

CONOR KEHOE - CANDIDATE STATEMENT

The Board has kindly recommended me to serve as Chair from 1 January 2024.

I am very excited at the prospect, because:

- I've long admired investors' leadership in sustainability.
- Responsible investment is entering a new and highly political era. Good strategic decisions and the right skills are vital for the PRI's next 10 years. Much of my career has been devoted to helping large corporations reset their strategic direction – I feel that I can help PRI at this juncture.
- I confronted an analogous strategic challenge as Chair of the International Integrated Reporting Council (IIRC), which we merged with the Sustainability Accounting Standards Board (SASB) and then into the International Financial Reporting Standards (IFRS) to form the International Sustainability Standards Board (ISSB). Voluntary corporate sustainability reporting was replaced by mandatory reporting. The PRI, of course, has a much broader mandate - but it needs to adjust, not disappear.



The background to my interest and motivation

I was intrigued at how some private equity portfolio companies outperformed stock market equivalents financially, and that academic research showed that well-resourced engagement explained most of the outperformance (alpha). Such 'active ownership' has a longer-term perspective than public Boards generally experience from their investors. I was part of the team at McKinsey that founded Focusing Capital on the Long Term (<https://www.fcltglobal.org/>) to research and promote public market 'long-termism'.

In my role as IIRC Chair, I saw that long-termism and sustainability are closely linked. Corporate sustainability reporting promotes better, longer-term governance of companies - to their benefit as well as to society and the environment. I don't see conflict between long-term economic value creation and sustainability goals. For example, clear SDG-led corporate purpose will often increase economic performance. This is reinforced by the strong civil and environmental expectations that millennials and Gen Z have of corporations. I believe that impact accounting is the next important development here and I am active in advancing the case for it.

I set up McKinsey's investor practice 20+ years ago and have had the pleasure of helping a development finance institution (DFI), large pension funds, sovereign wealth funds and asset managers reset their strategic course and then organise to execute. I feel that I know the investor community and its challenges.

As a PRI Chair, I would be 'mission driven and signatory centric'. The PRI has an admirably strong sense of mission. It is accountable to, and serves, its signatories. I will maintain the first and reinforce the second aspect of this strong culture. I request your vote now, and if confirmed, your ongoing support and engagement.

About Conor Kehoe

Conor most recently chaired the International Integrated Reporting Council (IIRC) – a coalition of 70 leading sustainability organisations. He served during its merger with the Sustainability Accounting Standards Board (SASB) and the subsequent merger of the two into the International Financial Reporting Standards (IFRS) to form the International Sustainability Standards Board (ISSB) in September 2022.

Previously a member of the G7 Impact Accounting Taskforce, Conor is now involved in two organisations advancing the case for impact accounting.

He is an Advisory Board member at Blackrock and a Special Advisor at McKinsey, where he founded and co-leads its Board Intelligence Forum for European non-executives and chairs.

While at McKinsey, he co-founded its Private Equity and Principal Investors (PEPI) practice, McKinsey New Ventures and was also a member of the team that founded the US-based research organisation FCLTGlobal (Focusing Capital on the Long Term).

Originally a software engineer who led McKinsey's Tech and Telecom practice in Europe, Conor now advises a small number of software-based growth stage companies along with the Turing Institute (the UK's data science institute). He is an adjunct lecturer at Tsinghua University and recently revived his software skills by completing Stanford's Machine Learning course.

Conor is an Irish citizen, who has worked in the USA, throughout Europe and in Asia. Now based in London, he has lived in France and his native Ireland. He and his American wife also spend part of each year in the USA.