

PRINCIPLES FOR RESPONSIBLE INVESTMENT 2023 SIGNATORY GENERAL MEETING MINUTES

13 SEPTEMBER 2023 08:00 – 09:30 BST AND 17:00 – 18:30 BST

Online webcast

In attendance:

- Martin Skancke, Chair, PRI Board (meeting Chair)
- David Atkin, Chief Executive Officer
- Rose Easton, Interim Chief Responsible Investment Ecosystems Officer
- Cathrine Armour, Chief Responsible Investment Solutions Officer
- Tamsin Ballard, Chief Initiatives Officer
- Nathan Fabian, Chief Sustainable Systems Officer
- Esther Teeken, Chief Operating Officer
- 620+ signatory representatives attended via online webcast

Materials:

- [SGM presentation](#)

WELCOME ADDRESS AND PRI BOARD REPORT

MESSAGE FROM THE CHAIR

Martin Skancke, Chair of the PRI Board, welcomed signatories attending via webcast to the 2023 Signatory General Meeting (SGM) and provided an overview of the agenda and housekeeping items.

Martin Skancke explained he will be joined by six other speakers from the Executive Team; David Atkin, Chief Executive Officer, Rose Easton, Interim Chief Responsible Investment Ecosystems Officer, Cathrine Armour, Chief Responsible Investment Solutions Officer, Tamsin Ballard, Chief Initiatives Officer, Nathan Fabian, Chief Sustainable Systems Officer, Esther Teeken, Chief Operating Officer.

Board priorities for this year

The Board had three key priorities for this year.

1) Lead the response to the PRI in a Changing World signatory consultation.

The Board had recognised that responsible investment was and is undergoing significant change, leading on the design of the PRI in a Changing World consultation. The objective of the consultation was to understand signatory views on the changing expectations of responsible investors, and how the PRI might adapt to support its signatories in a changing environment. Close to 1,500 signatories, 27% of the signatory base, responded to the online formal consultation. This participation was broadly

representative of the PRI signatory base, whether by signatory category, size, geography, or tenure. Martin Skancke thanked signatories for their participation. Overall, 1,900 signatories participated in at least one part of the consultation. The Board appreciates that the survey took time and consideration, and appreciates the engagement by those who took part. These are complex subjects and signatories' responses provide a great foundation for the future direction and value we seek to provide to signatories.

Clear messages emerged regarding the need to:

- Measure and enable progress in ways that acknowledge the diverse signatory base;
- Design a more agile strategy-setting process; and
- Further assess and seek input on PRI's mission statement and governance.

In the executive and financial report agenda item, the Executive Team provides more information about the in-depth findings from the consultation and how that is being reflected in the PRI's work programmes, including plans for progression pathways, and how PRI delivers value to signatories.

The future of PRI's Reporting and Assessment Framework and oversight of the roll out of this year's Reporting Framework has been an important strategic item for Board discussion.

The Board oversaw the delivery of Reporting and Assessment supported by the Reporting and Assessment Framework Oversight Committee and external assurance. The Board discussed lessons learnt from the 2021 reporting exercise, including clarity on objectives, project management, and working with external parties.

The external environment of reporting commitments is evolving rapidly. The Board recognises that signatories have valid concerns about the reporting burden and duplication of reporting. In response, the PRI has established a programme of work aimed at better understanding and addressing duplication between reporting regimes. The work is beginning with a proof of concept to determine, in collaboration with signatories, equivalent reporting requirements in focused areas. The programme will initially focus on the UK's Stewardship Code and the Task Force on Climate-related Financial Disclosures. The Board is hopeful that this more agile approach and co-designing with signatories will set a good precedent of how the PRI will work as an organisation in the future.

2) Organisational effectiveness, including oversight of the implementation of the Target Operating Model.

The Board has overseen the design and implementation of a new Target Operating Model for the PRI. The Board recognised that after undergoing significant change in recent years, the PRI needs a refreshed, fit-for-purpose operating model that aligns with its strategic direction.

The key drivers for change included:

- The need to operate at scale;
- The changing responsible investment landscape; and

- The need to review the capabilities to best support signatories and the global and local dimensions of the PRI signatory base.

The Board's role was to challenge the Target Operating Model presented by the Executive, the risks, the value for signatories, and the Executive's capacity to continue to deliver existing programmes of work through the transition period. The Executive Team provides more information on the Target Operating Model in the executive and financial report.

The Board also received annual reports on the Executive's people and culture, including the progress made on diversity, equity and inclusion. The Board approved a new climate change policy and an updated human rights policy. This is part of PRI's 'Walk the Talk' programme, aimed at ensuring that the PRI's own policies and practices are aligned with its mission.

3) *Effective governance (including the Chair search process and induction).*

One key item for the Board over this past year has been searching for the next Chair of the PRI Board, as current Chair's maximum term limit is the end of this year. This search was led by a search committee of the Board, and the process for the new Chair appointment including signatory approval vote is covered in the last agenda item of signatory voting, PRI Board director elections and nominated Chair.

Every year, the Board undertakes an annual Board evaluation. In the past year it was a self-evaluation. Overall, the view of the Board is that it is functioning well, including the important supporting Board committees. A key strength is strong relationships amongst members and members working effectively together. Communication with signatories and stakeholders was identified as an area for improvement.

In January 2023, the PRI Board welcomed two new members; Denisio Liberato from PREVI and Rebeca Minguela from Clarity AI.

The Board oversaw, discussed, and agreed a number of other important items during the year, including:

- PRI work programmes on ESG issues, driving meaningful data and sustainability outcomes;
- PRI-led and PRI-supported investor initiatives, including Climate Action 100+, the Net-Zero Asset Owner Alliance and the new Advance stewardship initiative for human rights and social issues.

The Board is monitoring the wider context of the politicisation of ESG in some markets. The PRI has been more proactive about communicating the fiduciary imperative of responsible investment, and is providing guidance on anti-trust and stewardship to support signatories' efforts. The Board will continue to monitor the ESG backlash and consider, with the Executive, the best response to support responsible investment and signatories.

EXECUTIVE AND FINANCIAL REPORT

David Atkin, Chief Executive Officer, thanked signatories for joining the SGM and provided an update in the executive and financial report.

A year of listening and learning

Over recent years, the momentum behind responsible investment has been remarkable. The PRI's work around the world has been driven forward by tailwinds, helping to move responsible investment into the mainstream. In the year to April 2023, the PRI's growth continued on this trajectory. The PRI represented the investor voice at milestone global events, including COP27 in Egypt, and held PRI in Person for the first time since the Covid-19 pandemic, convening more than 2,000 attendees in Barcelona and online.

However, over the same period, the PRI has also seen the emergence of headwinds challenging the progress of responsible investment. Market turbulence and geopolitical issues have affected investors globally. And, at the same time, the PRI has also been contending with a political campaign to limit US investors' freedom to act in the best interests of their clients and beneficiaries.

Against this backdrop, David Atkin completed his first year as the CEO of the PRI. David Atkin previously served on the Board from 2009-2015. This year was an opportunity to learn and evaluate the inner workings of the organisation, better understand PRI signatories around the world and fully immerse in day-to-day work. Importantly, over the past year, David Atkin has been listening and learning, and now PRI is responding to better deliver on its mission and meet signatory needs.

In this executive and financial report, together with some of the PRI Executive Team, David Atkin provides some of the highlights of the past year at the PRI, the changes its making in response to signatory feedback, and its plans for the year ahead.

PRI in a Changing World

Insights into the needs and priorities of PRI signatories came through the global consultation, PRI in a Changing World. The consultation had impressive participation rates and David Atkin led 19 workshops with over 400 signatories in ten countries. This gave PRI a real breadth and depth of signatory views.

The PRI explored key issues for the future of responsible investment, including the PRI's mission, governance, and the value it provides to signatories. The following clear messages emerged:

- Progression on responsible investment activities is expected over time, and the PRI needs to measure that progress in ways that acknowledge its diverse signatory base;
- Continue and expand work in policy engagement; and
- Design a more agile strategy-setting process, seeking further input on the mission statement and governance.

The survey also shows that the PRI remains a 'big tent', and that there is no one way to be a responsible investor. Signatories' interpretations of responsible investment vary based on their

mandates, geography, and other factors. Many see the future of responsible investment to include identifying and acting on sustainability outcomes, as well as managing ESG risks and opportunities. Importantly, others continue to see managing ESG risks and opportunities as the sole dimension of responsible investment.

The PRI's new structure

In light of the global context, and the findings from the consultation, the PRI has designed a new operating model. The PRI's objective is to better align how it operates in line with signatories expectations regarding providing most value. To achieve this, the PRI has been reorganised to create six distinct cross-functional teams.

The first department is Responsible Investment Ecosystems. There is a strong appetite for PRI-supported communities of practice within regions. There is also a role for the PRI and its signatories to play in creating the right enabling environment for responsible investment through local engagement with policy, regulation, and standard setting. This team will allow the PRI to better support the local priorities of signatories, and provide a connection point in each region.

The second department is Responsible Investment Solutions. Guidance, tools, and training are seen as some of the most important PRI offerings. The majority of signatories want more of these services to monitor and progress their responsible investment practices. Through this function, the PRI will deliver practical and tailored products and services to build market capability, drive progression and ensure accountability, including PRI's annual Reporting Framework. This will continue to be informed by signatory needs and a strengthened data analytics function.

The third department is Investor Initiatives and Collaboration which will combine and strengthen the PRI's opportunities for investors to influence collectively. This team will also identify credible and relevant external initiatives, whose work PRI can amplify to signatories. The PRI intends to partner, support and complement peers operating in the responsible investment space.

The fourth department is the Sustainable Systems group which will look forward and guide the organisation on what responsible investment looks like in the future. It will also lead the signatory-guided design process for progression pathways. This will be a framework for how the PRI can support signatories to demonstrate progress in a way that is most relevant to their particular responsible investment approach.

The fifth department is Operations which is a key enabler of the PRI strategy and oversees signatory experience. It will provide the PRI with effective governance, legal and risk management, and global business support functions. The team will also coordinate strategy, planning and change management processes.

The sixth department is the People and Culture team which helps to enable PRI's people to be the best that they can be. Ensuring a good experience for all employees globally which will enable them to deliver the work that brings value to signatories.

This is an important opportunity to strengthen the PRI's value proposition for signatories against the rapidly evolving external landscape, and the PRI is working hard to embed these new capabilities.

Reacting to maturing markets

Rose Easton, Chief Responsible Investment Ecosystems Officer provided an update.

The responsible investment landscape is changing and the PRI's signatory base has grown significantly in recent years. Signatory numbers increased 10% year-on-year, reaching almost 5,400 by the end of March 2023.

After several years of very rapid growth, this represents a natural slowing in the rate of new joiners as the PRI starts to reach saturation point in some of the most developed markets. In many of these countries, most investors are now PRI signatories. This means that the PRI's regional teams now need to shift the focus of their work, to provide more support for the existing signatories in progression of their responsible investment practices. However, there are still markets in which further recruitment of signatories will be important in helping us deliver the PRI's mission. In response, the PRI now needs to take a more tailored approach to its regional work.

Enhanced experience for signatories

As numbers continue to grow, the PRI is evolving its approach to better support signatories. The PRI teams in local markets have historically acted as the first point of contact for PRI signatories, new and old, whether this is guiding them through wide range of tools and thought leadership or answering their queries on Reporting and Assessment. Given the growth in PRI's signatory base, coupled with an even wider array of PRI solutions, the PRI believes it can provide a more comprehensive and consistent signatory experience through a dedicated, centralised support team in the operations department. The PRI is excited to be establishing a new centralised global team that will focus on improving the experience of signatories. This includes three main pillars;

- 1) A new stakeholder services area that will track and enhance the signatory journey and provide easy access to support and the right resources, including on-line materials.
- 2) The PRI has increased its focus on marketing and communications, to help ensure that signatories better receive the information that is interesting and relevant to them, in an accessible way.
- 3) The PRI's flagship in-person event – PRI in Person. The PRI will also focus on diversifying and regionalising events as part of this broader team, to enhancing signatory experience with PRI.

Work in this area will continue to develop over the next year and the PRI will keep signatories updated.

Deepening regional engagement

Engaging with signatories in their region remains crucial as the responses in the PRI in a Changing World consultation told the PRI that signatories need more from the PRI than just a good relationship. To better serve signatories' needs, there is a need to move beyond managing relationships, and work towards building a thriving responsible investment ecosystem in their market. This means working

with all the key players in the ecosystem: the individual asset owners and investment managers, but also service providers such as the investment consultants and data providers, policy makers, regulators, stock exchanges, sustainable investment forums and other regional associations that shape the market.

The PRI must identify the barriers to responsible investment-aligned capital flows right across the investment chain, and work collaboratively to address them. The PRI must convene investors, policy makers and other stakeholders – but also provide a connecting point for the groups and platforms that already play a convening role in each region, to help them connect with each other. The PRI's goal remains to enable any work that serves the PRI's mission, which includes supporting and complementing the work of peers, and not to compete or duplicate it.

Policy debate and regulatory frameworks are a fundamental aspect of developing strong ecosystems, for which local knowledge is a must. The PRI needs a deep understanding of whether a particular market has clear sustainability targets or a sustainable finance strategy, of which government entities are driving which developments, of the blend between country-specific and regional requirements, and more. PRI's policy engagement will therefore move from a single central policy team to a dual model that sees regional policy teams delivering local policy engagement, guided by high-level priorities coordinated by a global policy team that will lead on international and multilateral engagement.

In conclusion, PRI's global perspective and reach has always been a strength which is valued by the signatories.

In the future, PRI colleagues in countries around the world will work even more closely with signatories and their communities to support them in progressing their practices, engaging with regional policy and regulatory change and nurturing strong responsible investment ecosystems. The PRI looks forward to working with all signatories in this collective effort.

Update on reporting

Cathrine Armour, Chief Responsible Investment Solutions Officer, provided an update on reporting.

In 2023, the PRI made several changes to the Reporting Framework in response to investor feedback. The PRI took steps to simplify the Framework and reduce the reporting effort, aiming to deliver a process that is better suited to the needs of signatories, while being led by the PRI's mission.

Clearly, there is still some work for PRI to do in this area. The PRI recognises the technical issues many signatories faced with reporting and understands the frustration this has caused. The PRI has identified the key causes that have affected performance of the reporting tool and will be ensuring that these are addressed across all 2024 reporting platforms.

In 2024, the PRI has responded to signatory requests for stability and the PRI does not intend to make any significant revisions to the content of next year's reporting cycle and instead focus all efforts on ensuring a smooth delivery.

The PRI is also addressing concerns over the increasing reporting effort globally, through a number of new initiatives focused on the future of reporting. One of these is the PRI's equivalency initiative, which is intended to create a harmonised reporting approach across the ecosystem. In collaboration with signatories, the PRI has started to determine equivalent reporting requirements that exist in focused areas. This will start off in areas where signatories have already identified a significantly increased reporting effort which will ultimately benefit all signatories. The first phase of this work has started, with the establishment of an asset owner working group to identify areas of equivalent reporting between the UK Stewardship Code and PRI's 2023 Reporting and Assessment Framework. This will pinpoint opportunities for reducing the overall reporting effort, with a view to concluding the group's work in 2024.

The focus of the equivalency work will gradually expand to encompass other areas. Later this year, the PRI will be inviting applications from signatories to join another working group focused on TCFD reporting in the UK, the EU, and Hong Kong and the group will commence its activities soon.

Guidance

The PRI's expert Guidance team, in collaboration with ten signatory working groups, produces a year-round programme of high-quality, timely publications. An upcoming highlight is the analysis of 2023 Reporting data which will analyse over 50 indicators from the 2023 Reporting Framework, and the data outputs will be used to chart the development of the Responsible Investment (RI) industry. This analysis will enable signatories to benchmark their performance against relevant peers and identify steps they can take to enhance their responsible investment practices.

The PRI is also producing two new introductory guides specifically for asset owners. The first is on corporate governance. It has a practical focus, providing case studies on how asset owners, particularly those with less extensive resources, can drive robust corporate governance practices in the companies they invest in. The second is an issue-specific guide for asset owners on human rights. Investors have a legal responsibility to act to uphold human rights, which is explained in the guide. The short explainer also details other drivers that are leading greater numbers of investors to act on human rights. The guide explains what human rights are, why they matter to investors, and the steps investors can take to protect them. The piece includes a series of questions on human rights risk identification that asset owners can ask managers during the due diligence process.

Another publication which is coming up is titled: *how to write a responsible investment policy*. This looks at the current practice, what to consider before writing or updating a policy, and guidelines on what content to include, from sustainability issues and stewardship to position statements.

The PRI hopes that signatories find these publications practical and useful, and look forward to any signatory feedback.

Investor education

The PRI Academy continues to grow year on year and has now trained over 20,000 investment professionals on its courses. The PRI is delighted that the Academy continues to enjoy a user

satisfaction rate of around 99%. The PRI spent the past year completely refreshing its product offering, marketing and processes to ensure it is best placed to support signatory efforts to build responsible investment capacity.

The highlights of the year include the launch of the new ESG in Alternative Investments course in January 2023. This was the first course entirely focused on private markets. Feedback from the first cohorts of users has been fantastic and a number of large private equity, private credit and real assets focused signatories have already rolled the course out across their portfolio, investment and client teams.

The PRI has also updated two foundational courses, Understanding ESG and Applied RI, moving them on to a new, and a user-friendly learning platform, while fully updating the content, including adding over 40 brand new PRI expert videos across the two courses.

Looking forward to PRI in Person next month, the PRI has translated the three most popular courses into Japanese, Understanding ESG, Applied RI, and ESG in Alternative Investments. The PRI is now looking at further translations into other languages.

The PRI is also planning to update the Advanced RI course and, in collaboration with signatories, scoping a series of new course ideas to develop and release in 2024.

Leading and supporting collaboration

Tamsin Ballard, Chief Initiatives Officer, provided an update.

Collaboration, consistent with investors' duties and mandates, is critical to progress on responsible investment. The PRI is facing challenges in the current operating environment, including attacks on ESG investing. But the benefits of collaboration are clear. It creates opportunities for investors to influence collectively, enables greater coherence and transparency of approaches and methodologies; and importantly, provides proof of concept and viability for actions that are needed to progress responsible investment.

There is continued interest and demand for opportunities to collaborate and participate in investor initiatives. Total signatory participation and AUM coverage across the initiatives that the PRI leads have increased over the past year due to growth of existing initiatives and developing new stewardship initiatives. The PRI anticipates further growth in the year ahead.

The number of investor initiatives globally is growing, and the PRI is actively partnering, supporting and helping to make connections and ensure alignment.

The PRI has also seen encouraging growth in the use of the PRI Collaboration Platform, where signatories can pool resources, share information and enhance their influence. Use of the platform continues to expand beyond its investor-company collaborative engagement origins, with the PRI using it to engage with signatories on ongoing policy consultations. And this year saw a 33% increase in signatories using the Resolution Database to pre-declare their voting intentions.

Leading and supporting investor initiatives

The past year has been busy for the initiatives that the PRI leads and supports. The PRI's longest running collaborative engagement, Climate Action 100+ (where we are one of five investor networks) has concluded Phase 1, with continued progress amongst focus companies. It has now started phase 2, in which it will focus on implementing transition plans and target stronger progress by 2030.

More than 250 signatories, representing 37 trillion US dollars in AUM, have endorsed Advance, PRI's collaborative stewardship initiative focusing on social issues and human rights. The initiative has begun its first phase with 40 focus companies across the metals and mining and renewable energy sectors, and investors are developing company-specific engagement strategies.

Responding to strong signatory demand for a greater focus on real-economy policy, the PRI also launched a pilot initiative, testing collaborative engagement with a sovereign debt issuer on climate change. This has initially focused on Australia, as the introduction of the Climate Change Act and other major reforms presented an opportunity to support policy action at a critical juncture.

The PRI continues to play an active role in the net-zero alliances. In the past year the Net Zero Asset Owner Alliance, which the PRI co-convened with UNEP Finance Initiative, has published position papers including expectations for oil and gas investments. For the Net Zero Asset Managers Initiative (NZAM) the PRI has integrated NZAM commitments and progress reporting in the 2023 Reporting Framework, and many NZAM members are using this option to fulfil their NZAM reporting requirements with support from PRI climate specialists.

The PRI also continues to coordinate the Net Zero Financial Service Providers Alliance, where Stock Exchanges have received Race to Zero accreditation. The year has been focused on strengthening transparency and accountability, ensuring a robust governance process is in place.

The PRI also leads and supports collaboration on asset class initiatives including the Credit Risk and Ratings Initiative, Assessing Sovereign Climate Risks and Opportunities (ASCOR) and Initiative Climat International (iCI) focusing on private markets.

Looking forward

Heading into the next year, the PRI will continue to actively assist signatories in navigating the changing operating environment for many initiatives. In doing so, the PRI is reassured by supportive voices calling for collaboration including the UN Secretary General who has said that collective climate action "does not violate anti-trust – it upholds the public trust". In a number of jurisdictions the PRI is finding that there is a supportive view on collaboration and ever-more commitment to responsible investment.

For the net zero alliances, a major development in the coming year will be the UN Framework Convention on Climate Change's proposed new Recognition and Accountability Framework for climate action for non-state actors. The new Framework will encourage standardised accountability frameworks for different non-state actors, including voluntary investor alliances, and shine a spotlight

on those not acting. Importantly it will also aim to identify policy barriers to achieving net zero. The PRI is inputting into the formal consultation process, coordinating closely with network partners.

The PRI is also excited about several new opportunities for investors to collaborate. The PRI is expecting to launch a new collaborative stewardship initiative on nature by the end of the financial year, working closely with peer initiatives in the industry. The PRI is also scoping an expansion of sovereign engagement on climate policy, expanding our Australian pilot. The PRI looks forward to updating signatories on progress and hopes signatories will take the opportunity to join one or more of collaborative initiatives and also sign up to our Collaboration Platform.

ESG issues

Nathan Fabian, Chief Sustainable Systems Officer, provided an update on ESG issues.

It is essential that we treat finance, the economy, our environment and society as an interconnected system, and focus on the meaningful, proportionate roles that our broad tent of responsible investors play in this system. Individually we invest in companies and financial instruments. However, in aggregate we rely on a sustainable economy in a sustainable world. One way the PRI helps is to work in the space between the double materialities, helping investors and working with regulators on the impact and systemic implications of environmental, social and governance issues and how responsible investors can respond to and influence them. In the past year, the PRI has continued its work in this area.

In addition to climate change, the PRI is working on Biodiversity. At the UN Biodiversity Conference, or COP15, the PRI coordinated engagement and statement provided an opportunity for investors to call on governments to halt and reverse nature loss by 2030. As part of the PRI's nature programme, it is now developing guidance to support signatories' investment practices, a new nature stewardship initiative, and policy engagement (for example responding to the Task Force on Nature-related Financial Disclosures and latest drafts of the EU Taxonomy). The PRI also launched new Nature and Circular Economy Reference Groups earlier this year.

On social issues, the PRI's work has continued across human rights, with a focus on diffusing the OECD guidelines and UN Guiding Principles. The PRI has also focussed on decent work, and diversity, equity and inclusion.

Within the governance sphere, the PRI issued guidance on corporate purpose, driving change in the tax system, and responsible political engagement.

Public policy and a sustainable financial system

The PRI engages with public policy to support its Principles and mission. Public policy critically affects institutional investors' ability, and incentive, to generate sustainable returns, therefore the PRI continues to deepen and expand engagement with policy makers worldwide. The PRI engaged on the necessary capabilities within a sustainable financial system, and on the design of specific policies and regulation. The PRI also supports signatories to engage directly with policy makers.

In the past year the PRI carried out more than 130 policy engagement activities, ranging from leading technical groups to enabling signatories to express their urgent and very real needs for comparable data.

Highlighting the need for global alignment on the economic transition has been a theme across many of our policy briefings and engagements. On corporate sustainability reporting, the PRI has worked with signatories to ensure that investor data needs are appropriately considered in the standard-setting developments that are underway. Most notably, this has included the International Sustainability Standards Board (ISSB) and European Sustainability Reporting Standards, which the PRI has vigorously supported.

This year the PRI reviewed the global ESG reporting landscape for investors, to ensure that the PRI understands what ESG reporting requirements apply to your investments and processes. The PRI is aware that it needs to locate signatory reporting to the PRI in a regulatory context and understand the equivalency of different reporting obligations, feeding into the work that Cathrine Armour mentioned. The review covered 120 ESG reporting instruments across five global reporting initiatives and nine key jurisdictions.

Academic research

The PRI has continued to foster relationships between investors and academia. Academic seminars throughout the year broadened the opportunity for thought leaders to present their work, with the Academic Network Conference, within PRI in Person, being the highlight of the calendar.

This year the PRI also created two research fellowship positions, bringing up-and-coming academics into the PRI to contribute evidence and insights to its work. A focus this year has been enhancing PRI's work with the International Financial Reporting Standards (IFRS) and International Sustainability Standards Board (ISSB).

Looking ahead

In the coming year, the PRI will build on these strong foundations to continue empowering signatories. The PRI will bring all our systems activity together, to build a common view of changing priorities for financial markets and economic transition. The team will look forward, innovate, and guide the PRI on responsible investment's future, ensuring that various activities to support signatories contribute to achieving a sustainable financial system and a more sustainable world.

One of the most resounding findings of the PRI in a Changing World consultation was the need for the PRI to do more to support signatory progression in their responsible investment practices. 95% of respondents said that they expected to progress as PRI signatories, and over 80% wanted to demonstrate that progress in a more relevant way than is currently possible. Therefore, the PRI is launching the Progression Pathways programme, which will help PRI to ensure signatories are supported to achieve their responsible investment goals in a much more tailored way.

Progression Pathways will be step-by-step journeys with dedicated support, tools and communities of practice to help investors progress towards their own responsible investment goals, based either on their organisational purpose or the ESG issues on which they want to focus.

At PRI in Person in October, the PRI will be launching a co-design process with signatories. The PRI has a range of in-person and online workshops and opportunities for signatories to share their views on what these pathways should look like and how existing tools, like the Reporting and Assessment Framework, can evolve to better support signatories on a more tailored progression journey. The PRI looks forward to working with signatories on these exciting developments.

PRI in Person

Esther Teeken, Chief Operating Officer, provided an update.

The next edition of PRI in Person will take place in Tokyo, from 3-5 October 2023. This is PRI's first time in Japan, and first time in Asia since 2016, and the PRI is excited and looking forward to welcoming over 1,200 delegates from over 40 countries. The PRI is grateful to its lead sponsor, Nippon Life Insurance Company, and 40 other sponsors for their generous support in making the conference possible.

The theme this year is "moving from commitments to action". There will be a focus on practical examples of action that signatories have taken, as well as identifying opportunities for future action. The PRI looks forward to welcoming delegates at the PRI in Person in Tokyo.

Financials

In the year ending 31 March 2023, the PRI generated a surplus (after interest, tax and depreciation), of circa £0.5 million pounds sterling.

Total income generated during the year amounted to £34.8 million pounds sterling. This is over £7 million pounds sterling ahead of the prior year, as a result of increased signatory numbers and higher income from events post-pandemic. Signatory fees remain the major source of income, accounting for 72% of total income. Restricted funding income increased as a result of additional grant funding being achieved.

Other sources of income include events and the PRI Academy, with events income being driven predominantly by the annual PRI in Person. Last year's conference in Barcelona generated a surplus of £1.3 million pounds sterling through ticket and sponsorship sales. The PRI Academy also recorded a strong year, with revenues increasing by £0.4 million pounds sterling. Overall course enrolment numbers increased to more than 4,400, up from 3,800 in the prior year. Operating expenditure for the year amounted to £34 million pounds sterling.

People costs continue to be the largest expenditure item, accounting for 62% of total expenditure. Head count increased by 33 full time equivalents over the year, allowing us to invest in internal capabilities. Non-people expenditure included contracted services, IT, events, and premises. This spending contributes towards PRI's core work directly supporting responsible investment practice.

In the balance sheet, overall assets have increased by circa £0.5 million pounds sterling during the year, with year-end reserves within the PRI's minimum required reserves policy.

The budget for the financial year 2023/24 has been signed off by the Board, and is aligned with the PRI's priorities.

Risk management

There are a number of risks that the PRI is currently monitoring as part of its risk management.

Risk of litigation is largely due to the political environment in some regions, including specific pushback against ESG investing. The PRI maintains legal advice, has reviewed guidance documents and updated sign-off procedures. The PRI has no specific reason to expect any incoming litigation. However, in the interests of prudent and comprehensive planning, the PRI track risks of this nature constantly which PRI believes it's the right thing to do for the organisation and ultimately for its signatories.

The PRI monitors reputational risk. Globally agreed goals on climate and nature are at risk, leading to pushback on the veracity of investors' claims and effectiveness of approaches used. This extends to accusations of greenwashing. Enabling signatories to progress and demonstrate doing so, via PRI Reporting and other mechanisms, is critical to the PRI. As such, the PRI is monitoring the reputational risk profile of both the PRI and the wider sector within the public discourse at the moment, and will continue to respond through its own channels and the media, to safeguard the reputation of the organisation and the important work being undertaken together.

Holding confidential data means I.T. security is of critical importance to the PRI. The PRI has data protection, information security, password and acceptable I.T. use policies. The PRI is Cyber Essentials certified and working towards additional certifications. The PRI has invested significantly in safeguarding against risks of this nature and will continue to monitor such risks to ensure the operational integrity of the organisation is protected.

The PRI operates in a complex, global context, therefore these are a selection of the risks that PRI monitors on an ongoing basis.

Walk the Talk

The PRI has also been working to ensure its internal practices reflect its values via the Walk the Talk programme. While most of the PRI's impact on ESG issues is indirect, the PRI recognises that its own operating activities have impacts, and want to manage these in a way that's consistent with the mission of the PRI.

This year, the PRI Board approved a new Climate Change Policy, which sets out PRI's commitment to measuring, mitigating and reporting on climate change risks and impacts – throughout its operations and in business relationships.

The PRI is also working on strengthening its commitment to human rights. The PRI Board approved an updated Human Rights Policy, the implementation of which will be supported by a new Supplier's Code of Conduct Policy and a revised Procurement Policy.

The PRI looks forward to updating signatories on the progress of these initiatives in future years.

We are halfway to 2030

David Atkin thanked signatories again for joining the SGM today and for their continued commitment to the PRI and to responsible investment. We are at the halfway point of the 2030 Agenda for Sustainable Development, and globally we are far off track. However, it is still possible to redouble our efforts, translate our commitments into action and secure our collective future – and the PRI is here to support signatories.

SIGNATORY VOTING, PRI BOARD DIRECTOR ELECTIONS, AND PROPOSED NEW CHAIR

Martin Skancke, Chair of the PRI Board, provided an overview of the PRI Board director elections and proposed new Chair.

The PRI Board

The PRI Board is composed of one independent chair and ten elected directors.

- seven directors elected by asset owner signatories;
- two directors elected by investment manager signatories;
- one director elected by service provider signatories; and
- two permanent UN advisors who are representatives from the PRI's founding UN partners: UN Global Compact and UNEP Finance Initiative.

Unfortunately for the PRI Board, Scott Connolly, from Telstra Superannuation, an asset owner representative, resigned in May 2023, upon his appointment to the Australian Government at the Fair Work Commission and therefore there is the vacant position to be filled in the upcoming elections.

Martin Skancke is pleased to Chair a very engaged Board that is gender balanced and has good representation from around the world.

Signatory voting and PRI Board Director elections

The 2023 PRI Board election is for three asset owner representative positions and one investment manager representative position. Asset owner signatories will vote for asset owner candidates and investment manager signatories will vote for investment manager candidates. All signatories will be asked to vote on other four items: confirm the appointment of the Chair; receive the [PRI Annual Report and Accounts](#); approve the [Signatory General Meeting](#) minutes; and approve amendments to the Articles of Association.

The signatory voting opens on 20 September and closes on 1 December, lasting for more than 10 weeks. Signatories are invited to vote on various elements of PRI governance shown in the table below.

| Voting item | Asset owners | Investment managers | Service providers |
|--|--------------|---------------------|-------------------|
| Vote for three asset owner representatives in the PRI Board election | ✓ | | |
| Vote for one investment manager representative in the PRI Board election | | ✓ | |
| Vote to confirm the appointment of the Chair | ✓ | ✓ | ✓ |
| Vote to receive the PRI Annual Report and Accounts | ✓ | ✓ | ✓ |
| Vote to approve the Signatory General Meeting minutes | ✓ | ✓ | ✓ |
| Vote to approve amendments to the Articles of Association | ✓ | ✓ | ✓ |

Amendments to the Articles of Association

There are several proposed changes related to PRI's Articles of Association for signatories vote.

The PRI asked signatories in the PRI in a Changing World consultation regarding their willingness to engage on PRI's strategy or priority setting as well as the agility of the strategy setting. Signatories want to engage on PRI's priorities, the value PRI provide and its strategy, and a set three-year strategy is not agile. Therefore, a proposed change is the removal of a prescription to have a set three-year strategy cycle, and addition of '*At least every three years the Directors must formally consult signatories on the strategic plan... subject to a Formal Consultation*'.

This increases PRI's commitment to:

- signatory consultation – through different forums - about the direction of the organisation;
- accountability to the implementation of the strategy; and
- transparency about reporting to signatories about the success or not of the strategy.

The current Articles are from 2015 and therefore the PRI has also taken the opportunity to remove unnecessary provisions, about the requirement to formally consult on policies that are relevant only to

the Executive, as well as provisions that were concerned with the transition from the former Advisory Council to the current Board that are redundant now.

To help with signatories voting on these changes we will provide on the PRI website and in the voting platform the proposed new Articles in track changes along with the rationale for the changes.

Appointment of the new Chair

Martin Skancke was pleased to announce that the Board has made a decision to propose Conor Kehoe ([Statement](#) & [Video](#)) as its next Chair, from 2024.

Signatories are asked to confirm Conor Kehoe's appointment as the PRI Board Chair by a simple majority vote, including a simple majority of asset owner signatories' voting.

The Chair recruitment process was underpinned and run by a diverse group of PRI Board members, with a mix of gender and geographic representation, to ensure that issues of diversity and inclusion remained at the forefront of the process. The PRI was privileged to receive interest from a hugely talented pool of potential nominees from across the globe and would like to thank all involved.

Martin Skancke thanked the Chair search committee - Renosi Mokate, Tycho Sneyers, Sanda Ojiambo and led by Sharon Hendricks - who supported the Board through the search process. It was a global search process, supported by Russell Reynolds, an external search consultant.

The Board's assessment is that Conor Kehoe has the ability and experience to lead a high-performing Board, to provide ideas and thought leadership, to challenge and support the Executive (particularly as we go through the PRI's next strategy cycle) and to be a strong ambassador for the PRI across the globe.

Conor Kehoe has vast experience in a number of roles.

- 30 years with McKinsey & Co. and co-founded the organisation's Investor and Private Equity practice and the US based research organisation FCLTGlobal (Focusing Capital on the Long Term).
- Extensive knowledge of responsible investment includes serving as Chair of the Integrated Reporting Council, as a member of the G7 Impact Taskforce on Impact Accounting, as well as continuing to provide expertise on the topic to McKinsey, serving as a Senior Adviser.
- Proven track record in helping organisations establish clear strategic plans that translate into operational reality, this will be integral to the PRI's evolution following the PRI in a Changing World consultation.

The role of the Board is to nominate the independent chair, with the final appointment being contingent on a simple majority of PRI signatories voting to confirm the chair in the role, including a simple majority of asset owner signatories voting.

Subject to signatory approval, Conor Kehoe's term as the new Chair will commence on 1 January 2024.

Asset owner election: vote for one representative

The PRI is a global organisation, and aims for global representation on its Board, particularly within the asset owner positions. To ensure geographical diversity and have a global representation on the Board, the Board encouraged nominations from asset owner signatories headquartered in Africa and Asia during an exclusivity period in May-June 2023.

There are three asset owner positions; Africa, Asia, and an open position. Each asset owner signatory will have three votes for the three asset owner positions and vote separately for Africa, Asia, and open asset owner positions.

For the one asset owner representative position, not subject to geographical eligibility criteria, five candidates have nominated.

- Catherine Bolger - Board Director, State Super - SAS Trustee Corporation (Australia) - [Statement](#) & [Video](#)
- Anita J. Clemons - Senior Vice President & Managing Director of Investment Management, Presbyterian Church U.S.A. Foundation (United States) - [Statement](#) & [Video](#)
- Alessandra Festini - ESG Manager, Cassa Nazionale di Previdenza e Assistenza Forense (Italy) - [Statement](#) & [Video](#)
- Jonathan Grabel - Chief Investment Officer, Los Angeles County Employees Retirement Association (LACERA) (United States) - [Statement](#) & [Video](#)
- Torben Möger Pedersen - Chief Executive Officer, PensionDanmark (Denmark) - [Statement](#) & [Video](#)

Asset owner election: vote for one representative from Africa

Three candidates are competing for the one Africa asset owner representative position.

- Kamal Mitha, Head of Investments, Sasria (SOC) Limited (South Africa) - [Statement](#) & [Video](#)
- Lebogang Mokgabudi, Independent Specialist Trustee, Government Employees Pension Fund (South Africa) - [Statement](#) & [Video](#)
- Sonja Cecile Saunderson, Chief Investment Officer, Eskom Pension and Provident Fund (South Africa) - [Statement](#) & [Video](#)

Asset owner election: vote for one representative from Asia

Only one candidate, Takeshi Kimura, a current Board member, has nominated for the Asia asset owner representative position, seeking a second term on the Board.

- Takeshi Kimura, Special Adviser to the Board, Nippon Life Insurance Company (Japan) - [Statement](#) & [Video](#)

Although there is only one candidate, as defined in the [Election Rules](#), asset owner signatories will be asked to vote to approve the candidate's appointment as a PRI Board Director by a simple majority vote.

Investment manager election: vote for one representative

Eight candidates are competing for the one open investment manager representative position.

- Eric Bruguier, Partner, Ciclad Gestion (France) - [Statement](#) & [Video](#)
- Adam Michael Davies¹, Chief Executive Officer, Velox Capital Partners LLP (United Kingdom) - [Statement](#) & [Video](#)
- Johannes Feist, Chief Executive Officer, Mikro Kapital Management S.A. (Luxembourg) - [Statement](#) & [Video](#)
- Laurence Vigeant-Langlois, Managing Director, AE Industrial Partners, LP (United States) - [Statement](#) & [Video](#)
- Kudakwashe Mukova, Head of Impact & Sustainability, Norsad Capital (Botswana) - [Statement](#) & [Video](#)
- Mmakeaya Magoro Tryphosa Ramano, Non-Executive Director, Public Investment Corporation (PIC) (South Africa) - [Statement](#) & [Video](#)
- Tycho Sneyers, Managing Partner, LGT Capital (Switzerland) - [Statement](#) & [Video](#)
- Carina Wessels, Executive: Governance, Legal, Compliance and Sustainability, Alexander Forbes Investments Limited (South Africa) - [Statement](#) & [Video](#)

The PRI would like to thank candidates for nominating for the PRI Board elections.

Online signatory voting

Online signatory voting will open on Wednesday 20 September and close on 1 December 17.00 GMT. All main contacts of signatory organisations will receive a voting ballot via email from vote@governance.unpri.org. Signatories are encouraged to visit the [PRI website](#) to learn more about these candidates, view their statements and videos which will help voters to make an informed voting decision.

Electing PRI Board directors and voting on governance related items are important signatory rights. The PRI encourages signatories to actively participate in the signatory voting and PRI Board Director elections. Signatories are encouraged to exercise their vote.

Martin Skancke concluded by acknowledging that this is his last SGM as the PRI Chair, having served the maximum of three consecutive three-year terms as Chair. He is grateful for the opportunity to be part of the incredible journey the PRI has been on these last 9 years. Martin Skancke thanked all signatories for the trust they have placed in him and for many interesting discussions over these years. He thanked everyone at the PRI, the PRI Executive has impressed the Board with their skills, enthusiasm, and dedication, and it has been a privilege to work with them.

Signatories will be asked to approve the minutes via an online vote alongside the PRI Board election vote.

¹ Adam Michael Davies withdrew their nomination from the PRI Board elections after the Signatory General Meeting. Therefore, seven candidates are competing for the one open investment manager representative position.

SIGNATORY Q&A

Signatories asked questions on a range of topics across both SGMs. The following questions and responses have been ordered and grouped by topic to increase legibility for the readers.

Current reporting requirements seems to be mainly a box ticking exercise and self assessment without external auditing and thereby enabling green washing for asset managers that then run around with their scores. Instead PRI could define minimum standards (UN Global Compact based exclusion criteria for at least x% of AuM to be a member, etc.) that are externally audited, making PRI memberships a quality label. Currently anyone could get this membership as long as they are capable of ticking boxes and pays the annual fee.

The PRI provides a recognition of signatories' commitments to, and evidence of, action orientation towards the Principles of responsible investment including transparency, stewardship, sustainability (as per the six Principles). PRI membership is a commitment by the organisation that promotes responsible investment practices. It publicly signals dedication to responsible investment without necessarily providing a label for individual products or investments. Membership demonstrates that the signatory is dedicated to integrating ESG considerations into their investment strategies and actively engaging with companies to promote sustainability.

Questions in the Framework do not encourage tick box approach. The PRI asks for the depth (such as AUM coverage) or the frequency of practices, including asking for examples or evidence (such as links to the evidence). This is to ensure that there is a further level of accountability and robustness in the questions the PRI asks. While the external audit is considered an assurance of signatories' commitments, PRI's minimum requirements reflect these and the transparency of reporting provides for accountability. PRI's minimum requirements includes a requirement for signatories to have an RI policy that covers their overall approach to RI or guidelines on E, S, and/or G factors, which must cover >50% of their AUM. More information and guidance on this can be found on our [minimum requirements webpage](#). These were developed alongside our signatory base and each requirement received strong signatory support as a means to enhance accountability to signatories' commitments to the PRI.

Signatories must report on the confidence-building measures they have used to enhance or demonstrate the credibility of their ESG disclosures to the PRI in the Confidence-Building Measures module. In this module, signatories can declare the level of verification or assurance that they have undertaken for their reported data, which is publicly available in signatories' Transparency Reports. The PRI produces and publishes Transparency Reports which include all responses to core indicators. These are publicly disclosed by the PRI for all signatories that are mandatory reporters to the PRI. This opens signatory responses to public scrutiny to enhance accountability for reported data.

Ambitions of PRI to participate in political debates regarding responsible investments?

Outside the investment world, the PRI seems to currently have little influence on both politics and society.

The PRI is a politically neutral organisation and engages with global policy makers and regulators on a spectrum of issues. The PRI does not engage in politics, however it has a role to inform and educate lawmakers and support them in policy development. This includes supporting the development of legislative, regulatory or technical proposals in the interest of signatories' work. The PRI will continue to play a role and expand this work in corporate reporting, investor disclosure, financial system reporting and transition planning for economies and sectors.

What are the ambitions of PRI to not only act as a reporting platform but also as an ESG standard setter? For instance, UN Global Compact Breaches could be defined and made public by PRI and all signatories forced to either divest or engage with those companies in order to remain signatories.

This approach would take the PRI in a different direction, and it is not currently on the PRI's agenda. The PRI does not have the authority under its [Articles of Association](#) to force signatories to take specific steps with individual investment holdings. The PRI would like to support signatories to pursue responsible investment practices and objectives. Frameworks such as the UN Global Compact and the OECD Guidelines are pertinent for responsible investors and we believe responsible investors should be seeking to use them to inform their investment allocation and stewardship activities. The PRI's role is to provide tools and support to signatories, and create opportunities for signatories to make progress and work on common areas of interest and shape policy. The PRI is conducting the 2024-27 strategic planning and will consult with signatories, this is an opportunity for signatories to provide input. The PRI is a big tent organisation and a change in direction would mean that PRI would be a different organisation which is not PRI's intention.

What's the current schedule for this year's assessment report? The original horizon was Nov-Dec, which the PRI announced in March. Since the report period is delayed, is there a change in the schedule of releasing of assessment report.

The PRI expects to maintain the communicated schedule for delivery of the assessment reports and release these in November-December 2023.

What is the schedule of reporting period in 2024 and if we will have time to improve our process with referring the assessment report.

The 2024 reporting period will be same as 2023 lasting for three months commencing in May-June 2024. The PRI will review signatory feedback at the end of 2023 reporting cycle and take this into consideration.

Is the PRI continuing with the same time period for the annual PRI assessment process? Juggling this big deliverable during the height of proxy season was a challenge. When will the Reporting Framework results be reported?

The PRI would like to thank signatories for progressing with their 2023 reporting with circa 90% of mandatory reporters currently with more than 90% completion or submitted. The PRI expects to have the same timeframe for next year. The PRI intends to release the Reporting Framework in January 2024, open the reporting window in May-June 2024 for a period of three months and issue assessment and transparency reports in November-December 2024.

The PRI acknowledges feedback regarding the challenges of the reporting cycle, the PRI intends to maintain consistency and the structure for 2024. This will enable more time to focus on other developments such as progression pathways – and build this into longer-term reporting changes expected from 2025. The PRI encourages signatories to provide feedback during their reporting submissions, which will enable the PRI to consider the feedback and finalise the Reporting Framework for 2024.

Has the reporting window been determined for next year? Address the reporting issues this year and will there be anticipated additional reporting changes next year?

The PRI is considering dynamic reporting as part of progression pathway co-design conversation with signatories. The PRI would like to explore what does dynamic reporting looks like, periods of time through the year that signatories could submit dynamic reporting that aligns with their commitments and suits their needs. The PRI encourages signatories to provide feedback and participation in the co-design process.

Should any big changes be expected in the reporting in 2024 and the following years?

The PRI recognises the potentially fundamental relationship between the idea of progression pathways and Reporting and Assessment. The PRI aims to achieve stability in the reporting experience for signatories in 2024 and will take signatory feedback into consideration. If there are fundamental changes from the way the PRI aligns progression pathways and Reporting and Assessment, they will not be immediate changes. The PRI will consult with signatories through the progression pathways co-design process, regarding the best approach for Reporting and Assessment, and the idea of progression tools, and progression pathways for the future.

The equivalency approach makes complete sense in reporting. However, initial focus on UK Stewardship Code which has up to 250 signatories. Would a focus on SFDR which is likely to be far more widespread be more practical. This may also cover further elements of RI process, rather than just stewardship.

The PRI is starting equivalency work with the UK Stewardship Code. The purpose is to establish a framework to undertake the equivalency work. The PRI aims to extend that framework for assessing equivalency across another series of requirements for reporting. The PRI is therefore currently agreeing a methodology that could be applied to other frameworks.

I wish to express strong support for the progressive pathways approach. With respect to “solutions” investing, I recommend that this is explicitly connected to the UN’s sustainable development agenda, which includes the SDGs but will endure well past 2030: a forever agenda.

The PRI will commence a progression pathways co-design process with the signatories and looks forward to having a deep conversation. The PRI will provide further information during the PRI in Person. Some investors will be able to think about longer-term sustainability goals as part of their risk return, investment strategy setting, and servicing their clients through their mandates. This is a reasonable proposition and the PRI would like to explore this further. In addition, the PRI will explore how over time sustainable financial system support, will contribute and have a role as economies transition and pursue these goals.

When will the Progression Pathways program be available to signatories? Will it be tailored to asset class?

The PRI promised to co-design the progression pathways with signatories. The PRI is aware of the risk of asking signatories for input frequently on many things. However, the progression pathways is important as the PRI is considering adding substantial element towards the way in which the signatories look to implement the six Principles. The PRI is considering the different structural elements or the potential parts of a progression framework.

In the PRI in a Changing World consultation, the PRI referred to investment activities, responsible investment objectives, sustainability issues, assets and asset classes as potential ways to structure or frame a progression framework. The PRI already uses investment activities and asset classes extensively for guidance and the Reporting Framework.

The PRI is thinking about how it can add in a useful way to that approach that already exists. Based on signatory feedback, there is emphasis on investment objectives and sustainability issues. The PRI will co-design the progression pathways with the signatories and explore all of the best design approaches.

What is the long-term plan for Service Provider involvement. Currently reporting is suspended and very little news is published around where it is heading?

The PRI recognises that it needs to do more to serve its service provider signatories, and this is on the PRI Board's agenda. The service provider community play an important role in the ecosystem.

The PRI already has initiatives in place for its service providers. For example, the PRI plays the secretariat role for the Net Zero Service Provider Initiative. There are also other programmes of work that do support service providers. As the PRI goes through the planning process for the next strategic cycle, the service provider offerings will be considered, and the PRI will look to create more opportunities to support service providers in their work and also include them in the future reporting and assessment programmes.

Will the PRI adjust their reporting requirements and questions to fit with Corporate Sustainability Reporting Directive European Sustainability Reporting Standards requirements?

The equivalency methodology and framework that the PRI is establishing will enable it to be applied across another range of regulatory requirements. The PRI will be looking to prioritise those and look at equivalency in the context of our reporting requirements in the future.

Are there any updates to share relating to minimum requirements for being a signatory?

The PRI will maintain its minimum requirements in 2024 to have consistency with 2023 reporting. The PRI will be reviewing the minimum requirements and discuss with signatories, collect feedback and findings, and include in the future years as the PRI seeks to revise its Reporting Framework moving forward².

² As set out in the [Signatory Accountability Rules](#) changes to the minimum requirements criteria are subject to a formal signatory consultation and require approval of the Board.

How can new signatory join projects/working groups run by PRI?

Signatories can contact their dedicated local team or visit the dedicated [get involved](#) page to find out how to join projects/working groups run by PRI.

Will we still have a dedicated PRI representative that we can contact respect to country or region-specific initiatives?

Signatories can visit the dedicated [get involved](#) page for more information. In addition, the central support team can help with more generic queries. The PRI will continue to have either a dedicated team contact e-mail or individual contact depending on the size of the team and the market.

Has the PRI in Person 2024 location been determined yet?

The location of the next year's PRI in Person will be announced at this year's PRI in Person in Tokyo.

Will there be a virtual option for the PRI in Person 2023? Or access to recorded sessions?

The PRI in Person 2023 will not have live virtual participation. However, the recording will be available within 24 hours of the event. In addition, on a daily basis the PRI will provide updates via its social media channels.

Would be very interested in learning more on the tax engagement work – could you share a link (or several) for that?

Signatories can find out more about the tax engagement work on [Tax fairness page of the PRI website](#).

What specific resources or support is provided for Faith Based Responsible Investors?

The PRI would like to undertake more work in this area and faith-based signatories can contact the PRI to discuss what their needs are to enable the PRI to best support them. The PRI does not have specific guidance on faith-based investing requirements. However, signatories can find guidance on screening in [an introduction to responsible investment: screening | introductory guide | PRI \(unpri.org\)](#).

How are the PRI planning to develop their approach to nature beyond deforestation?

With the launch of the Taskforce on Nature-related Financial Disclosures framework many investors are grappling with the issue of how they intend to understand nature risk in their portfolios and their communication with the companies. The PRI will do more work more to help signatories understand these issues and provide guidance. The PRI is planning to launch a new nature engagement initiative in early 2024, which will focus on enabling policy change. The PRI has already recruited a signatory advisory committee with 17 investors and a technical advisory group with ten members which will seek to maximise investors collective contribution to the goal of reversing biodiversity loss.

The PRI is starting with deforestation work, recognising that it's the biggest contributor to nature loss and also exploring other areas of nature loss that contribute to systemic risks. The PRI is working closely with other nature focused stewardship initiatives – including Nature Action 100. The group of investors engaged with the finance sector deforestation action to help ensure the coherence and complementarity. This initiative is part of the PRI's wider support signatories on managing nature

related risk and harnessing value creation opportunities, including a nature reference group which was recently established.

Are there any plans for taking into consideration the US political agenda, the anti-ESG movement, which makes it difficult for asset managers to combine different expectations?

The PRI is undertaking consideration of the anti-ESG movement and will continue this work as the political debate doesn't change the fundamentals of the market and the economic change, which we are all dealing with. The PRI reached out to US political representatives to help build understanding on the investment role. The PRI is talking with the regulators around the world regarding collaborative engagements and how investors are operating within the law and their process when they are sharing information and analysis on sustainability trends in the markets and the responses of companies. The PRI will continue to outreach and reassure signatories.

I am interested in asking the PRI's COO about the legal risk, is it present exclusively in the USA or in some other countries?

The PRI faces legal risks where it has entities in various jurisdictions. Currently, there is an increased risk in the US which is driven by the anti ESG movement.

To the extent that there is legal risk on collaboration between investors, PRI's understanding is that investors are seeking company responses to understand investment risk to make informed decisions. This is part of their prudent duty to their beneficiaries and clients. This would seem to be a proper diligent purpose that investors are undertaking, and the PRI encourages signatories to take further advice on their own circumstances.

PRI's collaborations, including in the US, are on very sound ground because of the fiduciary interests of investors in these issues. In addition, the PRI is engaging on the policy and political discussions around the roles of investors and collaboration and sees its role to inform policymakers and politicians regarding why investors are using ESG tools and thinking about sustainability trends and how that's part of their role to serve their clients. The PRI believes that its role is to support signatories by helping them to educate and inform on the purpose of investors around ESG and will continue to play that role.

Now that the PRI has 18 years of history, will you provide a timeline of change resulting from Responsible Investment?

The PRI celebrated its 10-year anniversary in 2016 which showcased how the PRI has contributed to responsible investment. The PRI will look into celebrating its 20-year anniversary in the coming years and will seek to undertake an exercise to showcase the timeline of change resulting from responsible investment. The PRI is planning for the next strategic cycle and it is important to identify how the work of signatories has aided the PRI mission and provide evidence of change.

Do you collaborate with other UN organizations that are working on many interesting projects like Blockchain?

The PRI does not collaborate with any UN organisations on blockchain specifically. However, the PRI collaborates with many UN agencies such as UNEP Finance Initiative, UN Global Compact, and

UNCTAD other organisations. This foundation of exchange with UN agencies is part of PRI and how it supports signatories. The PRI is open to growing this in ways that are meaningful to signatories.

There is a wider issue of rapid technological change, including blockchain and how that affects markets and financial markets stability. The PRI is aware, and signatories are identifying increasing interest in this area. Signatories are considering the risks and threats associated with this, including on generative AI, and regulators are considering the potential impact on financial markets. In addition, there is issue around rights to privacy and ownership of information. PRI signatories have started signalling their interest in this area and the PRI will seek to develop further in this area.

What bottlenecks / barriers does the UN PRI currently see as relevant for investors looking to take steps in the field of responsible investing?

One difficulty that the PRI is supporting with is to help signatories navigate through the regulatory environments that now are very different in different parts of the world. The barriers are dependent on the geography and the PRI is thinking very systematically about these issues. There are many new things to learn and respond to from regulators and, in some markets there is some divergence. In the US, the ongoing intense political debate regarding the role of investors that are attempting to prudently manage sustainability factors, and the role of regulation, is a challenging debate. One important element is comparable data on emissions, impacts from corporations and the ability to assess that data against goals, scientific information, and analysis that is being provided on these trends. In addition, there is a transition planning theme for economies, specific sectors, and the corporations that are being invested in.

The PRI recognises that there is a difference in approach to responsible investment from investors, regional experience, mandate or purpose, expectations of their clients and the regulation. The PRI better needs to serve signatories based on their context and experience and it hopes the progression discussion is going to be a good way to get into some more detail.

Will the new focus on human rights include the growing refugee issue around the world?

Historically, the PRI have looked at this issue with existing guidance and podcasts on migration and decent work. This issue is not explicitly covered through the Advance initiative which is focused on human rights and social issues in mining, and the renewables sectors. However, this is an area for the PRI for further consideration.

Thank you PRI, for the support for the Global Investor Commission on Mining 2030 seeking to establish a long term vision for a socially responsible mining sector. Recognising the important work of Advance on human rights, how do you see PRI supporting members beyond human rights related to areas of live conflict.

The PRI is pleased to support the Global Investor Commission on Mining, which is an innovative collaboration of investors interested in how the mining sector is dealing with the social context in which they operate. The PRI would like to support investors working in these areas. Advance is the PRI's flagship platform for investors interested in engaging companies on human rights. Signatories using the platform are learning regarding how to engage corporations on human rights risks and performance in their supply chains.

The PRI acknowledges that the area of live conflict is a new area, and the PRI is learning what role it should be playing to support signatories. In the current operating environment, it is anticipated that there will be more conflicts which may affect markets and investors' interests.

Could you briefly compare any differences between PRI's as-is and to-be structure?

The new structure has been reduced to six executive reports to the CEO (previously this was eight executive reports). The PRI has now included finance, technology, and signatory support in operations. The PRI created a new division - RI Solutions, focused on helping individual signatories to become better responsible investors. The PRI has put together all of the initiatives that were across two teams in the previous structure into one collaborations and initiatives team. Regional policy is now part of the RI Ecosystems team and there is also a global policy team. The aim of the restructure is to scale the organisation and better serve signatories.

Does it really make sense to make global PRI in Person events when taking greenhouse gas emissions into consideration (especially on a yearly basis)? Topics as well as progress differ anyhow in different regions, therefore regional based events could be an alternative with global events only happening every 5 years for instance.

Convening and educating responsible investors is a priority for the PRI and our signatories have consistently identified events as a key benefit of membership. In particular, we regularly receive feedback from signatories that PRI in Person provides a unique opportunity for signatories to network and share knowledge with their global peers, whereas opportunities to do this at a local or regional level are quite common. During the pandemic, we were able to test a number of virtual event formats and it was clear that it is extremely challenging to replicate this delegate-to-delegate interaction without the need for travel. However, we continue to make the content of PRI in Person accessible digitally to those signatories who prefer not to attend in person. For example, recordings of the Tokyo conference sessions next month will be available online within 24 hours of the live event. We continue to strive to minimise the environmental impact of the in-person conference, working with our suppliers, sponsors and other stakeholders to ensure that the event is delivered as sustainably as possible, and we have halved the number of PRI staff travelling to the conference this year. In keeping with our increased focus on regional ecosystem development, we intend to expand the PRI events programme to include a wider range of regional events in addition to PRI in Person.

Will you provide a pdf copy of the audited accounts as of March 2023, 2023 SGM Minutes, and a pdf details amendment changes? Will more details be provided on the Chair appointment?

The [audited accounts](#), SGM minutes and a PDF of changes to the Articles of Association including the rationale for each change will be available to signatories in the online voting ballot which will be sent on 20 September. The Board nominates the Chair and signatories vote to confirm the appointment of the Chair, further information on the Chair will be provided in the voting materials.

Can you please clarify how to vote?

All main contacts of signatory organisations will receive voting ballot on 20 September. For more information on signatory voting visit [PRI website](#).