

 **PRIn Person**

# **2019 Signatory General Meeting**

Tuesday 10 September

 **#PRInPerson**



# Signatory General Meeting

## Agenda

- 09:00 – 09:15 **Welcome address and PRI Board report** (Martin Skancke, Chair, PRI Board)
- 09:15 – 09:45 **Management and financial report** (Fiona Reynolds, CEO, PRI)
- 09:45 – 10:15 **Q&A** (Martin Skancke, Chair, PRI Board & Fiona Reynolds, CEO, PRI)
- 10:15 – 10:30 **Board director elections** (Martin Skancke, Chair, PRI Board)
- 10:30 – 11:00 **PRI Awards presentation** (Hannah Vaughan-Jones, Conference MC)

# PRI Board report

Martin Skancke, Chair

# PRI Board

## Chair



**Martin Skancke**  
Independent  
Term limit: 2020

## Directors elected by asset owners



**Angela Emslie**  
HESTA (Australia)  
Term limit: 2021



**Eva Halvarsson**  
AP2 (Sweden)  
Term limit: 2019



**Hiromichi Mizuno**  
GPIF (Japan)  
Term limit: 2019



**Renosi Mokate**  
GEPF (South Africa)  
Term limit: 2020



**Laetitia Tankwe**  
Ircantec (France)  
Term limit: 2021



**Sharon Hendricks**  
CalSTRS (USA)  
Term limit: 2021



**Xander den Uyl**  
ABP (Netherlands)  
Term limit: 2021

## Directors elected by non asset owners



**Wendy Cromwell**  
Wellington (USA)  
Term limit: 2021



**Tycho Sneyers**  
LGT (Switzerland)  
Term limit: 2020



**Peter Webster**  
Vigeo Eiris (France)  
Term limit: 2019

## Permanent UN advisors



**Lise Kingo**  
UN Global Compact



**Eric Usher**  
UNEP FI

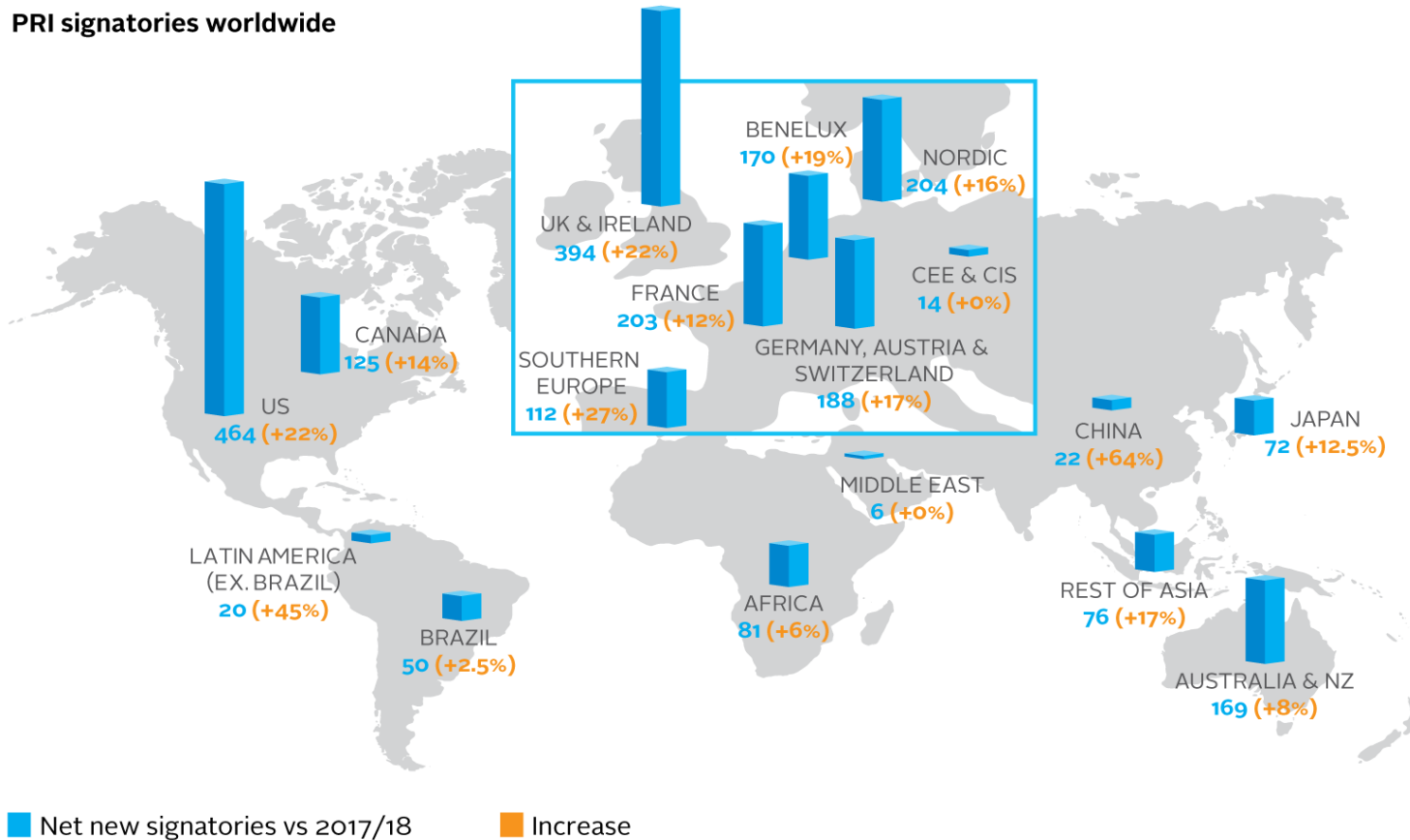
# Management and financial report

Fiona Reynolds, CEO

# Enhance our global footprint

## Signatory overview 2018/19

### PRI signatories worldwide



**433 new signatories**  
including **69 asset owners**

**22% net signatory growth**

### Enhanced local presence:

- Four new regional directors
- Three new markets: Latin America, Southern Europe & Switzerland



## Develop our staff



**128 global staff**  
**40 new staff in 4 countries**

**Staff gender ratio: 59:41 (F:M)**

## Financial statements

Financing the next phase of responsible investment

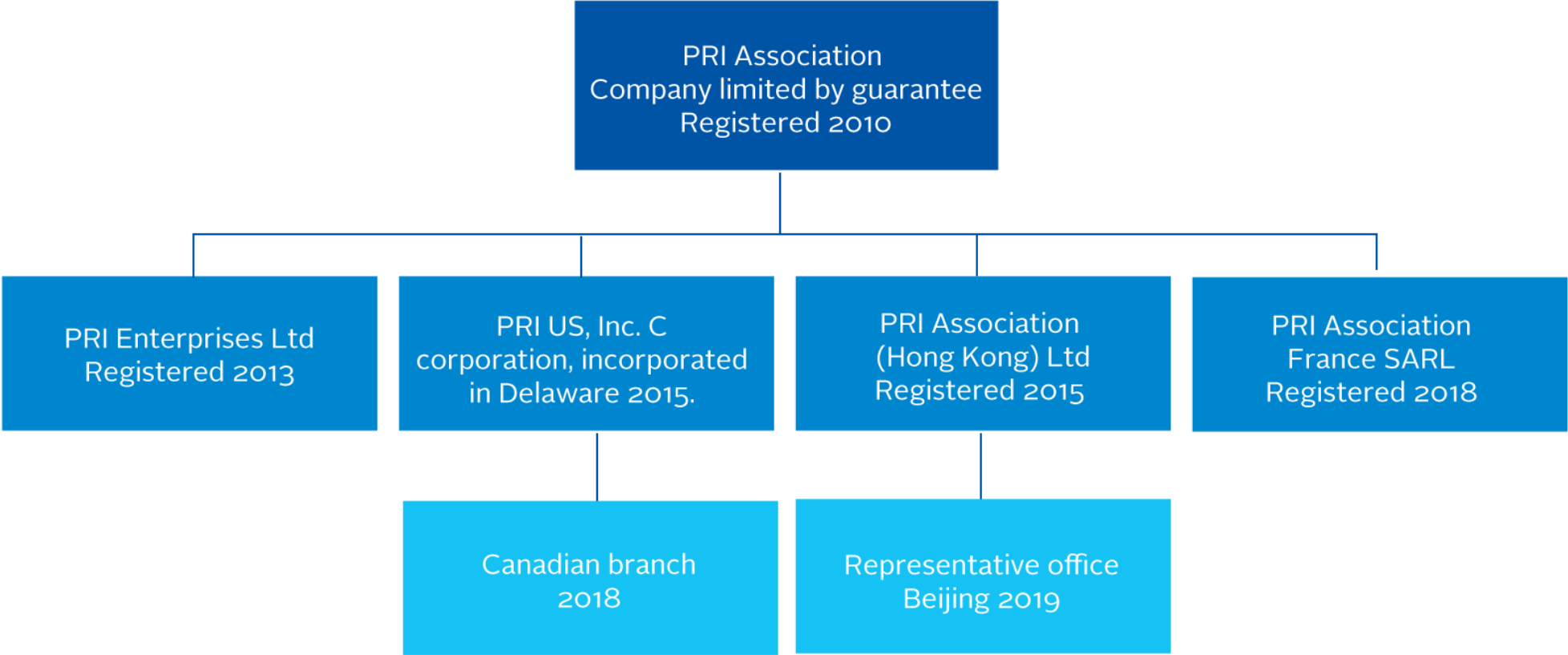
### Between 1 April 2018 and 31 March 2019:

- Total **income** grew to **£13.2 million**  
(up from £10.4 million in 2017/18)
- Total **expenditure** grew to **£12.5 million**  
(excluding PRI in Person—up from £10.2 million in 2017/18)
- Achieved a **surplus** of **£554,140**  
(After interest receivable, depreciation and tax—up from £193,185 for 2017/18)



# Corporate structure

## Corporate Structure



# Blueprint for responsible investment

Over the next 10 years, the PRI will focus on the following areas of impact:



## RESPONSIBLE INVESTORS

- EMPOWER ASSET OWNERS
- SUPPORT INVESTORS INCORPORATING ESG ISSUES
- FOSTER A COMMUNITY OF ACTIVE OWNERS
- SHOWCASE LEADERSHIP AND INCREASE ACCOUNTABILITY
- CONVENE AND EDUCATE RESPONSIBLE INVESTORS

## SUSTAINABLE MARKETS

- CHALLENGE BARRIERS TO A SUSTAINABLE FINANCIAL SYSTEM
- DRIVE MEANINGFUL DATA THROUGHOUT MARKETS

## A PROSPEROUS WORLD FOR ALL

- CHAMPION CLIMATE ACTION
- ENABLE REAL-WORLD IMPACT ALIGNED WITH THE SDGs

## Flagship projects

- **European Technical Expert Group on Sustainable Finance – Taxonomy**
- **The Inevitable Policy Response: Act Now**
- **Financial Sector Commission on Modern Slavery and Human Trafficking**
- **Manager Selection Appointment and Monitoring**
- **PRI's Normative Position on Human Rights**
- **ESG in Credit Risk and Ratings**
- **Climate Action 100+**
- **SDGs flagship project**

## Diverse range of tools and guidance for investors



RI review tool

RI DDQs  
by asset class

Guidance and case studies for ESG integration for:

### ENVIRONMENTAL

Implementing TCFD recommendations for oil and gas methane disclosure

The Amazon: a critical climate tipping point

### SOCIAL

Human rights and the extractives industry

Climate change and the just transition: a guide for investor action

### GOVERNANCE

Evaluating and engaging on corporate tax transparency: an investor guide

Investor-company dialogue on cyber security: five emerging findings



CFA Institute



The Americas



APAC



EMEA

## Climate Action 100+

Foster a community of active owners



**360+**

INVESTORS SIGNED UP



**34+**

US\$ trn

ASSETS COMMITTED



**160**

COMPANIES



**80%**

GLOAL INDUSTRIAL  
EMISSIONS





## PRI coordinated engagements

Foster a community of active owners

Closed in  
2018/19



### Corporate climate lobbying

**100%** of companies engaged with improved their scores



### Human rights in extractive industries

**93%** of companies engaged with improved their scores

Still open to  
join

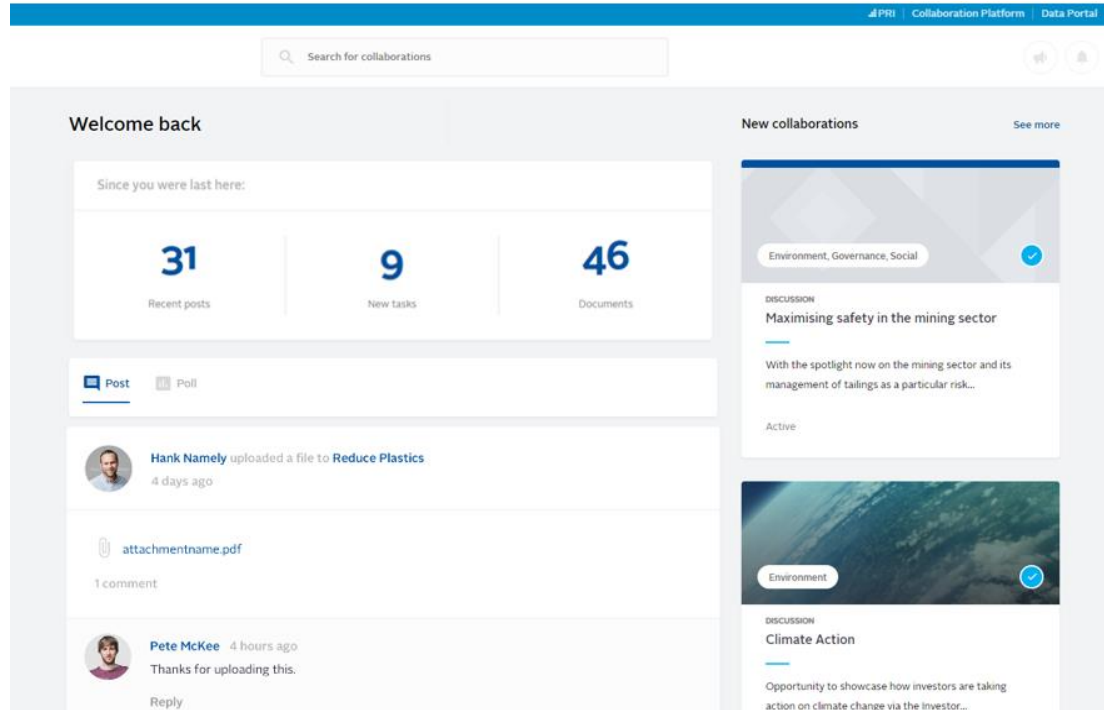


### PRI-Ceres investor working group on soy and cattle linked deforestation



## Introducing the new Collaboration Platform

Foster a community of active owners



- More control over invitations to collaborations
- Informal discussion groups around topics of interest
- Newsfeeds
- Follow companies
- More interactive
- Combined with the Academic Network Online, connecting investors and academics

**Try out the new Platform at the PRI stand in the exhibition area!**

- INSERT  
COLLABORATION  
PLATFORM VIDEO**

## The Inevitable Policy Response

Climate change is the highest priority ESG issue facing investors



# INEVITABLE POLICY RESPONSE

### Forceful policy levers:



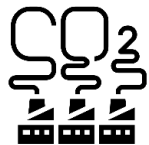
Coal phase-out



ICE sales bans



Carbon pricing



CCS & industry  
decarbonisation



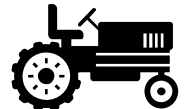
Zero-carbon power



Energy efficiency



Land use-based  
greenhouse gas removal

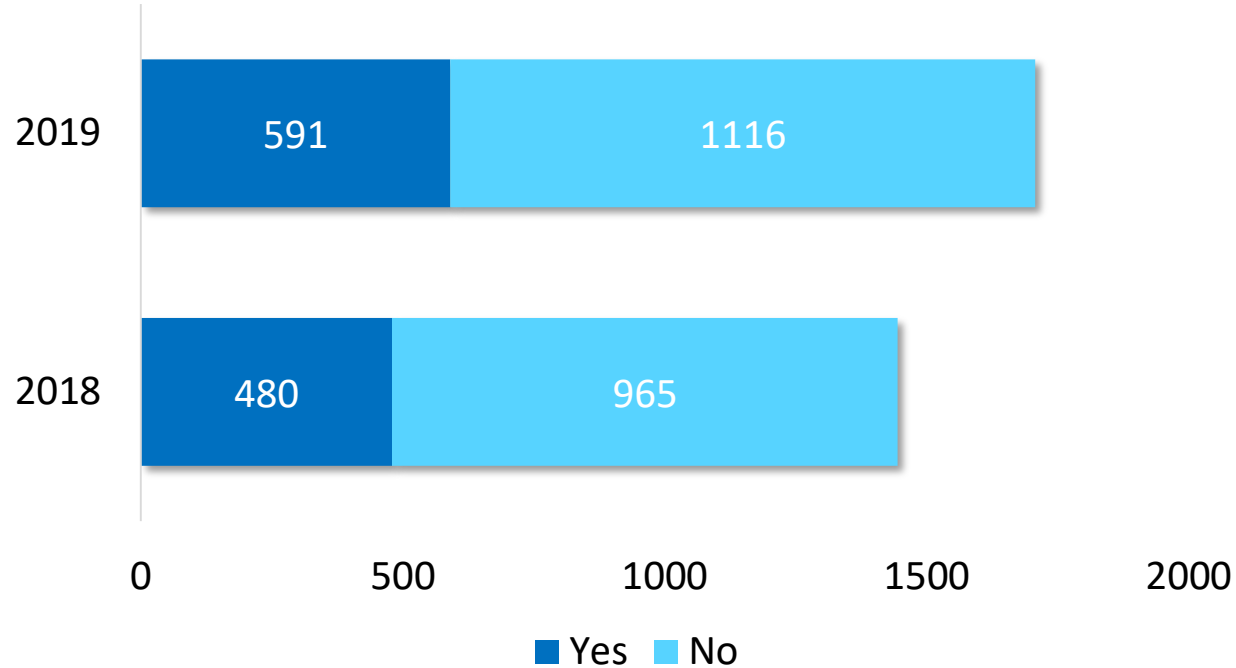


Agriculture

## Task Force on Climate-related Financial Disclosures

Climate change is the highest priority ESG issue facing investors

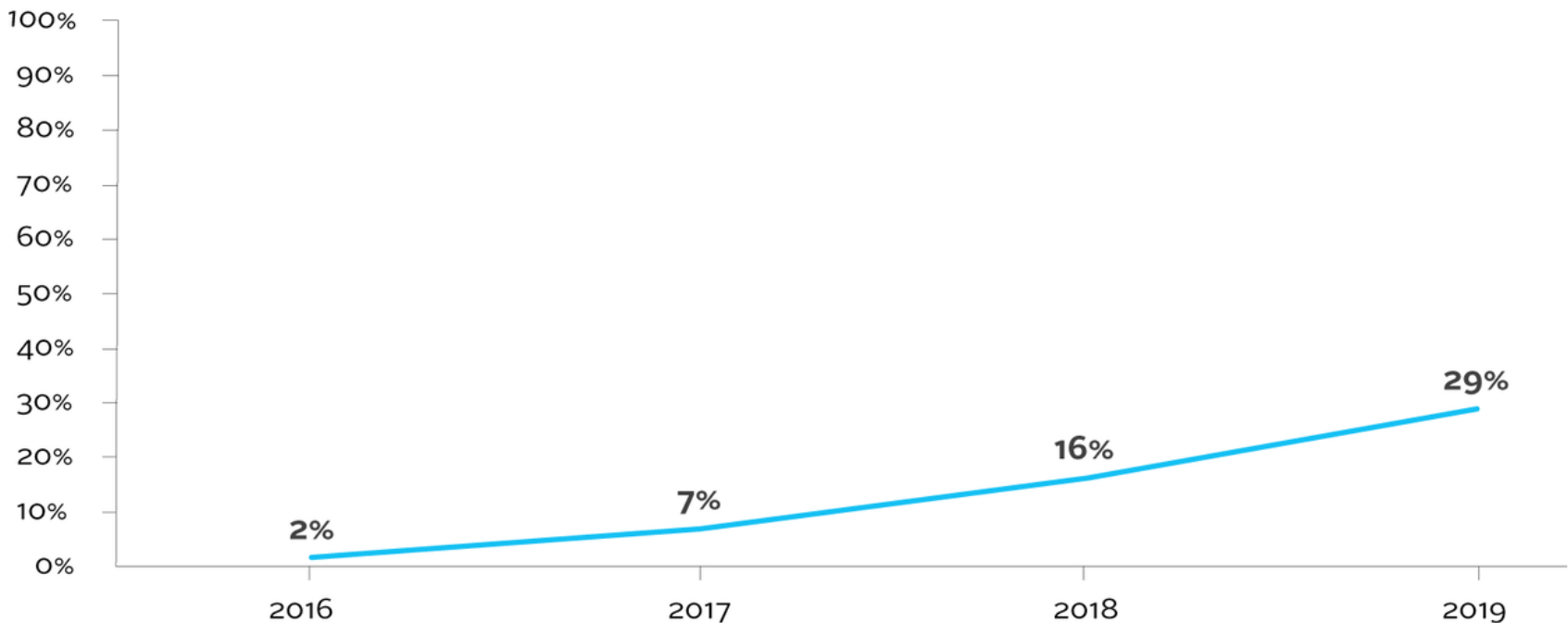
### Number of signatories responding to TCFD based indicator questions on climate change



- Nearly **600** signatories reporting on TCFD based indicators – an increase of over 100 on last year
- Governance and strategy indicators to become mandatory to report – *not disclose* – in 2020

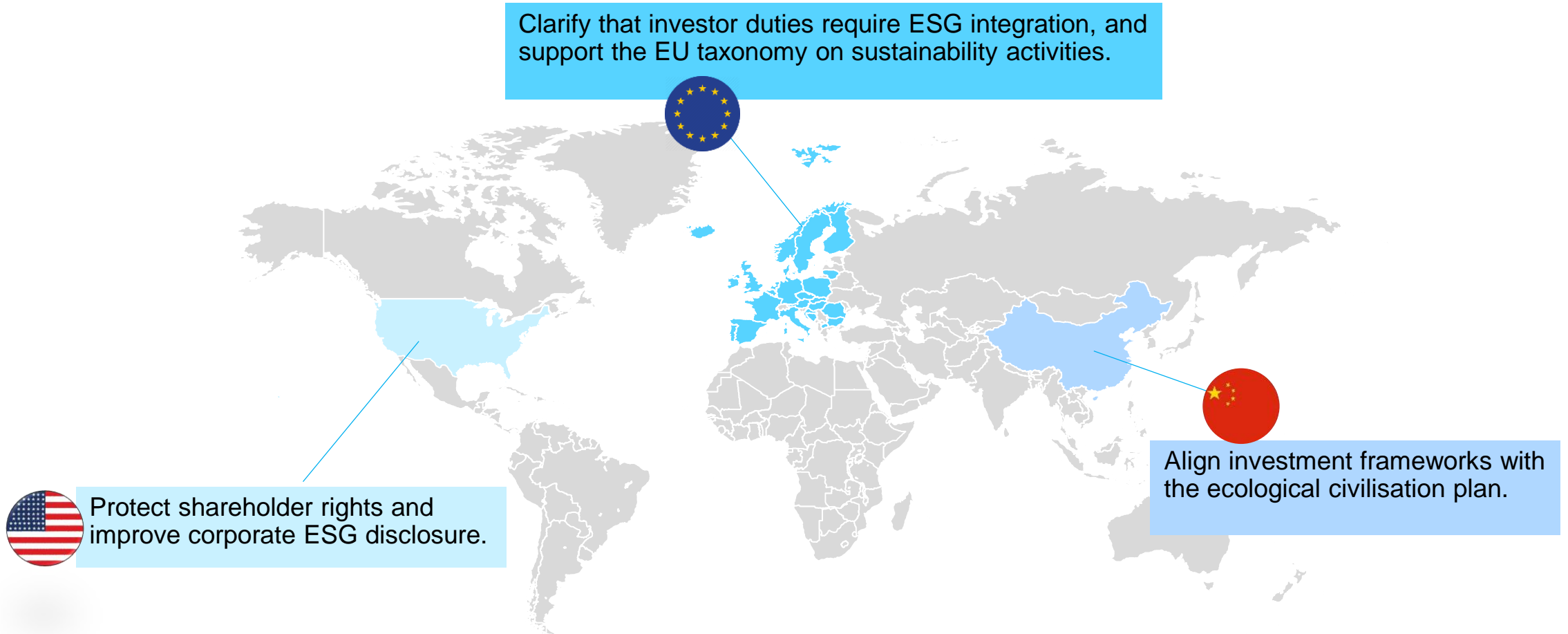
# Enable real-world impact aligned with the SDGs

Signatories mentioning the SDGs during their PRI reporting



## Global policy engagement programme

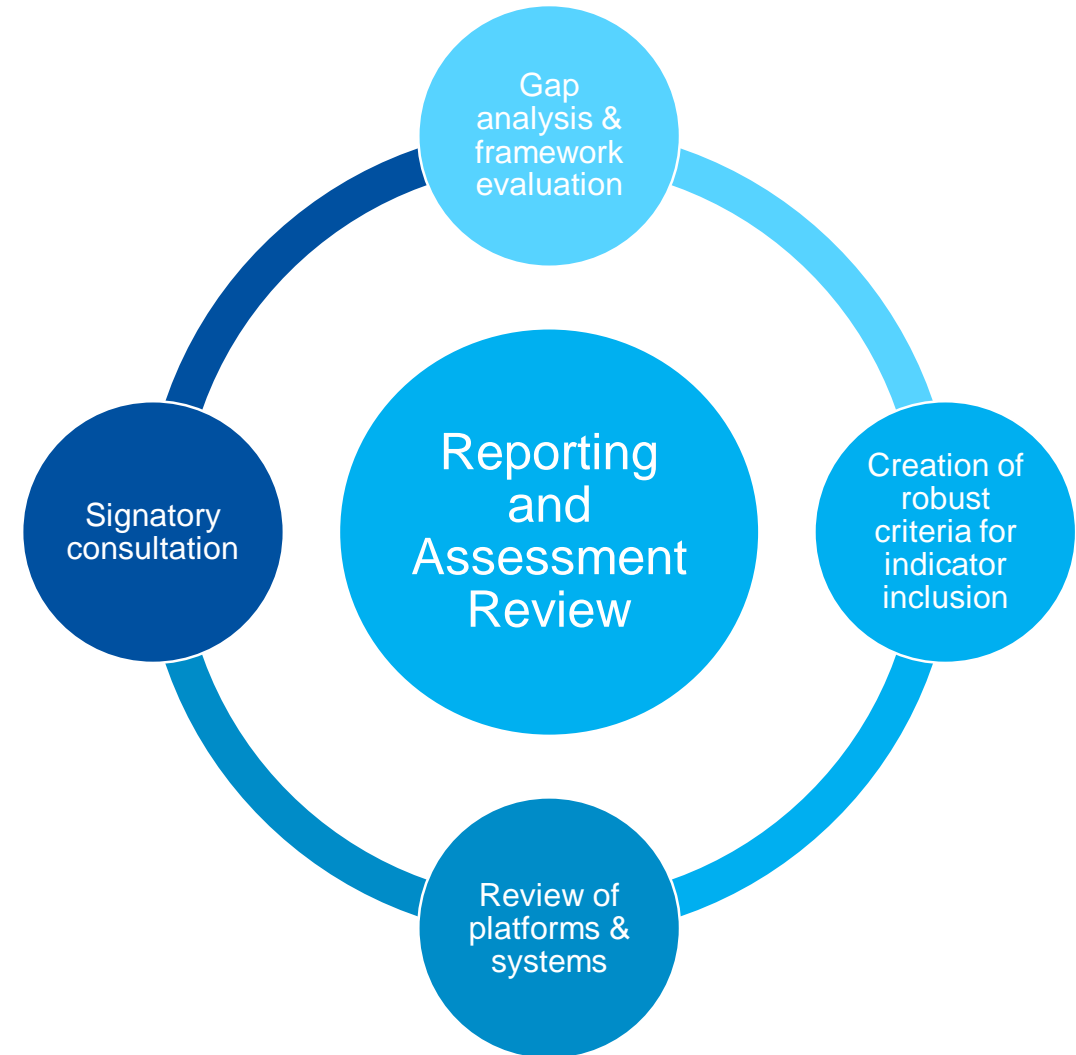
Challenge barriers to a sustainable financial system





## Reporting Framework review

Nearly one quarter of signatories participated in the consultation



# Minimum requirements update

Increase accountability

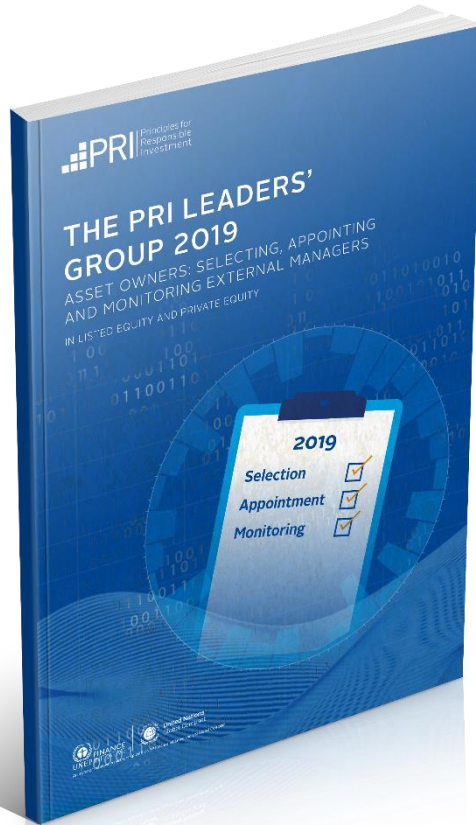
## Three requirements:

- Investment policy that includes the firm's RI approach, covering >50% of AUM
- Internal/external staff responsible for implementing RI policy
- Senior-level commitment and accountability mechanisms for RI implementation



## 2019 Leaders' Group

Showcase leadership



From a pool of asset owners that received 'A' or 'A+' for manager selection, appointment and monitoring of managers in listed and/or private equity.

**Represents top 10% of PRI asset owners.**

### OVERALL SCORE

Governance  
(SG score)

25%

Implementation

50%

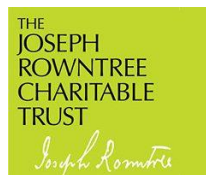
Transparency


25%

SG module score

Asset class module  
weighted by AUM

% of voluntary  
indicators disclosed





Global pay gap  
between men and  
women will take  
202 years to  
close

There's no  
sector that pays  
women more

Top 10% of  
households own  
85% of global  
wealth


Top 1% owns  
47% of global  
wealth

40.3 million  
men, women and  
children were  
victims of modern  
slavery on any  
given day

That's 1 in 185  
people

# Still a long way to go...






In the US, CEOs  
made 287 times  
more money last  
year than their  
workers did

Tax base erosion  
& profit shifting  
cost countries  
\$100-240 billion in  
lost revenue  
annually

Corruption is  
costing the global  
economy \$3.6  
trillion dollars  
every year

# Still a long way to go...





In 2018 + 2.7%  
increase in global  
emissions  
up from 1.7% in  
2017

129 million  
hectares of forest  
– equivalent to  
area of S. Africa –  
were lost between  
1990 and 2015

Less than 20%  
of plastics are  
recycled globally

2.2 billion people  
in the world lack  
safe drinking  
water

# Still a long way to go...





Photo: BBC

## Tailings dam collapse Brumadinho, Brazil



Photo: Amnesty International

## The Amazon: a critical climate tipping point



# INSERT DAM COLLAPSE VIDEO

# **We are part of the solution**

Over to you

# 2019 PRI Board director elections

Martin Skancke, PRI Chair

# Asset owner election: two positions



**Eva Halvarsson**  
Chief Executive Officer,  
AP2 (Sweden)



**Rafael Soares Ribeiro de Castro**  
Executive Manager of Compliance  
and Internal Control, PREVI  
(Brazil)



**Hiromichi Mizuno**  
Executive Managing Director  
and Chief Investment Officer,  
GPIF (Japan)



# Service provider election: one position



**Giles Gunesequera**  
Chief Executive Officer,  
Global Impact Initiative  
(Australia)



**Peter Webster**  
Director of International Affairs,  
Vigeo Eiris (France)



**Michael Jantzi**  
Chief Executive Officer,  
Sustainalytics (Netherlands)



**Susheela Peres da Costa**  
Head of Advisory,  
Regnan Governance  
Research and Engagement  
(Australia)

# 2019 elections and voting

- Meet the candidates at the PRI stand today at 11am
- Candidate videos and statements will be posted on the PRI website
- Asset owner signatories vote for asset owner candidates and service provider signatories vote for service provider candidates
- Voting period: between 30 September and 15 November
- For more information on the elections see: <https://www.unpri.org/pri/pri-governance/board-elections>

	Asset owners	Investment managers	Service providers
PRI Board election – two asset owner representatives	✓		
PRI Board election – one service provider representative			✓
Signatory General Meeting minutes	✓	✓	✓
PRI Annual Report and accounts	✓	✓	✓

# Thank you