

Terms of Reference – ESG Engagements Advisory Committee

A. INTRODUCTION

The ESG Engagements (ESGE) team ¹within the PRI Executive is responsible for coordinating collaborative engagements with listed companies on ESG topics, developing guidance documents, briefings or collaborative initiatives on ESG issues, and supporting the participation of signatories in engagements promoted on the PRI's Collaboration Platform².

The theme of the PRI's new 3 year strategy is '*Moving from Awareness to Impact*' ([PRI strategy 2015-2018](#)). For the ESGE team this will involve a new priority list of collaborative engagements (following signatory consultation), as well as further development of the Collaboration platform in order to improve impact and effectiveness. This will also involve an expansion of services to include a wider range of useful initiatives such as webinars, podcasts investor briefings/roundtables, guidance documents and training/development sessions.

The ESGE Advisory Committee is responsible for providing stewardship and making recommendations in order to meet these goals. The committee acts as a voluntary advisory body to the PRI Executive. The committee does not, as of itself, have power or authority in dealing with the matters on which it advises except where certain powers are specifically set out in these terms of reference.

B. OBJECTIVES

The members of the ESGE Advisory Committee commit to:

- Provide direction and leadership to the PRI Executive regarding collaborative engagements and other initiatives co-ordinated by the ESGE team.
- Assist the PRI Executive to set priorities for present and future ESGE activities.
- Advise on the progress and direction of current collaborative engagements and other initiatives.
- Propose ideas for new collaborative engagements and other initiatives.
- Assist the ESGE team in deciding which collaborative engagements directly coordinated by the team will be granted a research budget.

¹ Previously known as Investor Engagements team

² Previously known as Clearinghouse

C. MEMBERS

- Mariela Vargova, Senior Sustainability Analyst, Rockefeller Asset Management
- Carlota Garcia-Manas, Deputy Head of Engagement, Church Commissioners and Pensions Board
- Karin Halliday, Manager, Corporate Governance, AMP Capital
- Bonnie Saynay, Program Manager, Business Lead Investments, Invesco
- David Sheasby, Head of Investment Governance and Sustainability, Martin Currie
- Gayle Muers, ESG analyst, HSBC Global Asset Management
- Ole Buhl, Head of ESG, Vice President, ATP
- Daniela Jaramillo, Investment Analyst – ESG, Hesta
- Amandine Soulier, Head of SRI Relations, Axa Group
- Caroline Le Meaux, Responsable de la gestion déléguée, Ircantec

Members of the ESGE AC are appointed for one financial year. Members will be given the option, at the end of every financial year, to step down or continue on in their role as advisory committee member. The PRI Executive will aspire to ensure that there is approximately 20% turnover of members every 2 years. The necessity of continuity will be factored into all decisions.

Additionally, the balance of the advisory committee shall be preserved to the greatest extent possible. For example, an asset owner shall be replaced with an asset owner and an investment manager with an investment manager and so forth. The maximum amount of time any signatory organisation can be part of the advisory committee is 5 years.

Committee membership may be limited to signatories with assets under management.

D. RESPONSIBILITIES

PRI Executive

The PRI Executive commits to:

- Work with the advisory committee by coordinating meetings, providing agendas, producing meeting minutes, outcomes, publications, etc (available via the Collaboration Platform).
- Provide support in the form of background research and presentation slides to any advisory committee members who are speaking at events where the work of the ESGE team is mentioned.
- Provide support in the form of background research and pitching material for advisory committee members who are undertaking outreach and engagement activities on behalf of the ESGE team.

The Executive, taking into consideration the advice of the advisory committee, can set out guidelines for the operations of a project, working group and / or collaborative engagement. The aim of these guidelines are to facilitate effective projects that work towards the desired aim by establishing from the outset the required commitment, timeline, responsibilities and other contributors to a successful project. The guidelines are for the final decision of the Executive, taking into consideration the input of signatories.

Following appropriate input from members of the ESGE AC, the Executive at all times retains ownership and final sign-off of any outputs that are published under the name of the PRI. The Executive is responsible for the timelines, resources and budget that have been allocated to the project.

Contacts for the ESGE team can be found in section H below.

Advisory Committee Members

By accepting a role on the committee, signatories confirm that they are able to devote sufficient time to the role or project and duties, as defined below. Proactive participation from all members is crucial for an effective signatory group and the Executive has the authority to remove signatory participants that do not abide by the agreed commitment levels and invite other signatories to participate.

Typical responsibilities may include, but are not limited to:

- A minimum of quarterly conference calls/meetings per year, between one and two hours duration.
- Regular guidance/feedback to the Executive on relevant issues. This may include providing advice/feedback on emerging ESG issues and the selection and prioritisation of themes for engagements coordinated by the PRI, outputs such as publications, the Collaboration Platform, and other issues.
- Advise on the progress and direction of collaborative engagements coordinated by the ESGE team.
- Voluntary speaking commitments on behalf of the PRI. The Executive can provide support in the form of background research and presentation slides.
- Outreach and engagement with peers on behalf of PRI. The Executive can provide support in the form of background research and pitching material.

All advisory committee members are welcome to undertake additional work, for example, drafting documents if their schedules enable them to do so.

Members of the ESGE AC participate in the group's activities in their capacity as representatives of their organizations, however they commit to make recommendations based on the needs of *all* PRI members rather than representing individual interests. They are also invited to share insights on engagement strategies and approaches of the region their organizations are based in. In particular, members from countries where the PRI Executive hosts a local network commit to share common views of signatories involved in those networks.

PRI Board Oversight

The PRI Board oversees the constructive relationship between the Executive and Signatories as well as acting as a final point of escalation on matters related to the Executive's work to drive signatory implementation of the Principles, including ESG incorporation, active ownership, collaboration and reporting. The Board has oversight of the terms of reference for all advisory committees and working groups.

If a signatory has a significant concern with the operations of a signatory group the signatory can escalate the issue(s) to the Managing Director of the PRI Initiative. If the matter cannot be resolved by the head of the PRI Executive the issue(s) will be escalated to the PRI Board.

E. ACTION PLAN AND TIMELINE

An action plan with suggested time frames and items of discussion will be established at the first advisory committee meeting, and evaluated on an annual basis.

F. REPORTING REQUIREMENTS

The PRI will report on the activities of the ESGE AC on the PRI website every quarter, or as appropriate, including the terms of reference, chair and members, and updates on discussions.

G. CODE OF CONDUCT, CONFIDENTIALITY AND PUBLIC COMMUNICATIONS PROTOCOL

Conduct

Signatories must refrain from using signatory forums for explicit commercial purposes and should focus on furthering the goals and objectives as defined above. Committee members should treat their colleagues and PRI staff with courtesy and respect. Failure to meet these requirements may also lead the signatory being removed from the committee.

Communication

The Executive is empowered to speak on behalf of the ESGE AC within the terms of any confidentiality agreement in place for the group. For more information on the voice of the PRI see the [PRI Communications Policy](#).

H. CONTACT

If you are interested in understanding more about the committee, please contact:

Valeria Piani, Associate Director, ESG Engagements: valeria.piani@unpri.org