ICANN BOARD SUBMISSION No. 2025.11.20.1a

TITLE: **Investment Policy Update**

PROPOSED ACTION: **For Board Consideration and Approval**

EXECUTIVE SUMMARY:

The Board is being asked to approve a revised ICANN Investment Policy (as set forth as Attachment A to the Reference Materials to this Board Paper), following recommendations from ICANN org in consultation with ICANN's independent investment advisor to: (i) consolidate the existing two Investment Policies into one Investment Policy; (ii) amend the allowable investment vehicles, types and holdings to reduce risk; (iii) increase expected returns; and (iv) invest according to updated Environment, Social and Governance (ESG) principles.

Approving a revised ICANN Investment Policy is prudent to ensure that ICANN properly manages its funds and achieves low-risk capital growth.

ICANN ORGANZATION AND BFC RECOMMENDATIONS*:*

ICANN organization and the BFC recommend that the Board approve the revised ICANN Investment Policy.

PROPOSED RESOLUTION:

Whereas ICANN has two investment policies that were originally approved by the Board on November 2007 (ICANN Investment Policy) and December 2012 (Investment Policy - New gTLD and Auction Proceeds).

Whereas it is good practice to review investment policies periodically and ICANN's were most recently updated on July 2022 (ICANN Investment Policy) and November 2019 (Investment Policy – New gTLD and Auction Proceeds).

Whereas, ICANN organization and the Board Finance Committee have recommended that the Board approve a revised ICANN Investment Policy.

Resolved (2025-11-20-xx), the Board approves a revised ICANN Investment Policy, which was primarily an update to: (i) consolidate the existing two Investment Policies into one Investment Policy; (ii) amend the allowable investment vehicles, types and holdings to reduce risk; (iii) increase expected returns; and (iv) invest according to updated Environment, Social and Governance (ESG) principles .

PROPOSED RATIONALE:

ICANN performs regular review of its Investment Policies to insure they are always in line with current market best practices. In furtherance of its due diligence in maintaining a current and effective ICANN Investment Policy, ICANN's independent investment advisors were asked to review ICANN's current investment polic(ies). As a result of this review process, the advisors recommended the following modifications: (i) consolidate the existing two Investment Policies into a single revised comprehensive ICANN Investment Policy; (ii) replace the allowable investment vehicle of comingled funds with passive Exchange Traded Funds (ETF); (iii) allow for global holdings across all portfolios; (iv) allow for the investment in equities in the Auction Proceeds and New gTLD Application Fees funds as well as allow for fixed income holdings in the Operating Fund and Supplemental Fund for Implementation of Community Recommendations (SFICR), and (v) remove the 80% mid-tier ESG rating requirement with annual reporting of the relationship between ESG ratings and returns as well as prohibition of fixed income investments in the Alcohol, Tobacco and Firearms industries.

These proposed modifications to a revised ICANN Investment Policy will enable investment manager(s) to optimize the investment strategy for all of ICANN's investments. Both ICANN org and the BFC have recommended that the Board approve these changes resulting in a single revised comprehensive ICANN Investment Policy (as set forth as Attachment A to the Reference Materials to this Board Paper). The Board notes that given the nature of the changes to the Investment Policy, an implementation period of up to seven months will be required.

Adopting the suggested modifications is expected to be in the public interest and consistent with ICANN's mission in that it is meant to enhance and clarify certain aspects of ICANN's investment strategy while optimizing potential returns within acceptable risk parameters.

This action is not expected to have any fiscal impact, or any impact on the security, stability and resiliency of the domain name system.

This is an Organizational Administrative Function that does not require public comment

Submitted by:	Xavier Calvez; SVP, Planning and Chief Financial Officer (CFO)
Dated Notes:	14 November 2025
Email:	xavier.calvez@icann.org

Pages 4/15 – 15/15 removed – Draft of revised ICANN Investment Policy. See the approved ICANN Investment Policy at:
https://www.icann.org/en/system/files/files/icann-investment-policy-20nov25-en.pdf