Lessons learned from the virtual GUBERNA General Member Assembly (24/03/20)

As you know, GUBERNA has set up an initiative to share experiences in view of building resilience together in order to overcome the current exceptional circumstances.

GUBERNA sets the example by sharing its own experience with our first fully digital Annual General Member Meeting.

We will tackle our lessons learned respectively from a legal perspective, a people & communication perspective, a technical and an agility perspective.

Legal Aspects

- Without the possibility of physical presence of our members, GUBERNA held the first completely virtual assembly of a member association in Belgium. The gathering abided to the most recent national regulation regarding the corona-crisis (the MB of 23 March 2020, forbidding gatherings of more than 5 people (art.5) and imposing the respect of social distancing measures by 'non- essential' organisations for professional activities for which telework cannot be applied (art.2).

- The AGM took place within a legal vacuum. Belgian law allows electronic participation if the bylaws of the association mention this possibility. Yet, this regulation does not apply to non-profit organisations. Furthermore, Belgian law did not foresee in a complete electronic AGM without the possibility of physical participation. In the preparatory works of the amendments of our articles of association, we already foresaw the explicit possibility of electronic participation, lacking in the current ones.

- Through our sources, we were informed that the legal framework would be updated by means of a KB. This KB has now been published (9th of April). However, it remains to be seen whether this measure will get a more permanent character or remains temporary.

- By taking the initiative of a fully digital AGM, our aim was to show innovation and entrepreneurship whilst respecting the ratio legis of a general member assembly. Our motivation was to safeguard its essential elements of 1) the possibility for members to express themselves and the exchange of ideas, and 2) the possibility for members to vote on the decisions related to the competences of the organ. In other words, we aimed to lead by example.

- We reflected on legal uncertainties and felt comforted by "the force of the majority", the anticipated crisis legislation in respect with AGMs and the fact that prejudice would be hard to prove if we respected the above.

- A General Assembly is a "meeting behind closed doors". To guarantee security and privacy, participants were provided with a personal login. However, the participants were at the time of the meeting not visible. In other words, there was no control on whether they were truly alone, or if possibly somebody else was listening? The privacy aspect of a closed meeting and how to uphold it, should in all cases be reflected upon. In order to fully respect the

private character of the meeting, we did not post extracts of the meeting itself on social media.

Traditionally, members can either attend the meeting themselves or give a proxy. Since this was a regular Annual General Meeting, we had no presence quorum and decisions could be taken by a simple majority of the participants. However, anticipating possible technical difficulties, we collected proxies also amongst the members that intended to participate. Proxies were given to the chairman, or in case he would be in the impossibility to act, to any other director. Since we were lucky not to have technical problems, we did not have to use them.

TIPS & TRICKS

- Respect the prevailing crisis regulation (check last update)
- Make your motivation for the chosen format explicit
- Check your quorum requirements
- Mitigate legal uncertainties
- Respect the 'confidential' character of the meeting
- Consider adapting your bylaws for future meetings
- Provide a legal plan B in case of technical failure

QUESTIONS TO RESOLVE

- Identity control of the participants
- What if there are any interruptions (due to a temporarily bad connection/overloaded network) which means participants miss a (small) part of the assembly, is the assembly still legally valid?
- If in case of technical problems, the chairman or director used the proxies of the participants that intended to participate, would it be reasonable to give them the possibility to discharge themselves? In that case, the members do not have the possibility to express themselves.

People & communication

- We wanted to make sure we reached all members. Next to personal invitations by e-mail, we launched a "Spread the word" campaign through our newsletter, social media and communication of befriended organizations.
- Members had the possibility to submit their questions beforehand or during the live stream. Similar questions were regrouped when answering them during the live stream.
- The format did not decrease the number of questions. As a matter of fact, more people seemed to be prepared to ask a question, and the interactivity was certainly not lost. One might wonder about the reason. Compared to a physical assembly, the questions could now be asked anonymously. Also, the possible ordeal of taking a microphone in front of a 100+ audience is in a virtual assembly replaced by simply typing and pushing a button. This is a clear benefit in comparison to the traditional AGM taking place in person. However, the fact that people were hidden behind their computer screen meant that one could not read the non-verbal language of participants and estimate whether the answer was to the petitioner's satisfaction. This is a disadvantage of a completely digital AGM and could be (partially) remediated to by visualizing members (e.g. in stamp format) during interaction.
- Questions from the members were received with their names but read out anonymously. GUBERNA has consciously chosen for an anonymous approach, yet there are pro's as well as cons to this. In the future, we could consider visualizing (some of) the questions received.
- In a way one could say the voting in a virtual assembly is more objective. Because of the electronic voting system, votes are anonymous. The votes are less subject to group pressure as they might have been with the traditional raising of hands. For some possibly sensitive topics as for example the (re)election of directors, this might add to the objectivity of the votes.
- For a digital AGM to be successful, the personality of the chairman, CEO, and secretary general are very important. You need stress proof, lively, ad rem, warm, etc. personalities. Of course, an extensive preparation phase can be of great help in that respect. A well-established script is of utmost importance but keeping it warm and lively and not turning it into a sterile event, is equally important
- Networking and lively debate are hindered by the fact that participants are not physically present. The participants could not engage with each other, only with the presenters. A possible solution could be to foresee a 'digital' network moment.

TIPS & TRICKS

- Try to reach as much members as possible
- Give members the possibility to ask questions both on the spot as well as beforehand
- Reflect on the visualization of members and questions
- Be prepared to having more interaction than in a physical meeting
- Make sure your key actors (chairman, CEO and secretary general) are well prepared and aligned on the script

QUESTIONS TO RESOLVE

- Is the voting completely anonymous or can it be tracked who voted what?

- Reflect on a virtual networking moment for the members after the meeting

Technical Aspects

- GUBERNA relied upon two external partners for the digital General Member Assembly: LUMI for the electronic voting support and Company Webcast (for the live stream from the studio). It is important that participants are extensively briefed on the technical aspects of registration and voting before the General Assembly starts.
- Enough time should be provided to the participants to login in order that everyone can follow the assembly from the start. Participants for the GUBERNA assembly could enter the platform of the assembly from 19:15 onwards, and the real assembly started at 19:30. In the 15 minutes in-between, a video was shown explaining our new website; our new digital tool GMS and the GUBERNA Home of Governance. In addition, when organizing a virtual Assembly, we would advise to not only schedule some time for the login but also use this time in a purposeful way.

Preferably, participants should start their login a little bit earlier. For, example 30 minutes in advance. Incentives might be given in order to incite people to login earlier. This way it is possible to avoid a 'login peak' taking place in the 15-minute time gap preceding the start of broadcasting. In organizing its AGM, GUBERNA found that two phone numbers were not enough in order to handle the login peak. Apart from inciting people to login early, other options are to only allow electronic inscription or augment phone numbers to reach the helpdesk.

- In the future it might be useful to not only provide a brochure but prepare a video explaining the different steps towards achieving login. Furthermore, a chart providing FAQ related to certain difficulties (e.g. my password is not working, what should I do?) could be made available.

TIPS & TRICKS

Registration

- Make sure you have professional partners for the voting and the live streaming
- Provide an efficient technical briefing to the participants
- Provide sufficient registration time (eventually combined with incentives for early registration)
- Provide a helpdesk with sufficient resources
- Use the registration time to pass messages or show videos

Voting

- Make sure proxies are linked to the (right) proxyholder
- Make sure possible double or multiple voting rights are respected
- Define when a participant is considered to be present

QUESTIONS TO RESOLVE

- Technical plan B

Agility

- Calculated risks and proactivity pay off and are appreciated by members. We received a huge amount of appreciation for having seized the opportunity to be one step ahead and lead by example. We were praised for having organized our first digital General member Assembly in a very professional way despite the short notice and reduced preparation time.
- Due to the current restrictions on group gatherings, only a core group was allowed to be present in the recording studio. One of the consequences of this limited number of people was that the questions from the audience were not filtered beforehand. They immediately appeared unfiltered on the tablet in front of the speakers. While presenting, the speakers had to mentally sort the questions at the same time. For future undertakings an option could be not to work with an e-mail address at which questions arrive but to install a special chat box where participants could indicate their name, language, and phone number. This way, the participant's questions could be scheduled for answering. An additional option is to work with a ticketing system where questions are sorted and assigned to speakers taking up specific issues.
- During this meeting, the amount of questions was still 'manageable' and did not pose any problems. However, in different circumstances, it is useful to attribute the task of sorting the questions to a moderator out of sight, in order that the speakers could focus solely on answering the regrouped questions.
- GUBERNA gained an enormous amount of know-how in organizing the first general members' assembly, completely behind closed doors and allowing digital/interactive participation. We will be able to use this knowledge to materialize our drive towards digitalization on governance matters. GUBERNA will also be able to deploy it in its broader activities. For other organizations planning on holding a virtual assembly, it is important to reflect upon how the technologies and also the knowledge that is used for this occasion, can be implemented to strengthen other processes in the organization. For instance, one can think of implementing a structural approach to digital board meetings.

LEADING BY EXAMPLE

TIPS & TRICKS

- Responding pro-actively to circumstantial challenges is much appreciated by your stakeholders
- Make sure you are as professional as possible despite whatever challenges there are
- Provide a moderator to support in prioritizing and regrouping questions on the spot
- Valorize your digital meeting experience to improve other processes and share your know how to other actors of the organization!