

Human Rights & Social Issues Reference Group: Terms of Reference

INTRODUCTION

Just as for all businesses, institutional investors have a responsibility to respect human rights. This responsibility was formalised by the UN and the OECD in 2011, and since then expectations – from employees, beneficiaries, clients, governments and wider society – have only increased.

The PRI has, with its signatories, identified human rights as a priority issue for investors and committed to providing further resources, as outlined in our three-year 2021-2024 strategy. Through this we aim to encourage investors to implement the UNGPs and/or OECD Guidelines.

PRI signatories focus on human rights and social issues because there are inherent financial risks and opportunities. These can be both company-specific and systemic in nature. These factors, such as diversity, equity and inclusion, and decent work, drive not only the outcomes for people affected by investees but also the societal infrastructure which the global economy relies on for delivering sustainable long-term growth.

The aim of the reference group is to serve as a reflection point for the PRI's work programmes on human rights and social issues inclusive of our global policy work, allow signatories to participate in information exchange, and engage signatories on emergent issues.

OBJECTIVES

1. Provide an opportunity for information exchange with interested signatories and actors as well as interaction with relevant stakeholders
2. Invite signatory input, insight and knowledge on emergent social issues as well as where applicable on the outputs of the PRI's human rights and social issues programme
3. Harness experience and expertise of signatories to develop a common narrative around human rights & social issues as a systemic risk

There is no fixed end date for the group and the PRI will review the activities and objectives of the group on an annual basis based on members' interest and feedback.

MEMBERS

Members of the Human Rights and Social Issues Reference Group are appointed by PRI following an open invitation to the signatory body. Membership of the reference group will be open on an ongoing basis.

Reference group members are appointed by the PRI Executive based on the following criteria:

- Is a PRI signatory
- Interest and/or experience in human rights & social issues and willingness to contribute on topics such as investment practices, data markets and emergent issues.
- Ability and commitment to contribute experience and time.

To promote diversity amongst members and ensure the reference group representative of the global PRI signatory base, the PRI Executive encourages signatories from emerging markets to participate.

Members join the group in their capacity as representatives of their organisations.

Decisions about the composition of the group, including appointment and ongoing membership remain solely with the PRI Executive. The Executive reserves the right to remove members who fail to comply with these terms of reference.

RESPONSIBILITIES

PRI Executive:

The PRI plays an active role in leading and coordinating the group and commits to:

- Convening, administering and, if relevant, chairing reference group meetings.
- Keeping reference group members updated on PRI workstream activities where relevant.

Following appropriate input from members of the reference group, the PRI Executive at all times retains ownership and final sign-off of any outputs that are published under the name of the PRI, including events, research and any other publication. The Executive is responsible for the timelines, resources and budget that have been allocated to all programmes and projects.

Reference group members

By joining the group, members of the reference group and/or subgroups confirm that they are able to devote sufficient time to the role and duties, as defined below.

Responsibilities include, but are not limited to:

- Contributing to ad hoc requests for guidance and feedback where applicable; such as providing comment on relevant consultations and publications as well as informing on emergent social issues
- Participate in reference group meetings where applicable

All group members are welcome to undertake additional work, for example, drafting documents if their schedules enable them to do so.

PRI will review the make-up of the reference group every two years to ensure that the committee represent the wider signatory base in terms of geography, type of signatory and asset class mix. If a need for change is identified PRI will ask members to reapply for their position on the Committee.

PRI Board oversight

The PRI Board oversees the relationship between the 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 reference groups and working groups. If a signatory has a significant concern with the operations of a signatory group 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.

PLAN AND TIMELINE

The reference group is not timebound and information relating to group updates will be shared on a quarterly basis. Progress will be evaluated on an annual basis informed by member feedback.

CODE OF CONDUCT, CONFIDENTIALITY AND PUBLIC COMMUNICATIONS PROTOCOL

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

Confidentiality and privacy

- Personal data (information related to an identified or identifiable real person) will never be shared with third parties without an adequate legal basis for doing so (e.g. consent).
- By joining the reference group, members agree to the [PRI's privacy policy](#).
- By joining the reference group, members grant the PRI Executive the right to share their work contact details with other members.
- The PRI may record group meetings for internal purposes, such as note taking. When recordings of group discussions are taken, meeting attendees will be notified. Typically, recordings will not be

circulated to members. On occasion, however, recordings may be shared – for example, for educational briefings given to members.

- Some members or invited attendees to group calls may have individual organisational policies that require the recording of all calls. All investors with such a requirement are expected to honour the same confidentiality and transparency commitments as detailed in these terms.
- The PRI reserves the right to use trusted and secure artificial intelligence (AI) tools to facilitate note taking and summarising of meetings.

Communication

The Executive is empowered to reference feedback received from the Human Rights & Social Issues Reference group in general terms and, given the terms of confidentiality, will not attribute comments to specific members without prior consent.

Contact

If you are interested in understanding more about the reference group, please contact:
remi.fernandez@unpri.org