

Minutes
WRI Board of Directors Meeting
March 13, 2012
Washington, D.C.

Attendees: James Harmon—Chair, Harriet Babbitt—Vice Chair, Frances Beinecke, Afsaneh Beschloss, Robin Chase, Tiffany Clay, Daniel Cruise, Leslie Dach, Alice Emerson, Jamshyd Godrej, Jaime Lerner, Kathleen McGinty, Preston Miller, William Richardson, Theodore Roosevelt IV, Alison Sander, Lee Thomas, Clinton Vince, Diana Wall

Staff: Manish Bapna, Steve Barker, Elizabeth Cook, Holger Dalkmann, Arthur Droe, Vivian Fong, Beth Gingold, Craig Hanson, Kirsty Jenkinson, Clayton Lane, Jennifer Morgan, Robin Murphy, Janet Ranganathan, Allison Sobel, Oretta Tarkhani, Peter Veit, Jacob Werksman, Lauren Withey

Guests: John Disharoon, Charlotte Matthews

The meeting was called to order at 8:30 a.m. ET by the Chair, on Tuesday, March 13, 2012.

Chairman's Overview

Mr. Harmon welcomed everyone to the meeting and thanked the staff and Directors who helped to make the Board dinner such a success. The minutes from the March 8, 2011 Annual Meeting of the Corporation, the December 13, 2011 WRI Board of Directors Meeting, the March 8, 2011 WRIF Board of Directors Meeting, and the March 8, 2011 WRI China – Ltd. Board of Directors Meeting were approved as drafted.

Mr. Harmon read a resolution recognizing the contributions of Ms. Sobel, the board liaison, who was leaving WRI. The resolution was approved as drafted. Mr. Bapna also thanked Mr. Werksman for his service and spoke about his new position. Ms. Chase reported on the Embarq Advisory Board meeting which was held the previous day and spoke about Embarq's strategy, focus, and goals.

The Appointment of Corporate Representative, Annual General Meeting, Reports and Accounts, and Cease operations of Hong Kong Corporation and Beijing Representative Office resolutions for WRI China – Ltd. were approved as drafted.

Food Futures

Mr. Bapna spoke about the history of the World Resources Report and said the next issue would be devoted to food. The team intends for the report to be forward looking and to help shift the public discourse on the topic. He introduced Ms. Ranganathan who spoke about the process for engaging people with the World Resources Report and the focus on solutions for food security. Mr. Hanson gave a presentation on food futures and the nexus of food and the environment. He spoke about the strategy that will be laid out in the report.

Dr. Wall offered her thoughts on the subject of food security. She spoke about the green revolution and the need for looking at how people use soils. Mr. Dach agreed that food issues were an important focus for WRI and noted that Wal-Mart was engaged on this issue. He spoke about the myriad of issues surrounding food security thought there was significant interest with governments around the world to take on this issue.

The Board discussed different ways to analyze the issue. Mr. Thomas noted that the interface between government and business in this area was extremely important. Mr. Harmon said this topic would be on the agenda of the upcoming G8 meeting.

Finance & Investment Committee Report

Mr. Barker presented the Finance and Investment Committee Report, on behalf of the Chair Todd Thomson. He explained WRI's status as a WFOE in China, how WRI is performing against budget, and the latest value of WRI's investments. The Board discussed a variety of issues surrounding subgrants and unrestricted funding.

Mr. Barker presented the Audit Committee Report, on behalf of the Chair, Roberto Artavia. He noted that WRI received a clean audit report. The European Commission audited a three-year grant covering 2005-2008. Their auditors shared the preliminary findings with both WRI and the European Commission. Some of those findings were inaccurate. We are working to resolve the findings with the auditors.

Mr. Barker asked all Directors to sign the conflict of interest forms before they leave.

The Resolution to approve the Audit was approved as drafted.

President's Report & Discussion

Mr. Bapna reported on his experiences as acting president of WRI and shared some issues he felt WRI is grappling with. Mr. Harmon spoke about how much Mr. Bapna had accomplished as acting president and thanked him for his service. The Directors discussed the questions that Mr. Bapna posed and spoke about what they thought should remain the same and things that should change at the institution. Mr. Dach said that it was vital for WRI to nail down its identity.

U.S. Climate and Energy Policy

Mr. Bapna introduced Ms. Morgan and Mr. Kennedy and spoke about their efforts to review the domestic climate strategy. Ms. Morgan reported on the current state of GHG emissions, projections, and reduction pledges. Mr. Kennedy spoke about WRI's past climate strategy, actions taken by different states, congress, and industry and reviewed his thoughts on a strategy going forward. Governor Richardson spoke about his experiences working on climate in the U.S. Mr. Cruise spoke about Alcoa and the experience of industry in the U.S. addressing climate change.

The Board spoke about best ways to shape a U.S. climate strategy for WRI and the variety of actors necessary to influence. Ms. McGinty spoke about the need to focus on shale gas and transportation as key issues. Mr. Disharoon spoke about the role that WRI could play moving forward after USCAP. The Board offered guidance on a strategy to engage all the necessary players to change the situation in the U.S.

The meeting went into Executive Session at 12:15 p.m.

Report on Executive Session

Mr. Harmon reported that the Board had unanimously elected Andrew Steer as the next President of WRI, in keeping with the recommendation of the Search Committee. He thanked the Directors who had participated by phone and thanked Mr. Bapna for his service as Acting President. Mr. Harmon noted that he hoped Mr. Bapna and Dr. Steer would be a good team and thought the process was extremely successful. He thanked the staff that had participated in the process and Dr. Tierney for her work as Search Committee Chair.

Ms. Cook briefed the Board on the draft roll-out plan to communicate the new President of WRI to all WRI partners, donors, staff, and staff alumni. Mr. Murphy briefed the Board on the roll out plan for the media. The Board spoke about the plans to communicate the information and the press release.

Development Report

Ms. Cook reported on funds raised for WRI, spoke about the composition of WRI's operating revenue, and updated the Board on the results from each donor sector. She also reported on priorities for fiscal year 2012. The Board discussed ways to make the fundraising dinner more effective and strategies to raise additional funds.

Institutional Models: China, India, and Brazil

Mr. Murphy presented different models for overseas offices and spoke about WRI's experiences so far in China, India, and Brazil. He offered examples from other institutions and said it was important for each country office to be empowered and for WRI to manage its brand.

Mr. Godrej briefed the Board on the legal obligations and plans for fundraising for the India office. He spoke about the need for caution when working with the Indian government and stressed the need to good governance when managing the office. Mr. Godrej reported that he had asked Mr. Harmon to create an Advisory Board for the Indian office that included WRI Directors. He hoped that the Advisory Board would serve in the same capacity as the Board of Trustees to the Indian office, but would not have voting rights for the entity. According to Indian law, voting Board members must be citizens of India.

Mr. Harmon thanked Mr. Godrej for his work to create the India Resources Trust and said he would be approaching some Directors to serve on the Advisory Board. The Board discussed ways to integrate the India office into WRI and the vision for the India office. The Board also spoke about best models for overseas engagement and brand management. Mr. Miller raised several concerns about WRI's fiduciary responsibilities to the overseas offices. Ms. McGinty asked that there be mechanisms in place to ensure that the overseas staff maintained the same ethical standards for accepting and disbursing funds as the rest of WRI.

Nominating Committee Report

Mr. Roosevelt IV reported on the actions of the nominating committee and thought the committee was making good progress, but needed to focus on bringing on Directors with fundraising capacity and geographic diversity. The Board spoke about the existing term limit regulations and the appropriate size of the Board.

The resolutions to elect Members of the Corporation, Class of 2015, WRI Board of Directors, Class of 2015, the Officers of the Corporation and WRI Board of Directors, WRI Fund Board of Directors and Officers, and WRI Officers were approved as drafted.

Meta-trends

Mr. Werksman briefed the Board on the significant meta-trends in the world and how WRI should be responding to these trends, in order to influence decisions in the world. He spoke about the updates from the meta-trends analysis completed several years ago and items that were missed in the previous analysis.

The Board spoke about the Arab Spring and the Occupy movements and how they fit into the trend analysis. The Board also discussed new telecommunications trends, values and theory of change, and how best to communicate the analysis.

The meeting adjourned at 4:00 p.m.

Steve Barker
Secretary, Treasurer and
Chief Financial Officer and Vice President of Administration