chair thanked Peter and the senior leadership team for their passion, focus, drive and navigation through the Covid-19 pandemic. This work was reflected in the strong financials, new members and the clear five-year strategy.</p>
2.8	<p>There being no questions, the Chair proceeded to the voting items.</p>
3.	<p>Voting on Resolutions and Results</p>
3.1	<p>Resolution 3: The re-appointment of the eight Executive Committee Members for 2022-2023 was proposed.</p> <p>IT WAS RESOLVED:</p> <p>THAT</p> <ul style="list-style-type: none"> • <i>Keryn James, CEO of ERM</i> • <i>Alan Jope, CEO of Unilever</i> • <i>Ilham Kadri, CEO of Solvay</i> • <i>João Castello Branco, Chairman of Navigator</i> • <i>Wiebe Draijer, Chairman of the Executive Board of Rabobank</i> • <i>Jan Jenisch, CEO of LafargeHolcim</i> • <i>Nadir Godrej, Chairman of Godrej Agrovet</i> • <i>Peter Oosterveer, CEO of Arcadis</i> <p><i>be re-appointed as Members of the Executive Committee for 2022-23.</i></p>

3.2	<p>Resolution 4: The appointment of Florent Menegaux, CEO of Michelin, as member of the Executive Committee for 2022-2023 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT Florent Menegaux, CEO of Michelin be appointed as member of the Executive Committee for 2022-23.</i></p>
3.3	<p>Resolution 5: The appointment of Catherine MacGregor, CEO of ENGIE, as member of the Executive Committee for 2022-2023 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT Catherine MacGregor, CEO of ENGIE, be appointed as member of the Executive Committee for 2022-23.</i></p>
3.4	<p>Resolution 6: The appointment of Shigeru Hayakawa, Vice Chairman of the Board of Directors of Toyota, as member of the Executive Committee for 2022-2023 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT Shigeru Hayakawa, Vice Chairman of the Board of Directors of Toyota, be appointed as member of the Executive Committee for 2022-23.</i></p>
3.5	<p>Resolution 7: The appointment of Liu Hongbin, Vice President Sinopec Group, as member of the Executive Committee for 2022-2023 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT Liu Hongbin, Vice President Sinopec Group, be appointed a member of the Executive Committee for 2022-23.</i></p>
3.6	<p>Resolution 8: The approval of the WBCSD Strategy for 2022-2027 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT the WBCSD Strategy for 2022-2027 be approved.</i></p>
3.7	<p>Resolution 9: The approval of the WBCSD Membership Fees for 2022 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT the WBCSD membership fees for 2022 be approved.</i></p>
3.8	<p>Resolution 10: The approval of the WBCSD Budget for 2022 was proposed.</p> <p>IT WAS RESOLVED:</p> <p><i>THAT the WBCSD Budget for 2022 be approved.</i></p>
3.9	<p>The Chair noted that all resolutions had been passed. The overall voting results were noted. Please refer to Table 1.</p>
4.	<p>Questions from Council Members</p>
4.1	<p>Peter Bakker presented and addressed the questions received from Council Members.</p>
4.2	<p>Mr. Nadir Godrej - Godrej Group – asked if there was a plan to strengthen WBCSD’s Human Rights due diligence commitment. Peter Bakker confirmed this was in the plan for 2022, which would include strengthening the membership criteria.</p>

4.3	Mrs./Ms. Carine de Boissezon - EDF Group – asked what came out of the board presentations of Vision 2050. Peter Bakker confirmed that the presentations had successfully created a sense of urgency and underlined the need for Boards to embrace the transformational agenda. Mrs./Ms. Carine de Boissezon - EDF Group – further questioned progress on recruiting US members. Peter Bakker confirmed that ten of the new members – representing one third of the total – were North American based.
4.4	Mr. Michel Picandet - TOMRA Sorting N.V – noted that, whilst the fundamentals of the membership fee increase were supported, there was a need to consider making membership more accessible for medium-sized businesses. This also related to the consideration of having more medium sized businesses join the ‘Time to Transform’ table. This was noted and would be considered.
4.5	Mr. Jean-Pascal Tricoire - Schneider Electric – congratulated the robust vision of the three pillars and welcomed the new Executive Committee members.
5.	Closing Remarks
5.1	The Chair welcomed the new members of the Executive Committee following their appointment. The Chair thanked the three Executive Committee members who would reach the end of their terms at the end of 2021: Ana Botin - Vice Chair, Santander Group; Yaofeng Cao, Sinopec; Uchiyamada-san, Toyota Motor Corporation. The Chair acknowledged their contribution, insight and generous sharing which had helped to form the WBCSD strategy.
5.2	<p>The Chair noted that he would reach the end of his four-year tenure as Chair at the end of December 2021 and would also step down as a member of the Executive Committee. The Chair noted that the prior four years had been a rare privilege and thanked all colleagues and committee members who had provided an enabling environment for the senior management team. The Chair welcomed Ilham Kadri, who would take up the position of Chair from January 2022. It was noted that Ilham was the first female Chair of WBCSD and was the best candidate to lead the organisation over the next few months. The Chair provided an overview of Ilham’s background including her global experience, background as a scientist and mentor of other women in leadership. Ilham Kadri thanked the Chair, noting his great work and impact on the organisation, which she would seek to continue. It was hoped that the outgoing Chair could join the meeting in Tokyo next year.</p> <p>Ilham noted that the work conducted by WBCSD resonated on a personal level and stressed the need to balance business competitiveness, innovation and equality. Collaboration during the transition to address key priorities was paramount. The cornerstone would be a mindset shift and the three ‘R’s of ‘reinvention’, ‘resilience’ and ‘regeneration’. Ilham thanked the members for their trust and support and looked forward to their continued partnership.</p> <p>Ilham Kadri is Chair of the Executive Committee from January 2022, without signature rights.</p>
5.3	There being no further business, the Chair declared the meeting closed.

Table 1 – Voting Results

	<u>Approve</u>		<u>Do Not Approve</u>		<u>Abstain</u>		<u>Invalid</u>		<u>No vote</u>		<u>Total</u>	
	Votes	%	Votes	%	Votes	%	Votes	%	Votes	%	Votes	%
Resolution 3	70	95.89	0	0.00	0	0.00	0	0.00	3	4.11	73	
Resolution 4	71	97.26	0	0.00	0	0.00	0	0.00	2	2.74	73	
Resolution 5	71	97.26	0	0.00	0	0.00	0	0.00	2	2.74	73	
Resolution 6	70	95.89	0	0.00	0	0.00	0	0.00	3	4.11	73	
Resolution 7	70	95.89	0	0.00	0	0.00	0	0.00	3	4.11	73	
Resolution 8	71	97.26	0	0.00	0	0.00	0	0.00	2	2.74	73	
Resolution 9	65	89.04	2	2.74	3	4.11	0	0.00	3	4.11	73	
Resolution 10	69	93.24	0	0.00	2	2.70	0	0.00	3	4.05	74	

Signed 
Sunny Verghese, Chair


Rodney Irwin, Corporate Secretary

