



GNI Governance Charter

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1. Purpose

This Governance Charter (Charter) establishes a governance structure and defines key organizational elements of the Global Network Initiative (GNI), a multi-stakeholder initiative comprised of companies and other stakeholders in the global information and communications technology (ICT) industry that are committed to protecting and advancing online freedom of expression and privacy.

This Charter describes how the GNI is governed in order to ensure integrity, accountability, relevance, effectiveness, sustainability, and impact. Alongside the GNI's Principles on Freedom of Expression and Privacy (Principles), the Implementation Guidelines, and the, Accountability, Policy and Learning Framework, this Charter is one of the GNI's foundational core documents.

The contents of this Charter and the other core documents of the GNI may evolve over time to reflect a greater diversity of participants, views, experience, and learning. The Charter was revised and the revisions were approved by the GNI Board in January 2017.

2. Governance

A. Legal Structure: The GNI became a US registered non – profit (known as a 501c3) on May 11, 2011.

B. Board Role and Responsibilities: The primary purpose of the Board of Directors (Board) is to further the Principles and to oversee the organization to fulfill the vision of the GNI. The Board shall be responsible for the strategic direction and fiduciary operations of the GNI.

C. Board Composition: There will be four constituency groups, one each for companies, NGOs, investors, and academics. Pursuant to the terms of the Voting Agreement of the GNI (the “Voting Agreement”), the Board will be composed of up to ten representatives from participating companies, up to five representatives from participating non-governmental organizations (NGO), up to three representatives from participating investors (two of whom shall serve for the entire term of the Board and one of whom shall serve only for the first eighteen months of the term of the Board), up to three representatives from participating academic institutions (two of whom shall serve for the entire term of the Board and one of whom shall serve only for the second eighteen months of the term of the Board), and an independent Chair.

The Board shall not have more than one representative from a single company, NGO, investor, or academic institution at any given time.

Subject to legal or ethical constraints, individuals shall serve on the Board in either their personal or their institutional capacities.

If the Board has fewer than the required number of Board members, then the Board shall strive to fill those open seats as soon as practicable. Each open Board seat will remain open until a suitable individual(s) is selected. In cases where there are open Board seats in a constituency group, the voting authority for those open seats shall be evenly distributed among representatives of that constituency group on the Board.

D. Board Selection: Each constituency will nominate and select its own Board members, undertake meaningful consultation with other GNI constituencies about their proposed selections and be mindful of the need for a high level of competency and participation from Board members. Each constituency will strive to nominate and approve Board members that together will constitute a balanced board with a diversity of experience, insights, and perspectives on the pursuit of freedom of expression and privacy online

E. Alternate Board Members: Each Board member may nominate an alternate Board member from within its organization or constituency and the alternate Board member will be selected with the consent of a majority of the members entitled to vote for directors in such class. Alternate Board members may be permitted to participate in Board proceedings but may only vote when a member of his or her constituency group is absent or unable to vote due to a conflict of interest. Under no circumstances will a Board member and an alternate from within the same participating organization cast ballots on the same vote. Alternate Board members should attend and participate in Board meetings to the extent practicable.

F. Board Terms: Board member terms shall be up to three years in length, and terms are automatically renewable for one term only, subject to Article III, Section 11 of the Bylaws. Members may also serve terms of fewer than three years in the case of removal, resignation, or other opening on the Board. A Board member may serve a third consecutive term upon the affirmative vote of a majority of the Board member's constituency and in accordance with the Bylaws.

A Board member who serves on the Board as a representative of a company, NGO, investor, or academic institution and leaves the employment of that company or institution shall resign from the Board at the latest by the effective date of his or her termination of employment. If such a Board member does not complete his or her term, the company or institution shall select a replacement Board member subject to the approval of the relevant constituency group. Serving a partial term shall not count against the limits to Board terms described above.

G. Board Chair: The Board shall be exclusively entitled to nominate the independent Chair and the independent Chair will be elected by (1) the affirmative vote of a majority of each constituency group entitled to vote and (2) the affirmative vote of a majority of all constituency group members entitled to vote. The Chair shall have the right to vote. The Chair will serve for a three-year term, renewable once (maximum of six years).

H. Board Participation: Members of the Board must be active participants in GNI meetings, activities, events, and work streams, and must regularly promote the objectives and goals of the GNI with non-participants.

I. Board Competence: Members of the Board must adhere to high standards of professional competence and collaboration and demonstrate leadership in the pursuit of freedom of expression and privacy.

J. Quorum: Subject to the requirements of Section 2.1 of the Voting Agreement, a majority of the Board members shall constitute a quorum as long as at least one- half of the representatives—or their alternates from each constituency—is present. Participation by tele- or video-conference shall constitute presence for purposes of a quorum. The Executive Director will be permitted to participate *ex officio* in Board and committee meetings, but shall not count towards the quorum and shall not be eligible to vote.

K. Board Meetings: The Board will meet not less than every four months (three times a year), either via tele- or video-conference or in person, with one meeting serving as the GNI annual meeting. Additional meetings may be convened as necessary by the Board Chair and/or Executive Director with appropriate notice.

The Board may meet in a closed executive session when considering highly sensitive decisions such as personnel matters.

L. Conflicts of Interest: GNI Board members must exercise objectivity, independence, due care, and diligence on all matters and are required to commit to GNI's conflict of interest policy.

M. Issues for Board Consideration: The Board will strive for consensus and make a concerted effort to make decisions after consultation with the GNI staff and participating organizations. Where consensus is not reached, the following voting rules shall apply:

Super-majority vote:

- Adoption or amendment of the core GNI documents

- Appointment and removal of the Executive Director
- Nomination and removal of the GNI Board Chair
- Terminating the participation of a company, NGO, academic institution, or investor
- Adoption of and material changes to the reporting and independent assessment process
- Determination of compliance of a GNI participant
- Changing funding commitments for participating companies
- Placing a company on special review
- Exceptions or exemptions to this charter or other GNI documents
- Dissolution of the GNI
- Other votes at the discretion of the Chair

Simple-majority vote:

- Annual operating plan and budget
- Accreditation of independent assessors and determination of independence as to a particular company
- Admission of new participants
- Adopting meeting minutes
- Recommendations related to company reporting on GNI participation
- Approving GNI's annual report
- Approving conflicts of interest policies and procedures
- Other votes raised by a member of the Board, Executive Director, or other GNI participating organization

A super majority is defined as two-thirds of the full Board and at least 50 percent of each constituent group. A simple majority is defined as 50 percent plus one of the full Board. These definitions refer to the simple or super majority of full Board seats, not just of those Board members present for the vote. Board members who are required to recuse themselves for reasons of conflict of interest shall be counted as part of a quorum and recorded as "present." However, the presence of a Board member who is recused shall not be included in constituent super-majority votes.

N. Board Meeting Minutes: A secretary shall take minutes of each Board meeting. The secretary shall distribute the minutes to Board members via email following a meeting.

O. Board Meeting Summaries: A non-attributed summary of Board meetings and the GNI annual meeting reflecting non-confidential discussions will be published on the GNI website following adoption of the minutes for such meetings.

P. Committees and Working Groups: The Board may create committees and working groups which shall consist of one or more directors in order to facilitate the work of the Board, to provide advice on the further development of the Charter, to inform the development of GNI policies and procedures, and for other purposes. Committees and working groups will strive for consensus, but may bring alternative recommendations to the Board if consensus cannot be achieved. The following committees are currently operational:

- Executive
- Membership
- Development
- Accountability
- Policy
- Learning

All GNI members are eligible and encouraged to participate in these committees and working groups in order to maintain diverse representation across GNI activities.

3. Staff

The GNI will employ a staff led by an Executive Director to fulfill the activities agreed upon by the Board. The Executive Director shall be responsible for implementing the strategy and policies of the GNI as established by the Board and shall serve at the direction of the Board.

4. Participants

A. Joining Process: GNI participation is open to companies in the global ICT sector worldwide, and NGOs, investors, and academic institutions that commit to the Principles and other core GNI documents.

A prospective participant shall submit a statement of interest signed by its director, board member, or other authorized representative declaring a commitment to:

- Implement and/or advance the Principles and other core GNI documents as relevant to the participating organization's activities
- Promote accountability with respect to the implementation of the Principles
- Contribute to shared learning and collective action on GNI-related issues among participants

Based on these submissions and following appropriate due diligence, the Executive Director shall make a recommendation to the Board regarding the organization's suitability to participate in the GNI.

B. Responsibilities of Participating Companies: Each company shall agree to:

- Adopt the Principles and other core GNI documents
- Implement a system of processes and procedures described in the Implementation Guidelines
- Be assessed and evaluated by independent assessors in accordance with guidelines adopted by the Board and report on the outcome
- Contribute to shared learning, accountability, and collective action among GNI participants
- Pay annual dues set by the GNI
- Actively participate in GNI meetings and/or activities.

C. Responsibilities of Participating NGOs, Investors, or Academic Institutions: Each non-company institution will agree to the following:

- Adopt the Principles and the core GNI documents
- Support the Principles and the goals of the GNI through the NGO, investor, or academic institution's program of work
- Contribute to shared learning, accountability, and collective action among GNI participants
- Pay nominal annual dues or if acting in a personal capacity offer an in-kind donation
- Actively participate in GNI meetings or activities

D. Termination: After appropriate notice and opportunity to remedy, a participant's participation in the GNI may be terminated by the GNI Board for any of the following reasons:

- Failure to pay dues
- Failure to attend meetings and activities for more than a 12-month period
- Failure to meet reporting requirements
- Failure to materially participate in class voting
- Failure for companies to meet compliance and evaluation requirements
- Disclosure of information identified as confidential

Participants who have been terminated may reapply after two years in accordance with the joining procedures outlined above, provided that remediation efforts have been successfully implemented as determined by the Board.

5. Accredited Independent Assessors

An essential element of the GNI's accountability framework will be assessments of each participating company's compliance with the Principles and Implementation Guidelines undertaken by independent assessors. Independent assessments shall be undertaken as described in the Accountability, Policy and Learning Framework document.

A. Assessment Phases: The GNI's accountability framework is a two-stage process:

1. Self-reporting from the companies to GNI after one year of membership
2. An independent assessment of each company member held every two years covering both a process review and including the review of specific cases

B. Independence of Assessors: Individuals and organizations that assess company compliance with the GNI Principles must maintain independence from the companies they assess.

C. Competence of Assessors: Independent assessors must adhere to the highest professional standards for third-party assessments grounded in the fundamental principles of integrity, objectivity, professional competence, confidentiality, and professional behavior.

All accredited assessors with GNI are required to sign GNI's publicly available independence and competency criteria.

If upon selection of the independent assessor by a company, a GNI participant or the Executive Director raises in writing a new independence concern not already reviewed by the Board in the assessor certification process, the Board will evaluate the claim and make a further determination on independence through a simple majority vote of the Board.

D. Application Process for Assessors: Prospective assessors shall:

- Submit an application to the Executive Director with the information necessary to demonstrate that the assessor meets the GNI's independence and competence criteria
- Satisfy other reasonable application requirements as further specified by the Executive Director

- Once accredited by the GNI, be subject to re-accreditation every two years unless otherwise specified
- Once accredited, undergo training by GNI staff related to the Principles and the global ICT industry

The GNI will, at its discretion, undertake due diligence and fact checking on the application provided by independent assessors.

E. Contracting with Assessors: In order to enter the pool of GNI accredited independent assessors, each independent assessor shall enter into a master services agreement with the GNI. This master services agreement shall include the following:

- Independence criteria
- Competency criteria
- Assessment guidance
- Confidentiality, disclosure, and nondisclosure requirements
- Guidelines on frequency and nature of communications between the GNI, the independent assessor, and the company during the course of an assessment
- Guidelines regarding the disclosure of assessment findings to (a) the company being assessed, and (b) the GNI
- The right of the GNI to terminate the master services agreement with the independent assessor in the event of a material violation of the agreement by the independent assessor

For each individual company assessment, a subsidiary agreement will be signed between the company and the independent assessor. The subsidiary agreement will exist under the umbrella of the master services agreement and will detail specific aspects of that individual company assessment, including timeline, cost, terms of payment, and geographical scope that relate to the circumstances of that specific individual company assessment. The subsidiary agreement will also contain a commitment of confidentiality and non-disclosure between the assessor and the company.

F. Fees for Assessors: Companies will negotiate terms of payment with the accredited independent assessors and set them out in the subsidiary agreement between the assessors and the company.

6. Public Participation

The GNI will establish mechanisms, through which the public can share information with the GNI, provide feedback, ask questions, and raise concerns related to GNI activities and the

Principles. The GNI will consider public input, including inquiries and complaints, in assessing the GNI's overall progress.

The GNI recognizes that it may receive complaints and grievances from users concerning company compliance with the Principles. Due to the complexity of the global landscape regarding online freedom of expression and privacy, and the potential scale of complaints, the GNI will develop an appropriate complaints procedure consistent with its size and available resources. This will focus on processes that can help the GNI to identify and resolve concerns raised by the public of significance to the Principles and to do so through a credible, efficient, and transparent process.

Until that time, the GNI will forward all company-specific complaints, questions, and communications to the relevant company for resolution.

The GNI's communications with the public will be managed by the Executive Director at the direction of the Board.

7. General Communications to the Public

A. Public Information: The following information may be routinely published by GNI staff, the Board, or participants:

- The names of participating companies, NGOs, investors, or academic institutions
- Whether a participant is in good standing as a member of the GNI
- A summary of the actions taken by a participant to promote the Principles, provided that such communications are consistent with the non-disclosure policy and communications protocols

B. Non-Disclosure Policy: The following information will not be disclosed by the GNI staff, the Board, participants, or assessors:

- Information identified as confidential by any participant or that is reasonably understood to be confidential
- The existence or subject matter of any confidential discussions of the GNI or the Board

Violation of the non-disclosure provisions of the Charter may be grounds for removal from participation in the GNI, termination of employment at the GNI, or in the case of assessors, removal of accreditation status by the GNI.

8. Review

The Charter and other core GNI documents will be reviewed as necessary by the Board in the light of experience, evolving circumstances, and stakeholder feedback.

9. Funding and Resources

The GNI will receive funding from participating companies. The GNI will also seek assistance from foundations, governments and other appropriate sources.

The Board will fashion a scope of work for the GNI that reflects the level of company participation and available funding, while also ensuring that each of the elements of the GNI mission receives meaningful support.

Funding targets, recruiting targets and budgets will be prepared by the Executive Director and approved by the Board.

10. Glossary of Terms

"Independent assessor" refers to an individual or group of individuals who demonstrate the independence and competency necessary to assess company implementation of the Principles and other core GNI documents.

"Board" shall mean the Board of Directors of the GNI.

"Board member" shall mean a member of the Board, including the Chair. If an individual is serving as a representative of an organization, "Board member" shall refer to the organization. The individual serving on the Board on behalf of that member organization will serve as a representative of that member organization, not in a personal capacity. If the member of the GNI is an individual, then that person serving on the Board is doing so in a personal capacity.

"Chair" shall mean the independent chairman or chairwoman of the Board.

"Charter" shall mean this Governance Charter of the GNI and any subsequent amendments to it.

"Compliance" shall mean a determination by independent members of the Board that a company is in compliance with the Principles.

"Core GNI documents" are the Principles on Freedom of Expression and Privacy, the Implementation Guidelines, the Accountability, Policy and Learning Framework, and this Governance Charter.

"Quorum" refers to the presence of a majority of the Board members, including at least one-half of the representatives or their alternates from each constituency. A Quorum is required for the conduct of Board business.

"Simple-majority vote" shall mean 50 percent plus one of the full Board. It refers to a simple majority of full Board seats, not just of those Board members present for the vote.

"Special review" is a status conferred upon a company by the Board when the Board determines that the company does not meet the participation criteria, is not in compliance, or has failed to take corrective action steps to address problems previously identified.

"Super-majority vote" shall mean two-thirds of the full Board and at least 50 percent of each constituent group. It refers to a super majority of full Board seats, not just of those Board members present for the vote.