

ICANN BOARD OF DIRECTORS' CODE OF CONDUCT– ANNUAL REPORT
2011 AGM –2012 AGM
[Approved by BGC on 12 October 2012]

Introduction:

The Board of Directors (the “Board”) of the Internet Corporation for Assigned Names and Numbers (“ICANN”) adopted a Code of Conduct (“Code”) for its Board members (see <http://www.icann.org/en/groups/board/governance/code-of-conduct>). The Code is intended to focus Board members on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, foster a culture of honesty and accountability, deter wrongdoing and promote fair and accurate disclosure and financial reporting. The Code is not intended to override any applicable laws or any obligations pursuant to ICANN Bylaws.

In accordance with section II.D. of the Board Governance Committee’s charter, this Annual Report sets out the Board members’ formal compliance with the Code of Conduct, including any breaches and corrective action taken by the Committee. Completing this Annual Report is a formal requirement and is only meant to address the formal processes that have been followed in line with the existing Code of Conduct.

It should be noted, however, that ICANN is committed to attaining a higher ethical standard to ensure the legitimacy and sustainability of the multi-stakeholder model. To that end, ICANN has undertaken multiple external reviews of its Conflicts of Interest Policy, Code of Conduct and other conflicts and ethics practices. Some of the notable enhancements from this work include:

- Adoption of:
 - Revised Board Conflicts of Interest Policy
 - Revised Code of Conduct
 - Revised Expected Standards of Behavior
 - Corporate Governance Guidelines
- Creation of a Governance document section of the ICANN website
- Publication of two reports from outside counsel on Corporate Governance at ICANN
- Publication of a report on the ICANN Board Conflicts of Interest Review prepared by a team of independent experts

See <http://www.icann.org/en/news/announcements/announcement-2-15may12-en.htm> for more information on all of the above.

ICANN is currently working on revisions to the Corporate Governance Guidelines to try to address some of the recommendations arising out of the independent expert report.

The Board also resolved to observe heightened conflict of interest practices in regard to the New gTLD Program. On 8 December 2011, the Board adopted a restriction on any Board member involved in a new gTLD application from voting on or participating in deliberations on that application. The Board also adopted a 12-month post service restriction, which prohibits Board members who vote on a new gTLD application from taking a position with a company affiliated with that new gTLD (<http://www.icann.org/en/groups/board/documents/resolutions-08dec11-en.htm#4>). The Board then formed the New gTLD Program Committee, a committee comprised only of Directors and Liaisons who do not have conflicts of interest related to the New gTLD Program (<http://www.icann.org/en/groups/board/documents/resolutions-10apr12-en.htm>). To help review Board member conflicts in relation to the New gTLD Program, the Board Governance Committee formed a Subcommittee on Conflicts and Ethics.

Report:

A. General Statement of Expectation

There have been no formal reports of non-compliance with this provision.

B. Integrity of Records and Public Reporting

There have been no formal reports of non-compliance with this provision.

C. Conflicts of Interest

There have been no formal reports of non-compliance with this provision.

D. Corporate Opportunities

There have been no formal reports of non-compliance with this provision.

E. Confidentiality

There have been no formal reports of non-compliance with this provision.

F. Board Interaction with Internet Community and Media

There have been no formal reports of non-compliance with this provision.