

POLICY COMMITTEE TERMS OF REFERENCE

Terms of reference approved by the PRI Association Board in March 2017.

1. CONSTITUTION

- 1.1 The PRI Association Board (the **Board**) has established a committee of the Board, known as the Policy committee, with terms of reference as set out below.
- 1.2 The Articles of Association of PRI Association (the **Articles**) state that Directors may: (i) constitute committees to facilitate the workings of the Board; and (ii) may, if they choose, delegate any of their powers to those committees on the basis set out in the Articles.
- 1.3 As instructed by the Articles Directors must specify in writing the terms of reference (including such conditions as they see fit) of each committee in accordance with the Articles.
- 1.4 All committees constituted in accordance with Articles must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by the Directors.
- 1.5 The terms of reference of, and any delegation of executive power by the Board to, a committee must be recorded in the Board's minutes.
- 1.6 The Directors may revoke or alter a delegation in whole or part, or alter its terms and conditions.
- 1.7 No rule, policy or terms of reference will be inconsistent with anything contained in the Articles, but in the event of any inconsistency, the Articles will prevail.

2. PURPOSE

- 2.1 The committee is a sub-committee of the Board and its purpose is to guide the preparation of financial system and policy related content for the Board. This would incorporate strategic guidance on the activities to realise the sustainable financial system aspect of PRI's mission, including for example, the Sustainable Financial System and Sustainable Development Goals programmes.
- 2.2 The role of the committee is to guide the Executive in the preparation of materials for the PRI Board, reviewing planned papers and related materials, encompassing programme plans, and financial and resourcing plans.
- 2.3 The committee's responsibility and authority covers the entire PRI Association and any joint ventures that may be entered into.

3. COMMITTEE COMPOSITION

- 3.1 The committee will comprise a maximum of five Directors and maximum of two Permanent UN Advisors.
- 3.2 There is to be a minimum of three and a maximum of seven committee members at all times.
- 3.3 Committee members and the committee chair are appointed by the Board.

4. QUORUM AND MEETING PROCEDURES

4.1 A quorum of the committee is set out in the table below:

Committee members	Quorum
3	2
4	3
5	3
6	4
7	4

4.2 In the absence of the committee chair, the remaining members present can elect one of themselves to chair the meeting.

4.3 Questions arising at any meeting must be determined by a majority of votes of the committee members present that are entitled to vote.

4.4 In the case of an equality of votes, the chair of the committee will not have a second or casting vote but a decision on the relevant matter must be referred to the next available meeting of the Directors.

4.5 No member of the committee or person in attendance at a meeting will be present or will participate when matters relating to his or her own remuneration or terms and conditions of service are discussed.

5. ATTENDANCE AT MEETINGS

5.1 Other Directors, Permanent UN Advisors, members of the PRI Executive and any advisers appointed by the committee may attend any meeting of the committee.

5.2 The PRI Director of Policy and Research or their nominee is the secretary of the committee and will attend the meetings.

6. FREQUENCY OF MEETINGS

6.1 Meetings are to be held not less than twice annually and at such other times as required.

7. NOTICE OF MEETINGS

7.1 Meetings of the committee are called by the secretary of the committee at the request of the committee chair.

7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, are to be forwarded to each member of the committee, any other person required to attend, no later than five working days before the meeting. Supporting papers are to be sent to committee members and to other attendees as appropriate, at the same time.

8. MINUTES OF MEETINGS

8.1 The secretary of the committee will ensure that a formal record of committee proceedings and resolutions is maintained.

8.2 Following approval of the minutes by the chair of the committee they are to be circulated to all members of the committee.

9. AUTHORITY

The committee is authorised by the Board to:

- 9.1 investigate, or cause to be investigated, any activity within its terms of reference and make any recommendations which it deems appropriate on any area where action or improvement is needed;
- 9.2 seek any information that it requires from any employee or Director of the Company in order to perform its duties and require all employees to co-operate with any request made by the committee;
- 9.3 obtain at the Company's expense, so long as resources permit, external legal or independent professional advice from such advisers as the committee select, who may at the invitation of the committee attend meetings as necessary;
- 9.4 meet for despatch of its business, adjourn and otherwise regulate its meetings as it sees fit including approving items of business by the written resolution procedure set out in the Company's articles of association; and
- 9.5 delegate any of its duties as is appropriate to such persons or person as it thinks fit.

10. DUTIES

The Board authorises the Policy committee to:

- 10.1 Develop an annual work program, which is aligned with the PRI strategy and within the committee purpose and duties, for approval by the Board.
- 10.2 Provide guidance and recommendations to the Board on matters, escalated from the Executive or signatories, related to committee's role.
- 10.3 Plus consider any other topics referred to it by the Board from time to time.

11. REVIEW

- 11.1 The committee will conduct an annual review of its performance, ensure that it is provided with sufficient resources to undertake its duties and recommend any changes it considers necessary to the Board for approval.
- 11.2 These terms of reference will be reviewed and, where necessary updated, at least once a year.

12. REPORTING PROCEDURES

- 12.1 The secretary to the committee is responsible for reporting to the Board. The approved minutes of all meetings and resolutions of the committee are to be circulated to all the Board directors after every meeting. The secretary will retain copies of the minutes and the papers.
- 12.2 The committee will disclose on the PRI website its terms of reference, including any duties delegated by the Board.
- 12.3 The committee will provide an annual report to signatories on its activities, including any decisions taken.
- 12.4 The committee chair or other designated member of the committee is expected to attend the Signatory General Meeting and answer any questions on the committee's activities and responsibilities.