

SOVEREIGN DEBT ADVISORY COMMITTEE TERMS OF REFERENCE

1. INTRODUCTION

PRI advisory committees provide opportunities for signatories to convene, share knowledge and collaborate on responsible investment. These committees help the PRI Executive deliver practical tools, events, and support with respect to the implementation of the Six Principles on a global basis.

The Sovereign Debt Advisory Committee (SDAC) is a voluntary body comprised of PRI signatory organisations. This committee's primary role is to provide support to the PRI Executive in the design, delivery, and dissemination of sovereign debt guidance products to help asset owners, service providers and investment managers implement the Six Principles. Where appropriate, the committee may also advise or support other programmes being delivered by the PRI Executive. The committee acts as an advisory body and does not have decision-making power in the matters on which it advises.

2. MEMBERSHIP

COMPOSITION

The committee should ideally be comprised of 12-18 signatory organisations including one chair. Each organisation is represented by an individual who provides expertise in the management of sovereign debt and associated ESG practices.

The PRI Executive convenes the committee, led by relevant expertise within the PRI.

The PRI Executive selects the committee members and strives to ensure the committee has a balance that reflects PRI's signatory base across a range of factors including (but not exclusive to): geography, diversity, equity and inclusion, job title, signatory type and size.

TENURE

On joining the committee, an organisation occupies their position for three calendar years. Each organisation is expected to be represented by one individual for the duration of that tenure. The organisation can transfer the role to another individual in the event of changes to employment or other

exceptional circumstances. Any changes should be agreed with, and approved by, the PRI Executive member who sits on the committee.

At the end of their tenure, each member organisation can reapply for an extension of one calendar year.

The chair is chosen by the PRI Executive from existing committee members. Members who become chair hold the position for two calendar years.

The PRI Executive has discretion on all decisions regarding the tenure of members and chairs.

APPOINTMENT OF MEMBERS

The PRI Executive will run and manage a fixed recruitment window for all committee vacancies. This will normally be in the final quarter of each calendar year.

The PRI Executive will publish a current list of all committee members on the PRI website.

3. RESPONSIBILITIES

ROLE OF ADVISORY COMMITTEE MEMBERS

By accepting a position on this advisory committee, members confirm that they can devote sufficient time to their duties as defined below. The PRI Executive reserves the right to remove members that do not meet the agreed commitments.

Committee members commit to:

- Attending up to four committee calls per year. These calls will generally be up to 90 minutes in length;
- Responding to emails, surveys, and other communications from the PRI Executive in a timely manner;
- Participating proactively in providing advice, feedback, and support to the PRI Executive on (but not limited to);
 - The design, delivery, and dissemination of sovereign debt guidance, tools and products;
 - Issues relating to the PRI's decision-making and programme development; and
 - The PRI's response to, or involvement in, certain industry developments.
- Reviewing material to be produced and published as part of the sovereign debt workstream;
- Representing the broader sovereign debt signatory base rather than solely the interests of their own organisation; and
- Participating in outreach and engagement with peers in support of the PRI's sovereign debt work programme.

ROLE OF THE CHAIR

In addition to the above, the chair commits to:

- Devoting the required additional time to the committee beyond that of other committee members;
- Being available to chair committee meetings;
- Working with the PRI Executive to advise on meeting agendas and selection of new members; and
- Working with the PRI Executive as needed to provide leadership of the committee and sovereign debt work programme.

ROLE OF THE PRI EXECUTIVE

The PRI Executive commits to:

- Convening and administering committee meetings;
- Updating committee members on sovereign debt work program activities;
- Developing materials for discussion by the advisory committee;
- Conducting a regular review of the committee's activities and, where appropriate, reporting relevant points to the PRI Board.

The PRI Executive always retains ownership and final sign-off of any outputs that are published under the name of the PRI, including research, events, and any other guidance products.

PRI BOARD OVERSIGHT

The PRI Board oversees the relationship between the PRI 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.

If a signatory has a significant concern with the operations of a signatory group such as this committee, the signatory can escalate the issue(s) to the CEO of the PRI Executive. If the matter cannot be resolved by the head of the PRI Executive, the issue(s) will be escalated to the PRI Board.

4. 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 the PRI Executive with courtesy and respect. Failure to meet these requirements may lead to the signatory being removed from the committee.

5. CONFIDENTIALITY AND DATA SHARING

The theme and membership of the committee will be available on the public website and/or the Collaboration Platform. By accepting these terms of reference, committee members agree to the

publication of their name and organisation name on the PRI website and may themselves publicise their involvement on their organisation's website and/or social media.

The PRI Executive may record committee calls for internal minute-taking purposes. Recordings are not circulated externally by the PRI Executive. Where recordings of group discussions are taken, PRI staff will state at the start of the call that the call is being recorded for minute-taking purposes.

Discussions of the committee and material provided to the committee by the PRI Executive should be assumed to be confidential unless advised otherwise in writing by the Executive. Members commit to maintaining such confidentiality.

6. COMMUNICATION

The Executive is empowered to speak on behalf of a PRI advisory committee, 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](#).

7. ANTITRUST DISCLAIMER

The PRI does not require or seek collective decision-making or action with respect to acquiring, holding, disposing and/or voting of securities from any of the committee members of this advisory committee.

Signatories are independent fiduciaries responsible for their own investment and voting decisions and must always act completely independently to set their own strategies, policies and practices based on their own best interests.

The use of PRI guidance and tools is at the discretion of individual signatories. Advisory committee members must avoid the exchange (including one-way disclosure) of non-public, competitively sensitive information as part of the informal or formal work of these advisory committees.

8. CONTACT

For more information about the SDAC, please contact Jasper Cox, Fixed Income Analyst, PRI (jasper.cox@unpri.org).

9. REVIEW TERMS OF REFERENCE

The PRI Executive will annually review the Sovereign Debt Advisory Committee terms of reference.