

2021 Signatory General Meeting

Thursday 23 September

Keep the conversation going
#PRIDigitalConf

Signatory General Meeting

Agenda

08:00 – 08:10 BST 17:00 – 17:10	Welcome address and PRI Board report Martin Skancke, Chair, PRI Board
08:10 – 08:40 BST 17:10 – 17:40	Management and financial report Fiona Reynolds, CEO, PRI
08:40 – 08:50 BST 17:40 – 17:50	Spotlight – climate Sagarika Chatterjee, Director of Climate
08:50 – 09:00 BST 17:50 – 18:00	Spotlight – stewardship Paul Chandler, Director of Stewardship
09:00 – 09:05 BST 18:00 – 18:05	Signatory voting and PRI Board director elections Martin Skancke, Chair, PRI Board
09:05 – 09:30 BST 18:05 – 18:30	Q&A Martin Skancke, Chair, PRI Board & Fiona Reynolds, CEO, PRI

Welcome address and PRI Board report

Martin Skancke, Chair

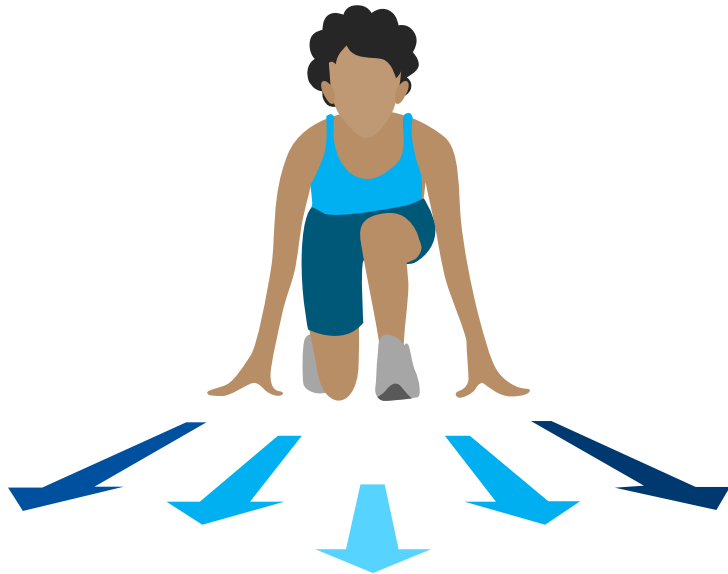
PRI Board report



- Launch of the 2021-24 strategy, including feedback from the signatory consultation
- Delivery on the past strategy
- Reform of the Reporting and Assessment framework and Board oversight

PRI Board report

**Resilience of the organisation
over the past year, continuing to
provide signatory value**



CEO search update

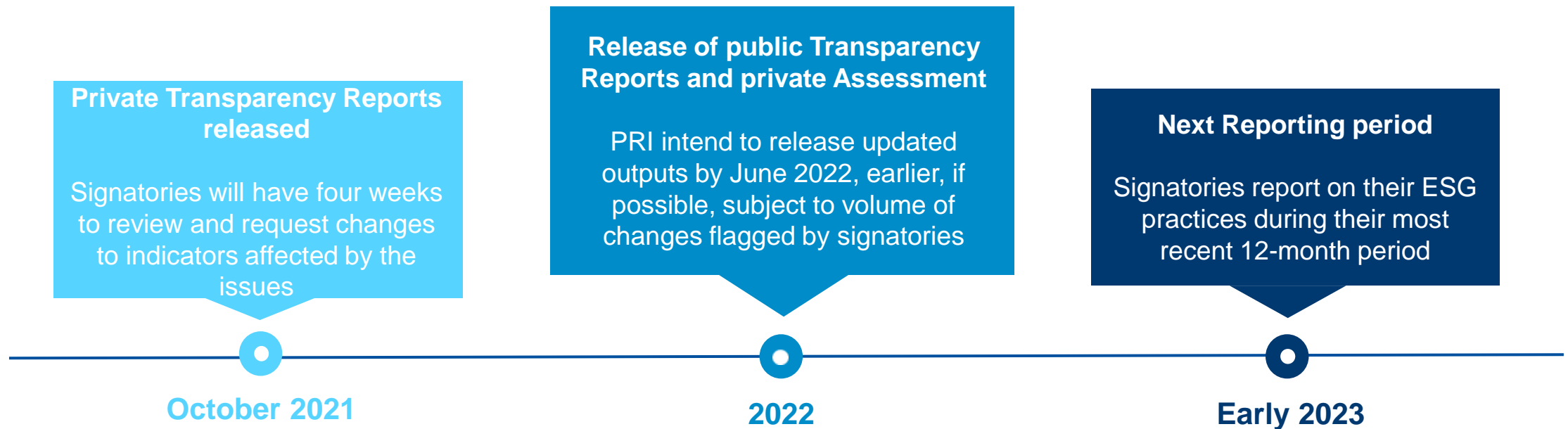


Management and financial report

Fiona Reynolds, CEO

Reporting and Assessment timeline

2021 Reporting update



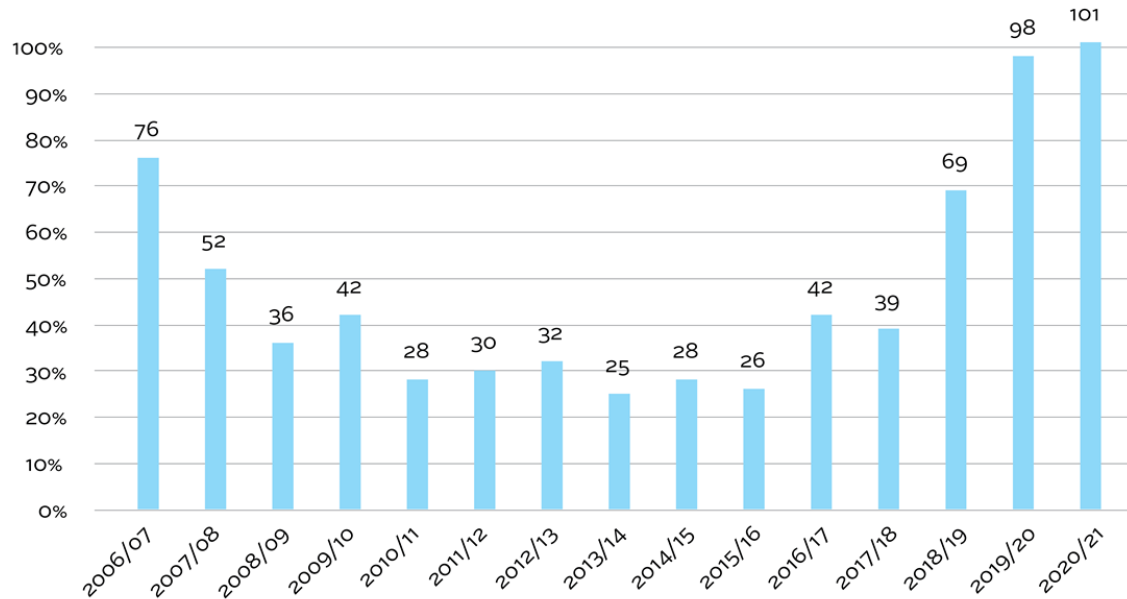
Signatory growth

938 new signatories including 101 asset owners

/// Sagard Holdings



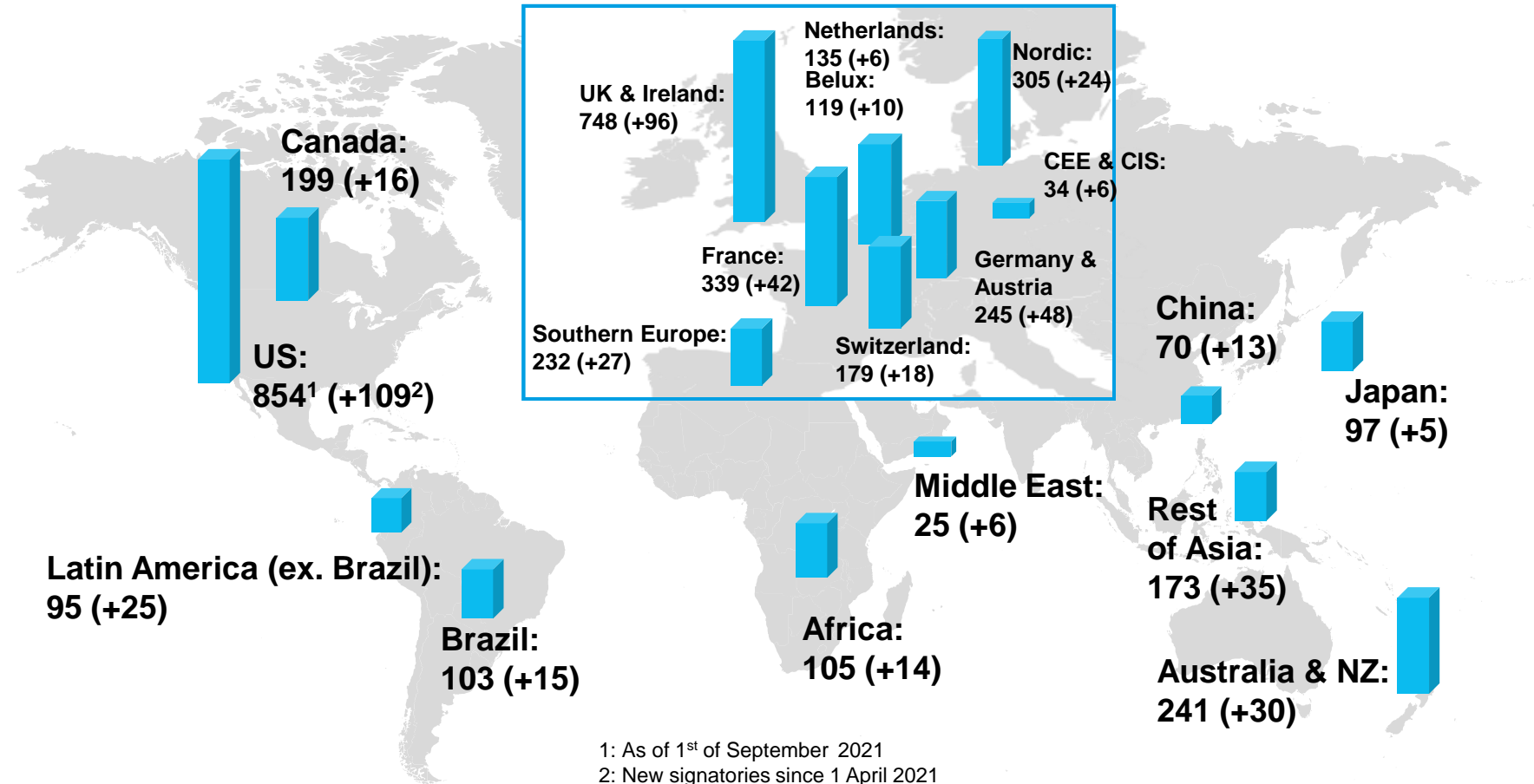
Asset owner growth (gross)



26%
net signatory
growth

Enhance our global footprint

Signatory overview



Signatory engagement

Giving a voice to signatories through digital events, advisory committees, working groups and meetings with Relationship Managers

This year we have engaged with signatories in a variety of ways:

- Signatory Relationship Managers conducted one-to-one meetings with nearly **1700 signatories**
- PRI Digital Forums attracted **2211 attendees** at our three digital conferences representing over **1300 organisations** and **73 countries**
- **27** advisory committees and working groups in which **600+ signatories** participated
- A variety of other channels including **webinars**, **interviews**, **discussion groups** on the Collaboration Platform and **surveys**



PRI Digital Forums

Convening and educating responsible investors



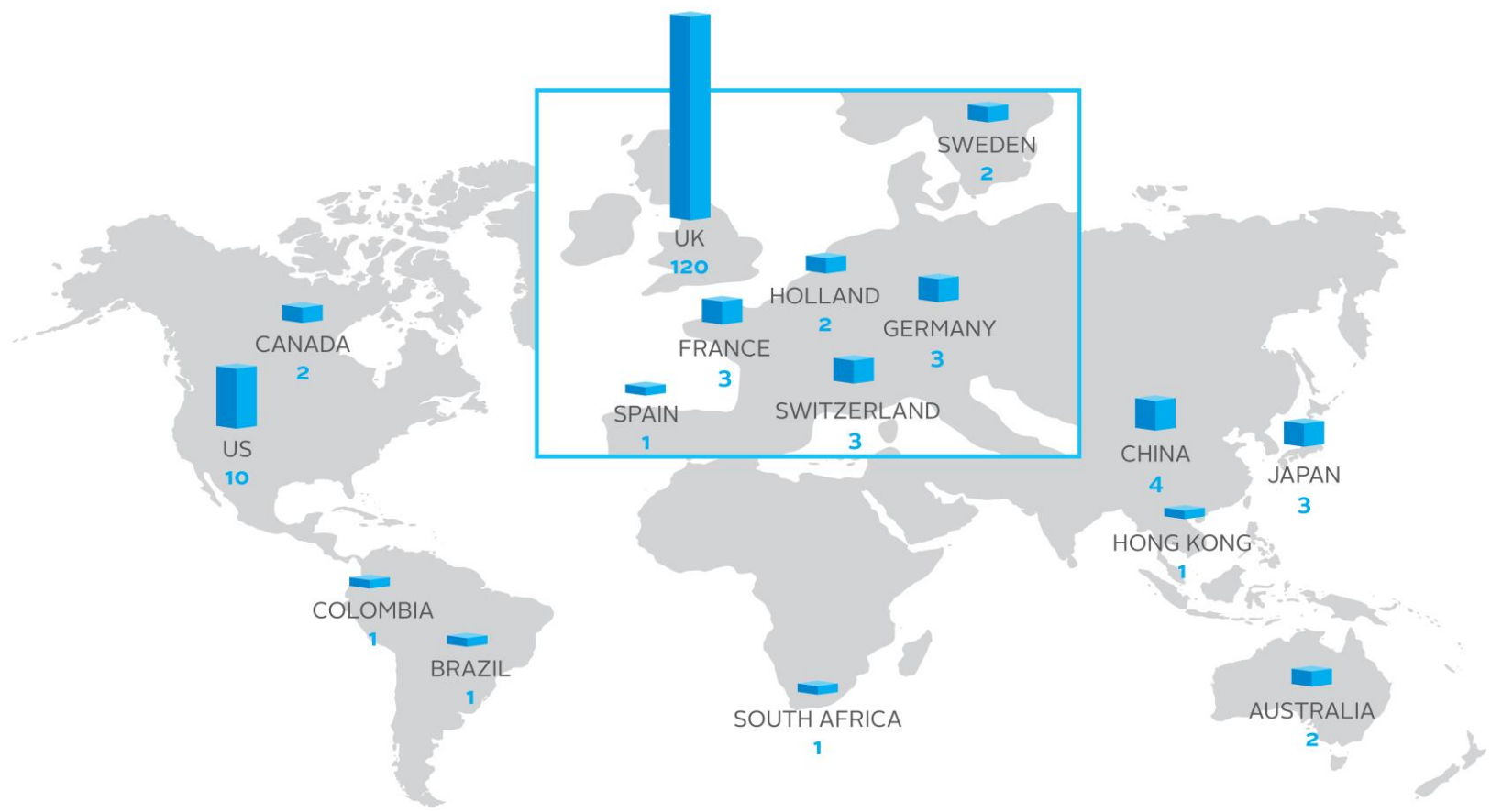
We hosted three digital conferences with **2211+** attendees
representing **1300+** organisations and **73** countries
and significantly expanded our calendar of webinars
attracting **14000+** unique registrations

Register for the PRI Digital Conference

18 – 21 October 2021

Global staff growth

Breakdown of PRI's 159 staff by country



Adjusting to work during COVID-19

Supporting our staff

We have implemented programmes and resources emphasising mental health and resilience:

- **webinars** delivering advice on financial health, mental health for employees and dealing with change
- virtual **social activities**
- virtual **health and fitness** classes
- online courses providing **personal development** opportunities
- compulsory **mental health** days



In-house sustainability and walking the talk

We are committed to continually improving our diversity



Appointed BITC



Began work on Walking the Talk



Received Ska Gold rating

Financial statements

Financing the next phase of responsible investment

	Actual 2020/21	Budget 2021/22
Staff costs (incl networks, recruitment, training & development)	11,093	15,718
Bought-in services, consulting and research	3,984	4,109
Travel expenses	12	159
Premises costs	1,033	1,050
IT costs & telephone	1,022	1,600
Events, meetings, conferences & hospitality	189	572
Legal & professional services	257	221
Subscriptions, reports & printing	149	171
Academy commissions & marketing	9	9
Contribution to UNEP FI	110	111
Other expenditure (Insurance, postage, office supplies, bank charges)	668	286
Total (excluding PRI in Person expenditure)	18,525	24,007

Between 1 April 2020 and 31 March 2021:



Total **income** grew to
£21.5 million
(up from £18 million in 2019/20)

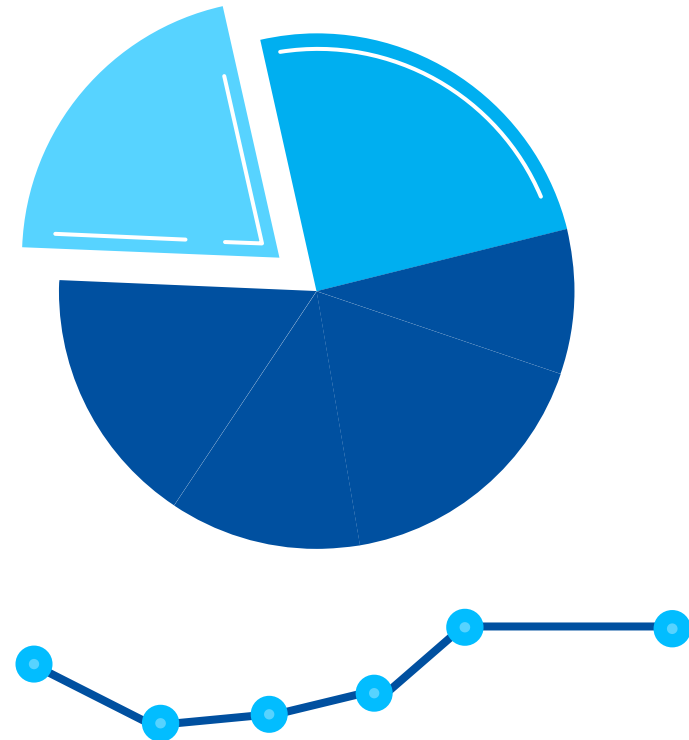


Total **expenditure** grew to
£18.5 million
(up from £16.1 million in 2019/20)

Signatory fees for 2022/23

The PRI is funded primarily via the annual membership fee payable by all signatories

- No rise in fees for 2022/23
- 2022/23 fees based on last year's AUM



Flagship programmes

2021 - 2022

FLAGSHIP

Driving Meaningful Data

Sustainability Outcomes & SDGs: A legal framework for impact

ESG in Fixed Income

Asset Owners

Human Rights

Active Ownership 2.0

Climate Action

Driving Meaningful Data

Enabling the flow of reliable and comparable data from corporations through the investment chain

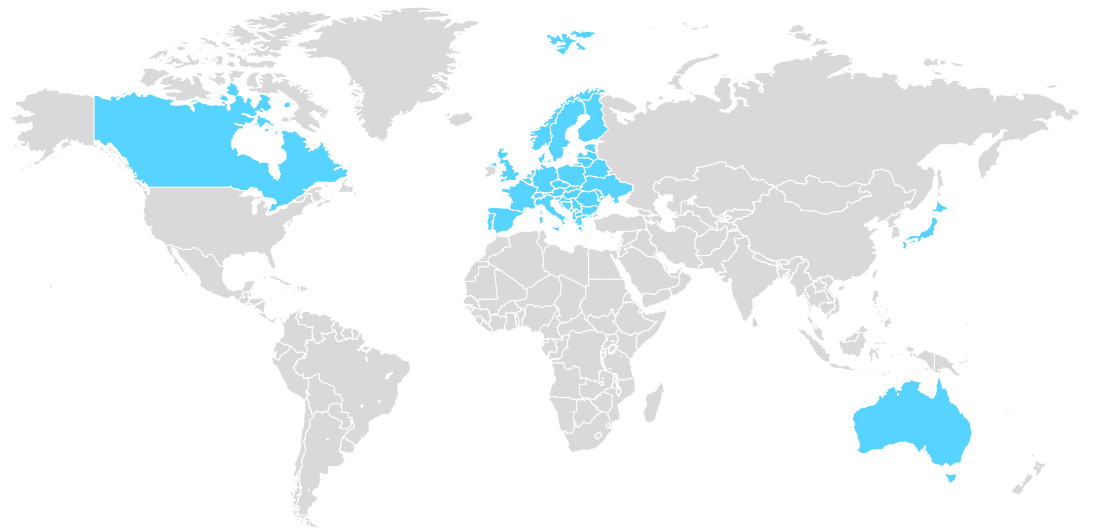
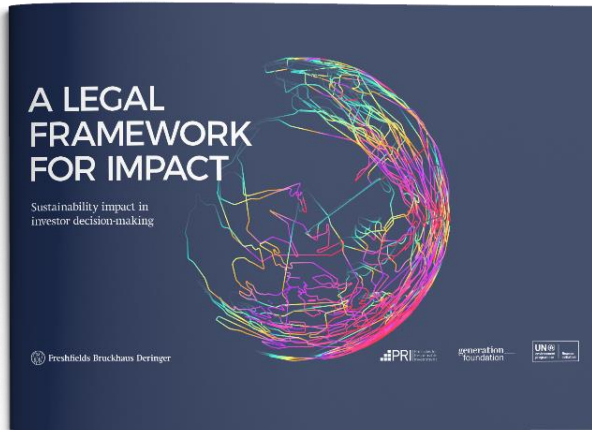
- New report *Driving meaningful data: financial materiality, sustainability performance and sustainability*
- Global and regional engagement on corporate sustainability reporting
- Collaboration with the World Business Council for Sustainable Development



Sustainability Outcomes and SDGs: A legal framework for impact

Developing legal analysis and recommendations for investors and policymakers to address the sustainability impact of investment decisions

Commissioned by the **PRI**, **UNEP FI** and **The Generation Foundation** and authored by global law firm **Freshfields Bruckhaus Deringer**, *A legal framework for impact* seeks to understand to what extent legal frameworks allow investors to consider sustainability impact



ESG in Fixed Income

Driving ESG incorporation in the fixed income market, covering credit risk and ratings as well as a range of fixed income products



Credit risk and ratings



Private debt



Sovereign debt



Sub-sovereign debt



Securitised products

- **Transparent** and **systematic** incorporation of ESG factors in credit risk analysis
- Investor-CRA dialogue extended to debt issuers, ESG information providers and investment consultants

172

**Institutional investors
(~US\$40trn AUM)**

26

**Credit Rating Agencies
(CRAs)**

Empowering asset owners

Dedicated tools and resources to help asset owners advance responsible investment practices



- **New guides, webinars and podcasts** to help asset owners select investment managers
- **Three new introductory guides** including climate change for asset owners
- **Research** on understanding and aligning with **beneficiaries' sustainability preferences**
- Further work planned on **investment mandates and resources** for smaller asset owners this year

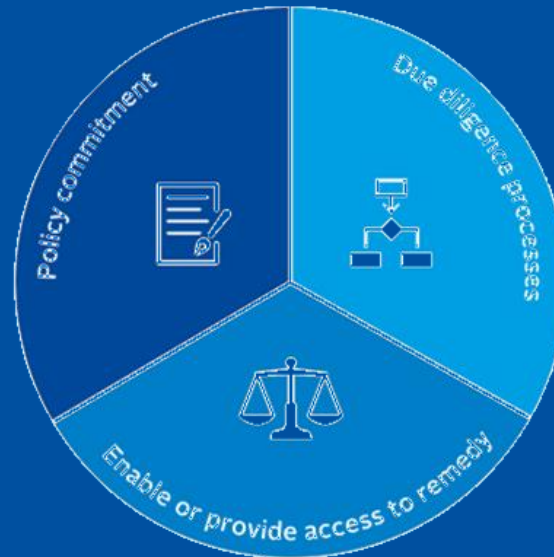
Human Rights

Ensuring respect for human rights is central to achieving our 10-year Blueprint

Our human rights position paper, released in **October 2020**, is informed by the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises



It clarifies that institutional investors have a **three-part** responsibility to respect human rights



A range of resources available to support signatories on human rights including the Spotlight on human rights podcast series and numerous webinars



Active Ownership 2.0

Transforming stewardship practices to shape sustainability outcomes

MAKING VOTING COUNT

Sets out how investors can develop and apply high-level principles to govern their use of voting on shareholder resolutions

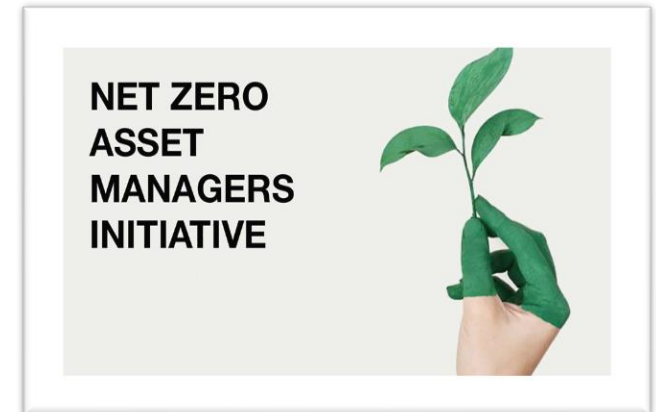
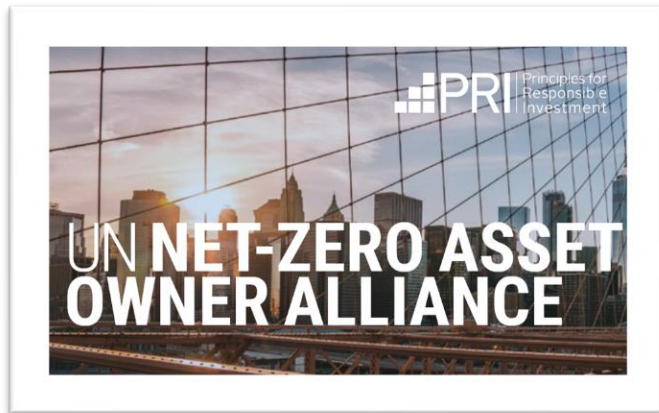
NEW STEWARDSHIP INITIATIVE ON SOCIAL ISSUES AND HUMAN RIGHTS

Aims to maximise investors' collective contribution to the goal of global respect for human rights



Climate action

Working to help investors protect portfolios from risks and to expose them to opportunities in the shift to a low-carbon global economy



Policy: challenging barriers to a sustainable financial system

Addressing obstacles, championing changes that promote long-term investing and targeting behaviours and incentives that create short-termism



We continue to engage with policy makers around the world, with a focus on the **European Union, China, Japan, US, UK, Australia and Canada**



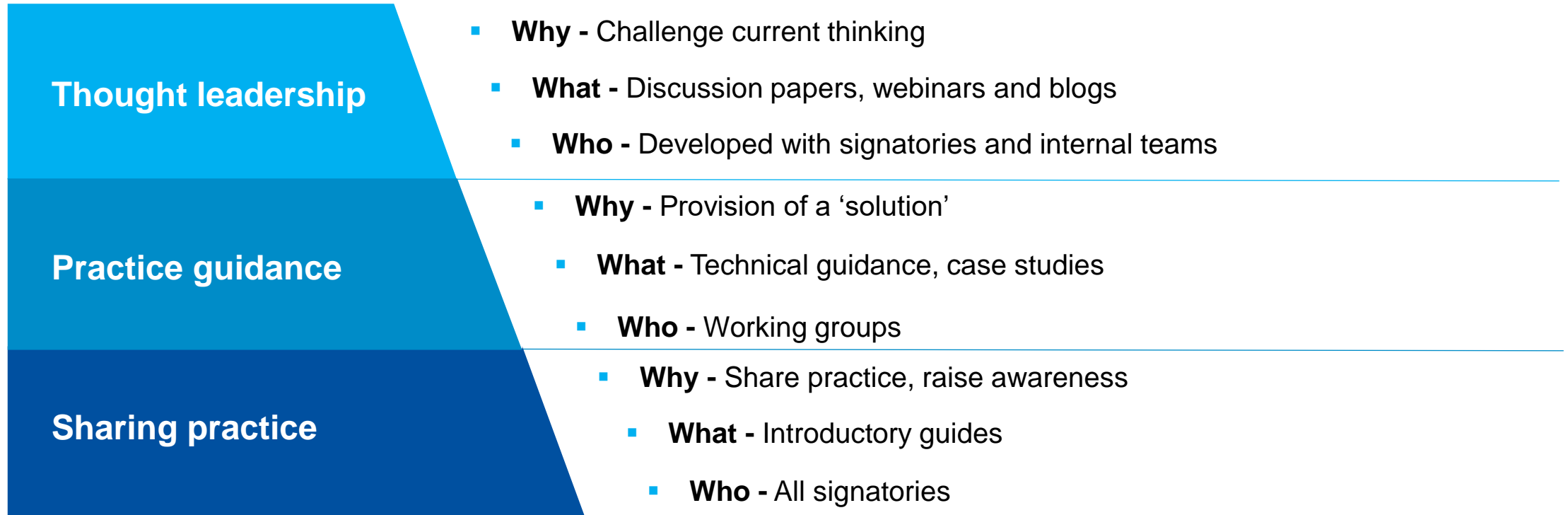
These focused on several areas including **sustainable finance policy** and **delivering net zero**



In 2020/21, we responded to **52 consultations** and published **18 briefings** in **15 markets**

Providing tools and guidance for signatories

Responding to signatory demand for practical evidence, tools, guidance and examples of good practice across asset classes and ESG issues



70% of signatories rated this as one of the top four PRI initiatives that provide most value

The 2021 PRI Awards shortlist

Independently-judged awards to highlight innovation and impact among our signatory base

The winner of each category will be announced at the PRI Digital Conference in October



**ESG incorporation
initiative of the year**

**Stewardship initiative
of the year**

**Real world impact initiative
of the year**

**ESG research innovation
of the year**

**Emerging market
initiative of the year**



Spotlight one: Climate

Sagarika Chatterjee, Director of Climate

Climate risk

The Inevitable Policy Response—preparing financial marks for climate-related policy/regulatory risks



INEVITABLE POLICY RESPONSE

130+

Investors
engaged 1:1

380

Engaged investors
exploring IPR

128

Investors acknowledged
use of IPR in the Reporting
Framework

5

PRI net zero climate
policy briefings

30

Meetings with
policymakers

8

IPR publications

The PRI and COP26

Prioritising the need for bold action at COP26, raising government and investor ambition



PRI AND LSEG INVESTOR ACTION ON CLIMATE

- Over **10000 combined views** for **five** webinars in the COP26: investor action on climate series
- Approx **3500** downloads of *The investor guide to climate collaboration*



THE RACE TO ZERO

120 PRI signatories have joined the campaign

POLICY BRIEFING: THE ROAD TO COP26



Bold net zero targets

Moving towards net zero through investor action



23 members of the
**UN-convened Net-Zero
Asset Owner Alliance**
have published
2025 targets

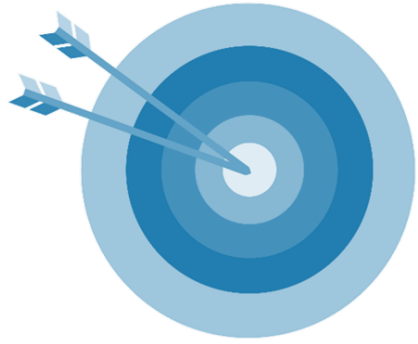


Spotlight two: Stewardship

Paul Chandler, Director of Stewardship

Active Ownership 2.0

Flagship programme: transforming stewardship practices to shape sustainability outcomes



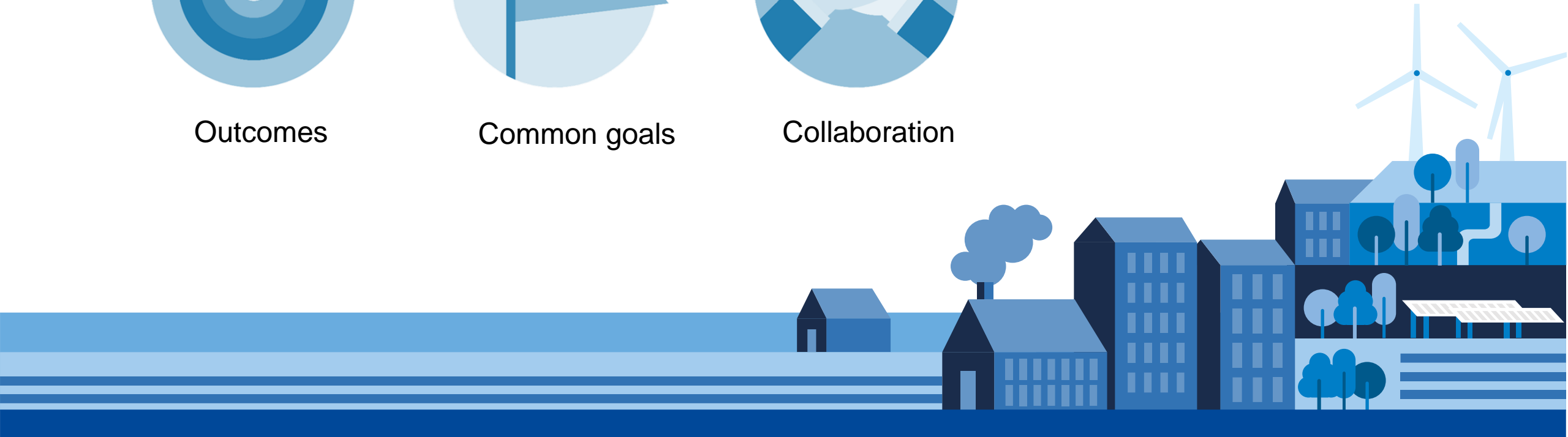
Outcomes



Common goals

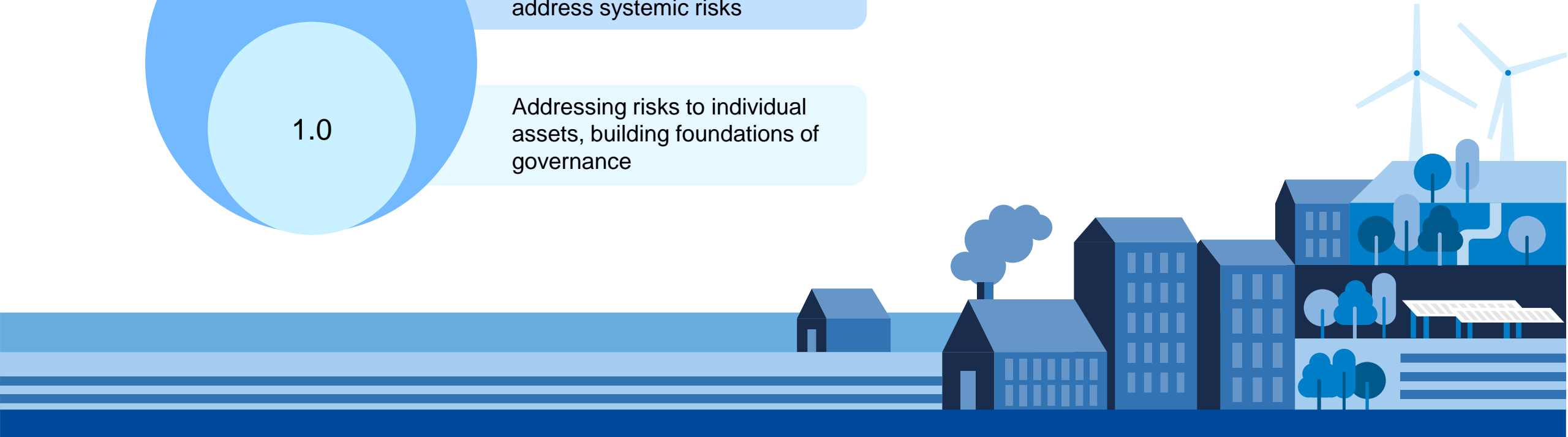
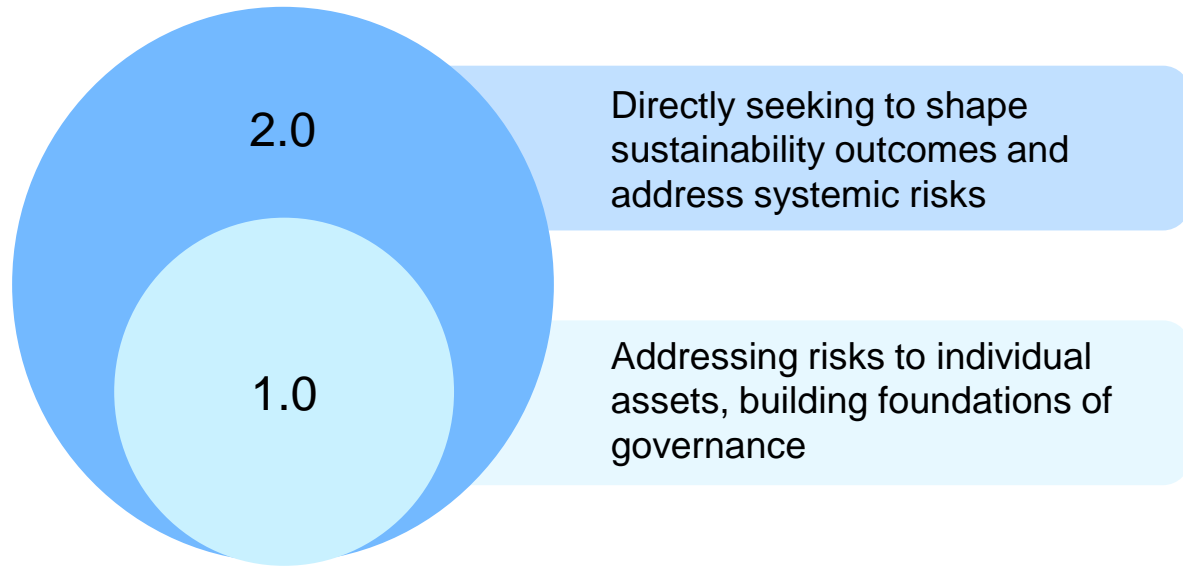


Collaboration



Active Ownership 2.0

Flagship programme: transforming stewardship practices to shape sustainability outcomes



Making voting count

Guidance on investors' approach to voting on shareholder resolutions



How principle-based voting on shareholder resolutions can contribute to *clear, effective and accountable* stewardship

Active Ownership 2.0

Supporting signatory implementation – what's next



Upcoming collaborative initiative on social issues and human rights

Seeking progress across three key areas



Full implementation of
the UN Guiding
Principles



Responsible political
engagement



Further company-specific
expectations on human
rights issues

The objective of the initiative is to maximise
investors' collective contribution to the goal of
global respect for human rights

Signatory voting and PRI Board director elections

Martin Skancke, Chair

PRI Board

The Board is composed of **one independent chair**, **10 directors** and **two permanent UN advisors**

Chair



Martin Skancke
Independent
Appointed until 2023

Directors elected by asset owners



Angela Emslie
HESTA (Australia)
Elected until 2021



Eva Halvarsson
AP2 (Sweden)
Elected until 2022



Takeshi Kimura
Nippon Life Insurance
Company (Japan)
Elected until 2023



Renosi Mokate
GEPF (South Africa)
Elected until 2023



Laetitia Tankwe
Ircantec (France)
Elected until 2021



Sharon Hendricks
CalSTRS (USA)
Elected until 2021



Xander den Uyl
ABP (Netherlands)
Elected until 2021

Directors elected by non-asset owners



Wendy Cromwell
Wellington (USA)
Elected until 2021



Tycho Sneyers
LGT (Switzerland)
Elected until 2023



Michael Jantzi
Sustainalytics (Netherlands)
Elected until 2022

Permanent UN advisors



Sanda Ojiambo
UN Global Compact
(New York)



Eric Usher
UNEP FI
(Switzerland)

Signatory voting and PRI Board Director elections

- Asset owner signatories vote for asset owner candidates and investment manager signatories vote for investment manager candidates
- Voting period: 29 September to 26 November 2021
- Candidate videos and statements will be posted on the PRI website
- For more information on the elections see: <https://www.unpri.org/pri/governance/2021-pri-board-annual-elections>

¹ Each asset owner signatory will have four votes for four asset owner positions

² Each investment manager signatory will have one vote for one investment manager position
The candidate(s) who receive the highest number of votes are elected

Voting item	Asset owners	Investment managers	Service providers
Vote for four asset owner representatives in the PRI Board Election ¹	✓		
Vote for one investment manager representative in the PRI Board election ²		✓	
Vote to confirm the appointment of the auditor	✓	✓	✓
Vote to receive the PRI Annual Report and Accounts	✓	✓	✓
Vote to approve the Signatory General Meeting minutes	✓	✓	✓

Asset owner election: vote for four representatives

Ten asset owner candidates are competing for four open positions



Scott Connolly

Trustee Director,
Telstra Super
(Australia)



Peter Coveliers

Head of Group
Corporate
Programmes and
Institutional Business
Development,
European Investment
Fund (Luxembourg)



Sharon Hendricks

Vice-chair, CalSTRS
Board (United States)



Alex Hindson

Chief Risk and
Sustainability Officer,
Argo Group
International Holdings
Limited (Bermuda)



**Denísio
Liberato**

Equity Director,
PREVI (Brazil)

Asset owner election: vote for four representatives

Ten asset owner candidates are competing for four open positions



Kamal Mitha

Head of Investments, Sasria (South Africa)



Wilhelm Mohn

Global Co-Head of Corporate Governance, NBIM (Norway)



Juan Camilo Osorio

Chairman of the Board, Afore Sura (Mexico)



Laetitia Tankwe

Advisor to Ircantec President, Ircantec (France)



Massimo di Tria

Chief Investment Officer, Società Cattolica di Assicurazione S.p.A. (Italy)

Investment manager election: vote for one representative

Ten investment manager candidates are competing for one open position



Wendy Cromwell

Head of Sustainable Investment, Wellington Management Company, LLP (United States)



Alan Feld

Founder and Managing Partner, Vintage Investment Partners (Israel)



Karina Funk

Portfolio Manager and Chair of Sustainable Investing, Brown Advisory (United States)



Maribel Monterrubio

CEO, Vitalis (Mexico)



Melchior de Muralt

Managing Partner, De Pury Pictet Turrettini & Cie (Switzerland)

Investment manager election: vote for one representative

Ten investment manager candidates are competing for one open position



Papa Madiaw Ndiaye

CEO, AFIG Funds
(Senegal)



Tatjana Puhan

Deputy CIO,
TOBAM (France)



Alison Schneider

Vice-President,
Responsible
Investment, Alberta
Investment
Management
Corporation – AIMCo
(Canada)



Helmut Schuehsler

CEO and Chairman,
TVM Capital
Healthcare Partners
(United Arab Emirates)



Hanneke Smits

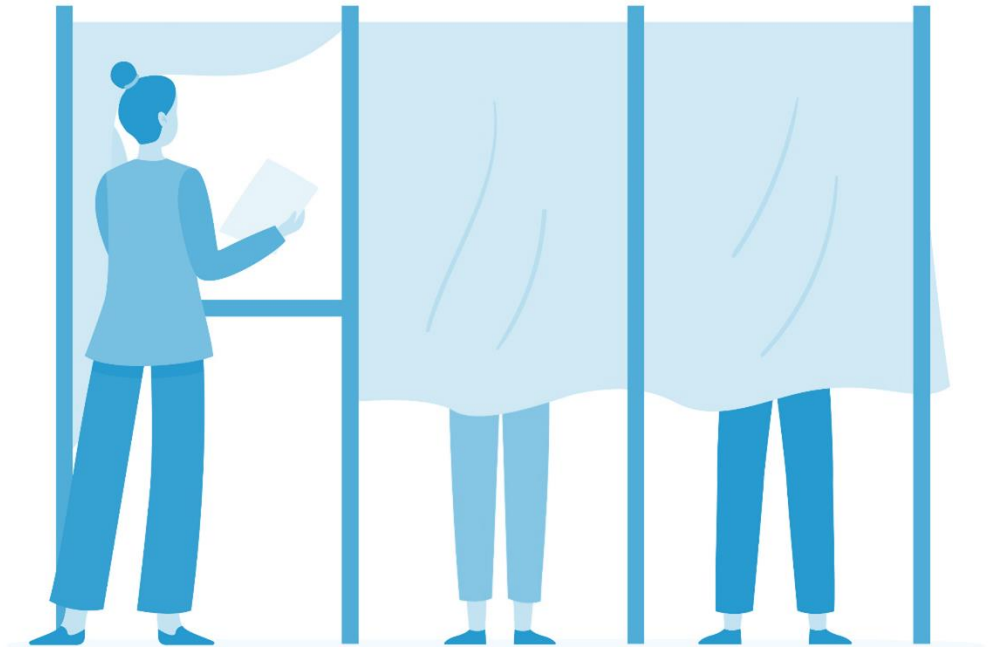
CEO, Bank of New York
Mellon Investment
Management (United
Kingdom)

Online signatory voting

Make your vote count

- Online signatory voting will open on **29 September** and signatories will receive a voting ballot via email
- As a membership organisation, to continue to thrive we need to engage signatories with relevant work and activities. Likewise, it's important for signatories to remain engaged and active in our governance

Make your vote count



Q&A

Fiona Reynolds, CEO and Martin Skancke, Chair

Thank you