

Terms of Reference: Nature Reference Group

A. INTRODUCTION

Nature, and the ecosystem services it provides, underpin our economy and societies globally. It is estimated that \$44 trillion of economic value generation – more than half of the world’s total GDP – is moderately or highly dependent on nature. Ecosystems and biodiversity are also vital in tackling climate change, with land and the ocean absorbing more than half of all carbon emissions. However, an unprecedented loss of biodiversity is occurring globally, and this is affecting the resilience of financial and economic systems through their dependencies and impacts on nature. Responsible investors should now look to address risks associated with biodiversity loss, to build resilience and long-term value for themselves and their portfolios, and to prepare for anticipated policy and market developments following the adoption of the Kunming-Montreal Global Biodiversity Framework.¹

Having previously convened signatories on deforestation (sustainable commodities) and biodiversity, PRI is now looking to build investor capacity on nature more holistically, through this reference group. The purpose of the Nature Reference Group is to support investor awareness and action on nature (including biodiversity), with a particular focus on investment practices. It will do this by providing a forum for investors to advance their awareness of nature-related impacts, dependencies, risks, and opportunities, as well as share their practices and experiences with relevant tools, disclosure frameworks, and initiatives. Members of the reference group will also be invited to feed into PRI’s broader capacity building efforts on the topic of nature, including the development of relevant products and guidance.

B. OBJECTIVES

The Nature Reference Group is a voluntary body, comprising of PRI signatories. The Nature Reference Group will:

- Advance signatory awareness of nature-related impacts, dependencies, risks and opportunities surrounding their investment activities, as well as their importance in pursuing credible net zero targets.
- Build investor capacity to address biodiversity loss and other nature-related risks, in line with global sustainability goals, including the Kunming-Montréal Global Biodiversity Framework (e.g., sharing investor practices and their experiences with tools, disclosure frameworks, and initiatives; inputting into the development of PRI guidance that further supports investors).
- Support investors to integrate nature-related risks and opportunities in their investment practices and policies, and support investors to use relevant tools and frameworks.

¹ UNEP (2023) Stepping Up on Biodiversity: What the Kunming-Montreal Global Biodiversity Framework means for Responsible Investors. <https://www.unepfi.org/industries/investment/stepping-up-on-biodiversity/>

The Group will be active from the date of the first call until December 2025, with members committed to attending a minimum of one 1-hour call every 3 months. Based on members' interest and feedback, as well as PRI capacity, the PRI Executive will consider whether the Group will remain active beyond this. If the Group is extended, the period of time for which the Group is extended will be decided and communicated to members and will take account of members' preferences and feedback.

C. MEMBERS

Members of the Nature Reference Group are appointed by the PRI following an open invitation to the signatory body. PRI Reference Groups are typically made of 50 to 90 signatories. The PRI Executive will publicise new membership opportunities, if and when they arise, including the criteria for appointment of new members and timelines. Alternatively, signatories may request to join by emailing bethany.davies@unpri.org. All appointed members will be listed on the [PRI website](#).

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

- Is a PRI signatory.
- Organisational interest and/or experience on the issue of nature and biodiversity loss, with a willingness to advance their investment practices and policies on nature.
- Ability and commitment from the organisation to contribute experience and time to the objectives of the Group (minimum time commitment: one 1-hour call every 3 months).

Through this Nature Reference Group, the PRI aims to see investors develop investment practices and policies that address nature-related issues, hence the above requirement for members to be willing to advance their practices and to share information on their progress.

Diversity of organisations in their type (asset owner, asset manager, service provider), size, asset classes, and geography will be considered by the PRI Executive in the initial composition of the group. Members join the group in their capacity as representatives of their organisations. The PRI Executive encourages, where possible, the same members to participate throughout for continuity. Gender balance in members will also be considered. Decisions about the composition of the Group, including appointment and ongoing membership, lie solely with the PRI Executive. The PRI Executive reserves the right to remove members who fail to comply with these terms of reference.

D. RESPONSIBILITIES

PRI Executive

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

- Convening, administering and chairing reference group meetings.
- Keeping reference group members updated on PRI work stream activities in between meetings whenever necessary.
- Coordinating meetings, providing agendas, producing summaries of meetings, briefings and publications, etc.
- Providing expertise from either internal or external sources.
- Providing support in the form of background research and pitching material for discussion.

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 PRI Executive is responsible for the timelines, resources and budget that have been allocated to all programmes and projects.

Reference group members

By joining the reference group through the formal recruitment process, members confirm that they are able to commit sufficient time to the role and duties, as defined below. Proactive participation from all members is crucial for an effective signatory group and the PRI Executive has the authority to remove signatory participants that do not abide by the agreed commitment levels.

Responsibilities include, but are not limited to:

- Participating in reference group meetings (one 1-hour call every 3 months).
- Sharing information on updates and developments in the member's jurisdiction and/or area of expertise.
- Providing feedback on PRI's content and programme strategy (as appropriate in reference group meetings or ad hoc requests to review future PRI guidance on nature).

All group members are welcome to undertake additional work, for example, drafting statements, or supporting the Group to convene on relevant topics if their schedules enable them to do so.

The PRI Executive may seek to convene one or more sub-groups on specific topics (e.g., relevant to guidance development), comprised of reference group members who have insight on that topic. This would be categorised as additional work upon request, which will be voluntary/opt-in for reference group members.

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 PRI 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.

E. PLAN AND TIMELINE

A plan and approach for the Group will be shared on a regular basis.

F. REPORTING REQUIREMENTS

The PRI will report on the activities of the Reference Group on the PRI website, including the terms of reference and members, and updates on activities.

G. 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. Group members should treat their colleagues and PRI staff with courtesy and respect. Failure to meet these requirements may lead the signatory being removed from the Group.

Confidentiality and data sharing

The theme of the Group, and membership of the Group will be available on the public website and/or the Collaboration Platform. By accepting these terms of reference, group 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. By joining, group members grant the PRI Executive the right to share their work email address with other members of the group. The PRI Executive may record reference group calls for internal note taking purposes. Recordings are not circulated externally by the PRI Executive and will not be shared with Group members. Where recordings of group discussions are taken, PRI staff will state at the start of the call that the call is being recorded for note-taking purposes. Call recordings will be deleted within 1 year.

Discussions of the Reference Group and material provided to the Reference Group by the PRI Executive should be assumed to be confidential unless advised otherwise in writing by the PRI Executive. The Group will follow the Chatham House Rule, whereby information disclosed during a meeting may be reported by those present, but the source of that information may not be explicitly or implicitly identified. Members commit to maintaining such confidentiality.

For more information, please refer to the [PRI privacy policy](#).

Communication

The Executive is empowered to reference feedback received from the Nature Reference Group in general terms and, given the terms of confidentiality, will not attribute comments to specific members without prior consent.

H. CONTACT

If you are interested in understanding more about this investor reference group, please contact bethany.davies@unpri.org.