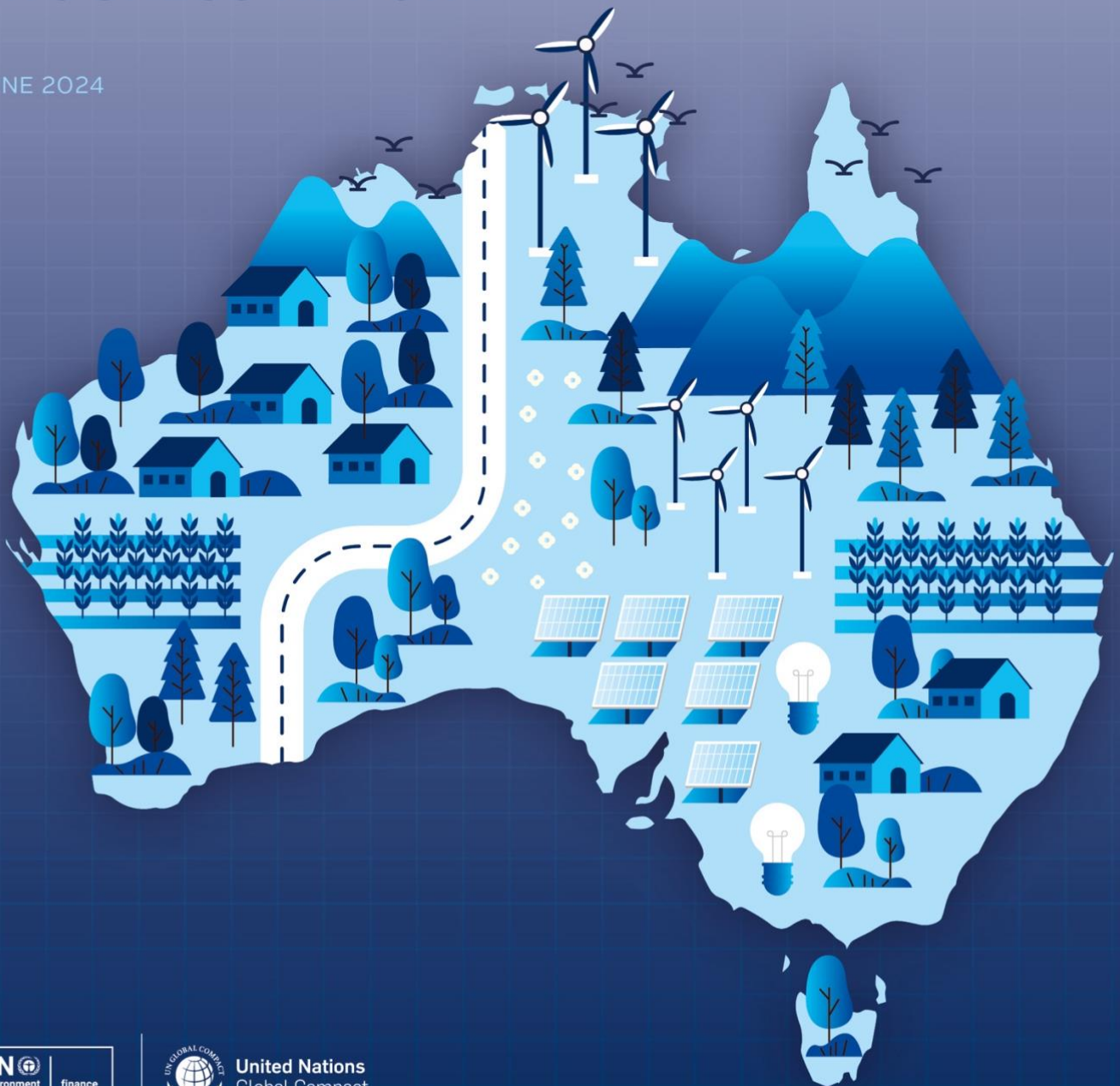


COLLABORATIVE SOVEREIGN ENGAGEMENT ON CLIMATE CHANGE:

AUSTRALIAN PILOT PROGRESS REPORT

JUNE 2024

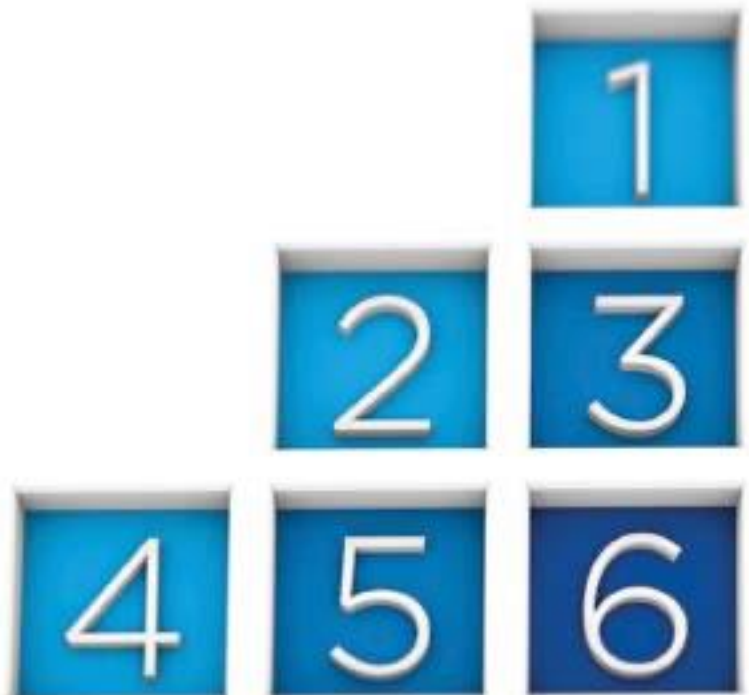


THE SIX PRINCIPLES

PREAMBLE TO THE PRINCIPLES

As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time). We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

- 1 We will incorporate ESG issues into investment analysis and decision-making processes.
- 2 We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3 We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4 We will promote acceptance and implementation of the Principles within the investment industry.
- 5 We will work together to enhance our effectiveness in implementing the Principles.
- 6 We will each report on our activities and progress towards implementing the Principles.



PRI's MISSION

We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The PRI will work to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation.

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FOREWORD

Over the past two years, the PRI has been supporting an investor-led collaborative engagement with sovereigns on climate change, focused on the Australian system.

One objective is to assess whether this pilot is an effective lever for investors to address climate-related risks and opportunities, in line with their fiduciary duties to mitigate financial risk and maximise long-term asset values. We launched the pilot in response to signatories' requests for help coordinating sovereign engagement. The investors' goal is to support governments in transitioning their economies to net-zero emissions and aligning with countries' existing commitments to the Paris Agreement goals.

Investor engagement with sovereigns is not new. Capital providers have long interacted with debt issuers and policy makers to better understand economic and social trends, investment opportunities and regulatory environments. As climate change has emerged as a material risk, it is inevitable that investors would seek to address this systemic threat and the related risks and opportunities arising from a global shift to cleaner and more resilient economies through engagement with sovereigns.

What is relatively new is the collaborative and more proactive nature of emerging sovereign engagement practice. In acting as responsible stewards for their beneficiaries and clients, participating investors see collaborative engagement as a critical tool in managing the systemic risks associated with climate change across asset classes.

Similarly, many governments increasingly understand that an orderly and successful transition to net-zero emissions will require the support of global capital markets. As a result, they are seeking to better understand how their policy responses may interact with the needs and practice of institutional investors.

National and state governments across Australia have made progress in advancing the net-zero transition and establishing a policy framework to help unlock private capital investment in the transition. We are grateful to Australian authorities for the positive and constructive engagement that has already occurred to support this progress, and to the participating investors for the time and commitment in helping make the pilot a success so far.

We look forward to continuing to support these collaborative engagements for the foreseeable future. We believe the pilot has produced a model that can help investors engage collaboratively with other sovereigns. These collaborations can play an important role in supporting the critical economic transition needed to mitigate the worst outcomes of climate change and associated risks.



Tamsin Ballard
Chief Investor Initiatives Officer,
Principles for Responsible Investment

ACKNOWLEDGEMENTS

The PRI would like to thank the following members of the pilot's Advisory Committee for their work in developing the Collaborative Sovereign Engagement on Climate Change:

- Thomas Dillon, Aviva Investors
- Malika Takhtayeva, BNP Paribas Asset Management
- Reina Berlien, Brandywine Global
- Akaash Sachdeva, HESTA
- Magdalena Kettis, Nordea Asset Management
- Peter van der Werf, Robeco
- Stuart Dear, formerly of Schroders

We would also like to extend our thanks to Erwin Jackson and Richard Proudlove from the Investor Group on Climate Change for their support in advising participating investors and the PRI as observer members of the Advisory Committee. Similarly, thanks to Alice Martin from Moribus Advisory for her support in reviewing the pilot's progress and advising on the future direction of the initiative.

The PRI acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters, species and culture. We acknowledge their ongoing status as the First Peoples of Australia and pay our respects to their Ancestors and Elders past, present and emerging.

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ABOUT THE INITIATIVE



“The sovereign engagement with Australia has been building strong momentum, with more investors participating and a large number of stakeholders in the sovereign system now receiving feedback from institutional investors on expectations for policy making on climate change. Robeco recognises that sovereign engagement is an important investor practice, and the PRI has created an effective platform to bring together investors to accelerate the climate transition.”

Peter van der Werf
Head of Active Ownership
Robeco

The Collaborative Sovereign Engagement on Climate Change is an investor-led initiative, coordinated by the PRI. It aims to support governments to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels, in line with the Paris Agreement.

In July 2022, the initiative was established as a proof-of-concept pilot focused initially on the Australian system. The pilot sought to support sovereign responses to climate and transition risk and better understand the viability of global investors collaborating to engage in this manner.

It was sparked by a group of signatories requesting assistance from the PRI in conducting collaborative engagement on climate change with governments and other relevant entities in a sovereign system such as regulators, debt management offices and central banks. This reflects a broader trend of investors recognising the benefits for both sovereigns and investors from sustained, two-way engagement on issues such as climate change and the economic transition.

Australia was selected as the pilot focus market because of:

- the depth of the sovereign bond pool;
- the portfolio exposure and interest of catalytic investors;
- the emissions intensity of the economy and historic performance on climate change;
- support from domestic signatories and partners;
- the PRI's existing presence and knowledge of the market;
- a conducive political environment.


To date, the initiative has convened investors with approximately US\$8 trillion in assets under management to engage with a wide array of sovereign entities. Investors seek to reduce their exposure to risks associated with a failure to rapidly transition to a net-zero, climate resilient global economy. These include climate-related risks to their investments in sovereign debt, competitiveness of national economies and investee companies, and systemic risks faced through exposure to the global economy.

In response to these risks, the initiative's aims are to support governments in taking the following actions which are consistent with their commitment to the Paris Agreement:

- close the gap between action and a Paris-aligned emissions-reduction trajectory;
- establish a detailed, credible, and economy-wide net-zero transition plan with supporting policy mechanisms, budget expenditure, and investment structures;
- avoid worsened disruption and damage from physical risks by building greater climate adaptation and resilience across the economy and regionally;
- improve disclosure of sovereign exposure to climate risks and opportunities consistent with international standards.

By participating in the initiative, investors have supported government efforts to achieve existing climate-related policy commitments. Sharing best practices on how investors assess sovereign alignment and their expectations on climate risks and opportunities has been a valuable part of the process.

The pilot began with seven investors and expanded to 25 participants in mid-2023. Three working groups were formed to engage with different parts of the Australian sovereign system: the Federal Government; national regulators and authorities; and state governments. A further cohort of PRI signatories are on a waiting list to join the initiative when positions open.



“Global investors have a unique perspective and opportunity to help governments understand how to stay competitive in global capital markets that are rapidly being reshaped by climate change. This international sovereign engagement platform brilliantly complements the great work of domestic investors, bringing a supportive global perspective alongside local intelligence.”

Rebecca Mikula-Wright
CEO
Investor Group on Climate Change

As a global voice for responsible investment, the PRI's role in convening the initiative is to support participating investors in carrying out their fiduciary duty to reduce exposure to risk and enhance long-term value creation. This includes enabling participating investors to identify and collaborate with relevant sovereign entities.

We aim to support the initiative by leveraging our expertise, global network and existing workstreams to enhance investors' engagement efforts. In turn, the initiative can more effectively support sovereign entities and policy makers in understanding climate-related risks and opportunities from an investor perspective. The initiative's goal is to also help policy makers create a more enabling economic environment for the scale of investment required to meet their existing climate commitments.

In carrying out engagement activities, the initiative, its participants, and the PRI in no way seek to question the legitimacy of, or undermine in any way the role of, elected officials, public servants, or any other public officials to make decisions in line with their duties to the communities they represent and serve. The initiative aims to provide input for consideration by policy makers in fulfilling these duties, and to work with them on possible avenues for reaching their existing climate policy commitments.

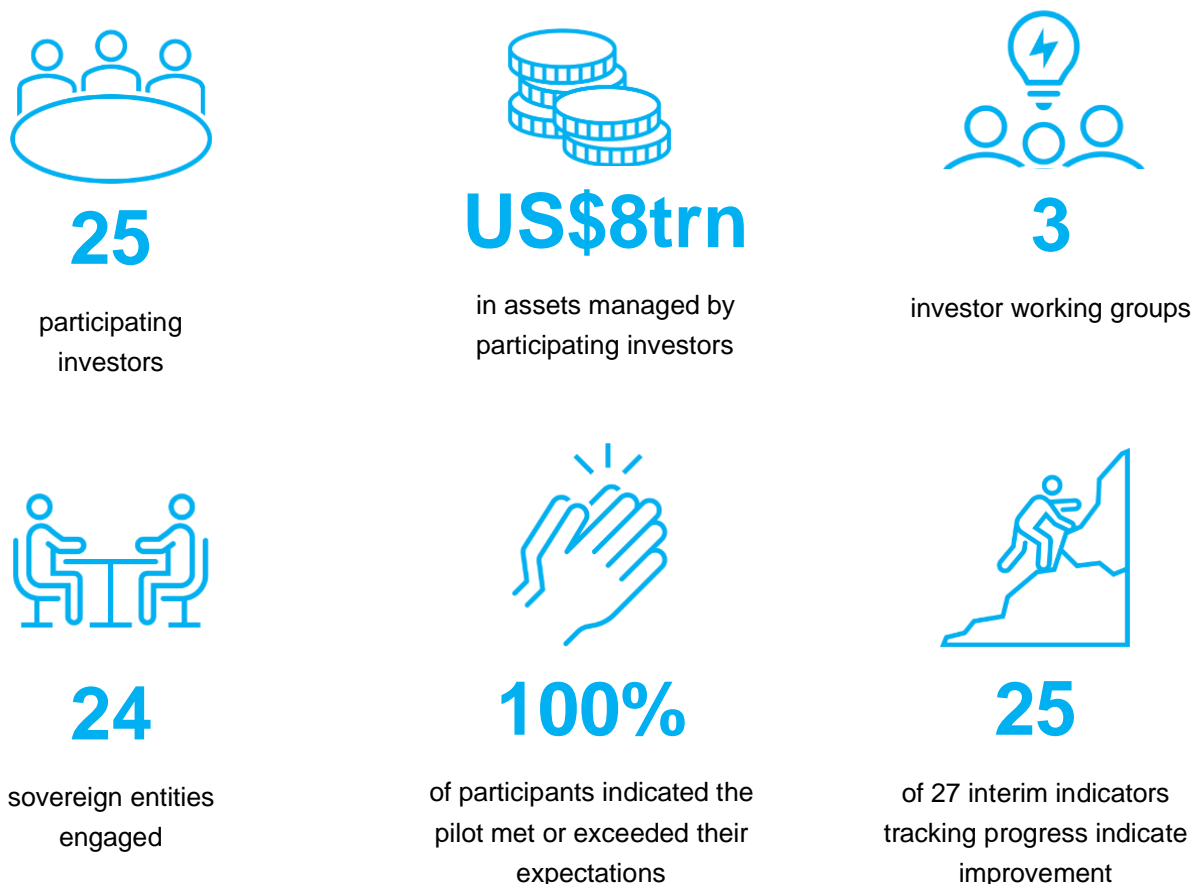
ABOUT THIS REPORT

This report provides an update on the activity and progress of the pilot, including the findings of an external review carried out in early 2024. It also provides a forward-looking, near-term view of the direction of travel of our sovereign engagement work. The report does not reflect the views of participating investors in the pilot or the PRI's wider signatory base.

Standards for transparency in reporting on sovereign engagement activity by investors are still in their infancy. We therefore adopted standards from political engagement and lobbying codes as proxies, alongside identified industry best practice, to guide this reporting. The PRI views sovereign engagement as a markedly distinct practice from lobbying; the use of lobbying transparency codes as a proxy does not represent an equivalency in the activities.

In this context, this progress report has endeavoured to meet disclosure and transparency standards for policy engagement as set out in the Organisation for Economic Cooperation and Development's *Recommendation of the Council on Transparency and Integrity in Lobbying and Influence*, Global Reporting Initiative's *415: Public Policy Standard*, and the Responsible Climate Lobbying's *Global Standard on Responsible Corporate Climate Lobbying*.

Figure 1: Initiative Snapshot (as of May 2024)



PILOT IN REVIEW

OVERVIEW

In March 2024, Moribus Advisory undertook a review to assess the progress of the pilot to date against its key aims. The review also sought to glean insights into the initiative, understand its challenges and offer recommendations to enhance and expand the initiative to additional markets.

This review considered existing literature, surveys of participants, and stakeholder interviews. It drew on a broad array of qualitative and quantitative metrics to develop 27 interim indicators to measure progress of the market and the pilot. The review sought to understand value provided by the pilot and identify the key challenges that it has faced.

The review found that the pilot has made considerable progress establishing itself in the Australian market and revealed progress towards the initiative's key aims, high participant satisfaction, and strong interest in expanding collaborative sovereign engagement activities in future.

Most importantly, Australia's trajectory of climate policy in the initiative's core focus areas has been positive, although the review noted that attribution of policy changes to engagement activities is challenging. This is due to several factors, including the wide array of stakeholders that governments and public entities engage in policy development, and initiative challenges related to tracking policy and the relatively short timeframe.

ACHIEVEMENTS

The initiative has gained significant traction in Australia and has returned positive results. These include the quantity and quality of engagements, participant satisfaction, and broader investor interest in this expanding field of practice. The initiative has enabled investors to collaboratively engage with 24 sovereign entities. Across the 27 interim progress indicators, the review found that 25 were trending in the right direction.

Importantly, the pilot has demonstrated that sovereigns can be open and generally welcome engagement from investors on climate change. The pilot has generated feedback from many sovereign entities that investor engagement is a useful input into the policy-making process. They have expressed interest in an ongoing process to better understand the views of global capital providers. This is particularly the case for sovereign entities that are grappling with changing expectations in capital markets and are trying to unlock further investment in transition and adaptation activities. Early engagement with sovereign entities in Japan found similar sentiments (see **Engagement with Japan**, below).

“Sovereign engagement with policy makers is an important part of Aviva Investors’ holistic approach to stewardship. Working collaboratively through this pilot has amplified our support for climate action in a major market and enabled us to reach a deeper understanding of the investment risks and opportunities.”

Thomas Dillon
Head of Sovereign ESG
Aviva Investors

Sovereign entities and jurisdictions in Australia that are not covered by the pilot have also proactively sought engagement with participating investors – an encouraging trend.

Overall, the review found that the pilot had:

- reinforced the positive direction of travel on Australian climate policy;
- informed development of the Australian Government Green Bond Framework;
- reinforced economic arguments on transition where it was subject to politicisation;
- raised awareness among government stakeholders on how policy and action can be integrated into investment decisions and impact capital flows into the country;
- built investor confidence to engage with sovereign actors.

Through surveys and 1:1 interviews, participating investors reported deriving significant value from their involvement in the pilot, most commonly viewing it as an opportunity to enhance current engagement efforts and to support policy development. Participants also expressed strong satisfaction with the progress of the initiative to date. All indicated that their expectations were met, while half said their expectations were exceeded.

A clear consensus also endorsed the pilot as a viable model for collaborative engagement on climate change in other markets, with recognition of the need for strong leadership and involvement of local investors. Expansion of the Collaborative Sovereign Engagement on Climate Change initiative was further supported by 89 percent of respondents to the review's survey, inclusive of investors on the waiting list, indicating that they were looking for additional collaborative engagement opportunities with sovereigns.

ENGAGEMENT WITH JAPAN

In October 2023, members of the Collaborative Sovereign Engagement on Climate Change held an engagement meeting with Japanese authorities to coincide with the PRI in Person conference in Tokyo. The engagement was an opportunity for participating investors to better understand the Japanese government's interest in engaging with capital providers on climate-related issues.

The focus of the engagement was the Japanese Government's forthcoming issuance of Green Transformation (GX) Economic Transition Bonds, the first sovereign issuance of transition-labelled debt, and the underpinning GX Basic Policy. Investors met with representatives of the Ministry of Finance (MoF) and Ministry of Economy, Trade and Investment.

In a [newsletter article](#), the MoF Debt Management Officer later recognised this engagement as a positive opportunity to increase understanding of Japan's strategy and to learn more about the views of global investors.

CHALLENGES

While the initiative's progress has been positive, there have been challenges at both a systems level and operationally that the PRI and participating investors are addressing.

Foremost, engaging with sovereigns is an inherently complex undertaking, especially in relation to sustainability issues, and collaboratively engaging on this basis represents a novel strategy for investors. As a result, there is no well-trodden path for investors to follow and little precedent to help investors understand how best to assist governments in addressing climate risks and opportunities. This was an element recognised by the review.

Political factors also pose several unique challenges to sovereign engagement. The timeframe over which policy changes materialise is uncertain and highly contextual, typically occurring over a long horizon. There are also many stakeholders involved in the policy-making process, which can influence the direction and lead to unexpected yet frequent changes.

The nascent nature of sovereign engagement also means investors and sovereigns are only starting to understand the resourcing, skills, and level of organisation that is required from both sides to create meaningful dialogue that provides value for all involved.

These macro-level challenges are in addition to inherent difficulties in attributing policy developments to sovereign engagement, particularly when considered over longer time horizons.

Despite these hurdles, we have observed ways in which the pilot is overcoming some challenges in the short period it has been active. For example, participating investors were able to communicate more effectively with sub-sovereign jurisdictions after initial engagements with the Federal Government, leading to a more efficient process.

These challenges are also expected to lessen as the initiative becomes more established and the industry practice of sovereign engagement develops. Challenges in tracking market progress will be further assisted by the maturation and expansion of the Assessing Sovereign Climate-related Opportunities and Risks (ASCOR) benchmark, which came online after the pilot's commencement.

RECOMMENDATIONS

The review outlined 50 recommendations to the PRI to help improve the conduct of the pilot activities; enhance the experience of participating investors and sovereign entities; strengthen initiative organisation; and prepare for collaborative engagement in new markets.

These recommendations included:

- **Expand the initiative to new markets to meet sovereign and investor interest.** This would involve careful consideration of new markets to ensure that the initiative will be able to succeed in fulfilling its objectives. Sufficient in-country support should be prioritised, alongside local investor demand, and tailored expertise, objectives, and policy expectations.

- **Enhance progress tracking.** This would involve establishing baseline country-level performance on climate policy and ongoing tracking to ensure continued alignment with long-term objectives.
- **Develop clear and more-measurable objectives.** This would better target engagement activities and enable better progress tracking of the initiative.
- **Guide best practice.** Producing new guidance and other tools to upskill investors would enhance the impact of the initiative and increase positive spillovers as sovereign engagement develops as industry practice.

2024 ENGAGEMENT OBJECTIVES

As the pilot has matured, and following the review recommendations, participating investors have developed a set of more targeted focus areas for engagement. The 2024 focus areas include:

- development of the next Australian Nationally Determined Contribution under the Paris Agreement;
- sovereign and sub-sovereign green bond issuance and impact reporting;
- policies on natural resources extraction, including gas and critical minerals;
- sovereign disclosure of climate risks and opportunities;
- national and state emissions-reduction goals;
- fugitive emissions from extractive industries;
- economic transition financing.

Progress against these focus areas will be assessed in 2025 using an established tracking framework, incorporating the ASCOR framework, with an intention to include these metrics in the next progress report for the initiative.

LOOKING AHEAD



“Despite the complexity of sovereign engagement, there is a growing recognition that regulators and policy makers are major actors in shaping future sustainable economies as they set the rules that guide and govern companies’ behaviour. The Collaborative Sovereign Engagement on Climate Change is one of the most powerful initiatives investors can use to engage with sovereigns, especially for developed markets.”

Malika Takhtayeva

Sustainable Fixed Income Lead – EMEA
BNP Paribas Asset Management

The PRI has been coordinating the pilot in part to better understand the role international investors can play in assisting sovereigns to respond to climate change and meet their Paris Agreement commitments, in line with investors’ fiduciary duties to mitigate financial risk and maximise long-term value of assets.

Alongside participating investors, we believe that the collaborative engagement model that has emerged over the past two years could be helpful in other markets. As a result of the Australian experiences to date, we will continue to refine, strengthen, and scope potential expansion of our collaborative sovereign engagement offering on climate change in partnership with signatories and other organisations.

In the near term, the PRI intends to:

- continue engaging in the Australian system, with a review to follow the next national election and with consideration of the selected host nation or nations for the 31st UNFCCC Conference of the Parties (COP).
- refine the objectives, processes, and model of the Australian engagement with reference to the recommendations of the external review, the needs of sovereign entities, the needs of signatories, and potential avenues of impact.
- crystallise the experiences of the Australian pilot into additional guidance for PRI signatories to develop their sovereign engagement practice. This includes the development of updated PRI sovereign engagement guidance.
- support the development of ASCOR and other tools that aid engagement with sovereigns on climate change.
- share lessons with other collaborative engagement initiatives, including the International Policy Dialogue on Deforestation and Climate Action 100+.

We will also further assess potential expansion of the initiative to additional markets. Any decision to expand the initiative will be informed by consultation with signatories and other stakeholders.

We recognise that collaborative sovereign engagement remains a relatively new practice among signatories. As more opportunities for collaboration emerge, signatories will need to consider the skills and resourcing required. For example, only a small proportion of participating investors indicated during the review that they had dedicated personnel for sovereign engagement on ESG issues.

Our work on collaborative sovereign engagement on climate change will only ever represent a minority of the expected and necessary activity to be undertaken by investors. By leading the pilot, and with potential for expansion to a multi-market initiative, we seek to help establish industry norms that reflect the need for high climate ambition consistent with sovereigns' commitments to the Paris Agreement, while also establishing guardrails that respect the role of sovereigns and their ultimate responsibilities to the communities they represent.

Engagement between investors and sovereigns is critical for all parties. The fulfilment of commitments under the Paris Agreement, including the transition to net-zero emissions and building of climate resilient economies, will require the mobilisation of significant capital, a multidecadal policy response and an ongoing commitment to the systems that are established.

Governments need to continue to service their debt at a relatively manageable cost and ensure investment is flowing into the companies and infrastructure that service the communities they represent. Investors must continue to address the overarching portfolio risks associated with global and national failures to transition to net zero, including within specific asset classes like sovereign debt.

Collaborative sovereign engagement can facilitate an efficient and mutually beneficial interaction between capital and policy to ensure both are effectively set up to address these challenges. We look forward to continuing to support signatories to evolve and expand this critical stewardship practice.



“The initial success of the Australian pilot can be attributed to the convergence of several factors: a strong presence from local managers; investors with deep knowledge of the Australian economy and capital markets; and a wealth of knowledge, resources, and support from the PRI. Along with the impeccable timing of shifting political sentiment, these collective factors serve as a blueprint for how to conduct large-scale sovereign engagement: local knowledge, macro expertise, strong commitment, and deep support. While the Australian pilot enjoyed the good fortune of political tailwinds, that backdrop may not always exist. Therefore, this pilot and any future iterations should frame the initiative as apolitical, logical, economically and fiscally viable, and sustainable, to garner enduring support.”

Reina Berlien
Head of ESG
Brandywine Global

APPENDIX 1: MEETING LOG

Entity / Entities ¹	Date	Topics
Australian Treasury	October 2022	Introduction to the engagement; sustainable finance
Australian Office of Financial Management	October 2022	Introduction to the engagement; sovereign green bonds
Australian Department of Climate Change, Energy, the Environment and Water	February 2023	Introduction to the engagement; national decarbonisation strategy
Australian Climate Change Authority	February 2023	Introduction to the engagement; emissions reduction targets; national decarbonisation strategy
Reserve Bank of Australia	March 2023	Introduction to the engagement; RBA response to climate change
New South Wales Treasury; New South Wales TCorp	March 2023	Introduction to the engagement; bond issuance; state climate exposure and response
Victorian Department of Treasury & Finance; Treasury Corporation of Victoria	March 2023	Introduction to the engagement; bond issuance; state climate exposure and response
Business Council of Australia	March 2023	Introduction to the engagement; national decarbonisation strategy; sustainable finance
Australian Clean Energy Council	March 2023	Introduction to the engagement; energy transition policy
Australian Industry Group	March 2023	Introduction to the engagement; energy transition policy
Grattan Institute	March 2023	Introduction to the engagement; energy transition policy; green industry policy
Australian Sustainable Finance Initiative	April 2023	Climate risk disclosure; sustainable finance; sovereign green bonds
Australian Office of Financial Management	April 2023	Sovereign green bonds; sovereign climate disclosure
Australian Treasury	April 2023	Sovereign green bonds; sovereign climate disclosure; national decarbonisation strategy
Australian Department of Climate Change, Energy, the Environment and Water	April 2023	Safeguard mechanism; adaptation policy; emissions targets; national decarbonisation strategy
Australian Clean Energy Finance Corporation	April 2023	Introduction to the engagement; CEFC mandate
Australian Securities & Investment Commission	April 2023	Introduction to the engagement; greenwashing
Australian Department of Foreign Affairs and Trade	April 2023	Introduction to the engagement; export finance settings; climate finance

¹ Not all participating investors join all engagement meetings.

Australian Department of Industry, Science & Resources	July 2023	Introduction to the engagement; green industry development; resources policy
Australian Office of Financial Management; Australian Treasury	September 2023	Sovereign green bonds; green bond framework
Japan Ministry of Finance; Japan Ministry of Economy, Trade and Industry	October 2023	GX Economic Transition Bonds; GX Basic Policy
Reserve Bank of Australia	November 2023	Reserve Bank's response to climate change
Australian Treasury	November 2023	Sovereign climate disclosure
Queensland Treasury; Queensland Treasury Corporation; Queensland Department of Environment & Science	November 2023	Introduction to the engagement; state energy policy
Western Australia Treasury; Western Australia Treasury Corporation; Western Australia Department of Mines, Industry Regulation and Safety; Western Australia Department of Water and Environmental Regulation	November 2023	Introduction to the engagement; state energy policy
Department of Industry, Science & Resources	December 2023	Future Gas Strategy
Victorian Department of Treasury & Finance; Treasury Corporation of Victoria; Victorian Funds Management Corporation; Victorian Department of Energy, Environment and Climate Action	December 2023	State energy policy
International Public Sector Accounting Standards Board	January 2024	Sovereign climate disclosure
South Australian Government Financing Authority	April 2024	Introduction to the engagement
Australian Climate Change Authority	April 2024	Climate targets and scenarios
Australian Department of Industry, Science & Resources	April 2024	Future Gas Strategy
International Public Sector Accounting Standards Board	May 2024	Sovereign climate disclosure
Australian Treasury	May 2024	Sovereign climate disclosure

APPENDIX 2: REVIEW SURVEY RESULTS

The PRI and Moribus Advisory undertook a survey of participants involved in the pilot and those investors that have registered for the waiting list. The survey consisted of questions with open-ended and unprompted answer fields.

The first section of the survey was completed by 23 participants in the initiative, comprising 19 asset managers and four asset owners. The respondents included five Australian investors and 18 headquartered elsewhere. Survey highlights are shown below.

Figure 2: Strong appetite shown for additional engagements

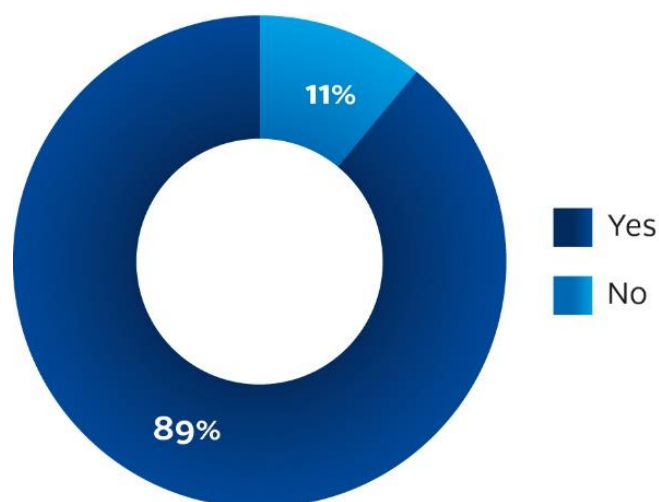


Figure 3: Respondents gave the pilot high marks

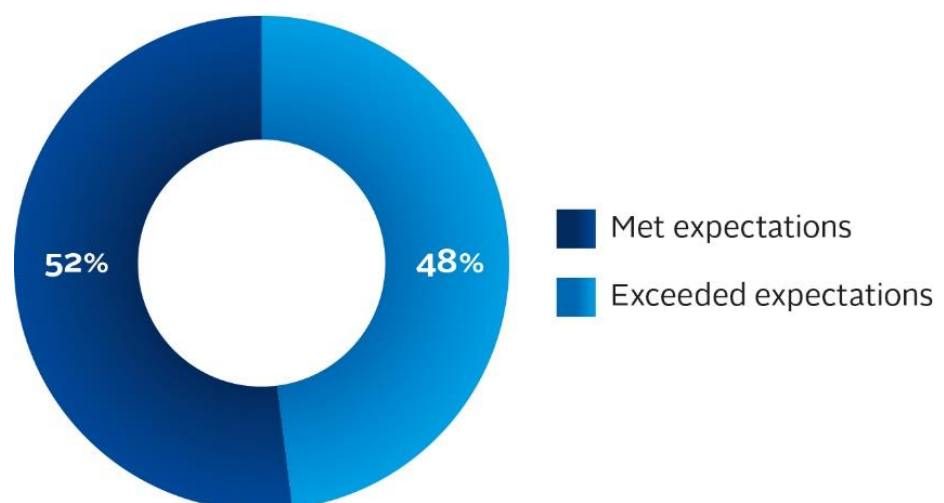


Figure 4: Participants listed a variety of goals

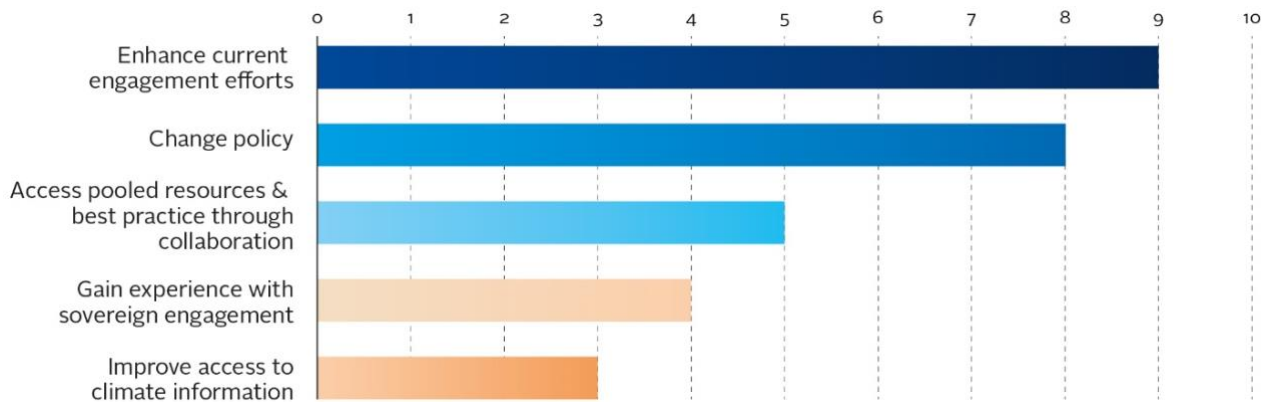
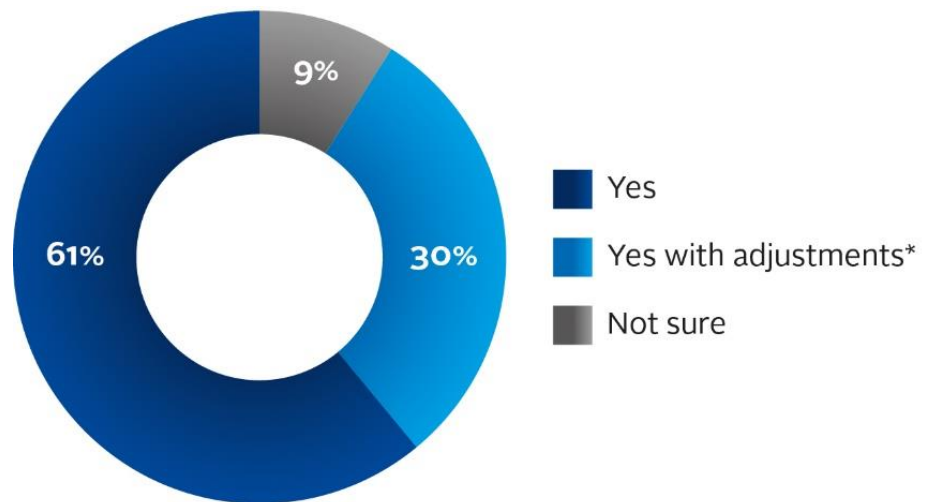


Figure 5: Pilot seen as a viable model for other markets



*Adjustments generally referred to adjusting to local market.

APPENDIX 3: PARTICIPATING INVESTORS

(AS OF MAY 2024)

- Achmea
- Ardea Investment Management
- Aviva Investors
- BNP Paribas Asset Management
- Brandywine GLOBAL
- Brown Advisory
- Candriam
- Colchester Global Investors
- Fidelity International
- First Sentier Investors
- HESTA
- IFM Investors
- Insight Investment
- Jupiter Asset Management
- LGPS Central
- Morgan Stanley Investment Management
- Munich Re
- Neuberger Berman
- Nordea Asset Management
- Pandal Group
- QIC
- Rest
- Robeco
- Schroders
- Sumitomo Mitsui Trust Asset Management

LEGAL DISCLAIMER

The initiative is committed to compliance with all applicable laws and does not require or seek collective decision-making or action with respect to acquiring, holding, disposing and/or voting of securities, or any other action that is not in compliance with those laws. Signatories are independent fiduciaries responsible for their own investment and voting decisions. The use of engagement tools and tactics, including the scope of participation in engagements, is at the discretion of individual investors and subject to all relevant laws, including competition and antitrust laws. Participants must avoid coordination of strategic behaviour that impacts competition. They must make independent decisions regarding next steps and how they will pursue them, and are encouraged to consult their own counsel as appropriate. The initiative does not act or speak on behalf of participants. Participants do not speak on behalf of the initiative, PRI executive or other participants. They do not seek directly or indirectly, either on their own or another's behalf, the power to act as proxy for a security holder. They also do not furnish, or otherwise request or act on behalf of a person who furnishes or requests, a form of revocation, abstention, consent, or authorisation. In addition, the initiative does not provide investment or voting recommendations. The initiative does not provide investment, legal, accounting or tax advice. The initiative does not necessarily endorse or validate the information contained herein.

The Principles for Responsible Investment (PRI)

The PRI works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

More information: www.unpri.org



The PRI is an investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact.

United Nations Environment Programme Finance Initiative (UNEP FI)

UNEP FI is a unique partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI works closely with over 200 financial institutions that are signatories to the UNEP FI Statement on Sustainable Development, and a range of partner organisations, to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

More information: www.unepfi.org



United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals. The UN Global Compact is a leadership platform for the development, implementation and disclosure of responsible corporate practices. Launched in 2000, it is the largest corporate sustainability initiative in the world, with more than 8,800 companies and 4,000 non-business signatories based in over 160 countries, and more than 80 Local Networks.

More information: www.unglobalcompact.org

