

## Stewardship Capacity Building Workshop

### Unlocking the potential of investor stewardship in China: towards a more sustainable economy

Stewardship is a primary tool or strategy for institutional investors to drive positive changes in the real economy and shape investment impacts. Stewardship, or active ownership, is the use of influence by institutional investors to maximise overall long-term value, including the value of common economic, social and environmental assets, on which financial returns and clients' and beneficiaries' interests depend. Investors can exert influence on current or potential investees/issuers through a variety of tools and rights. This includes engagement and voting – the two most widely used tools – as well as resolutions or proposals at shareholder meetings, shaping investee boards, supplier monitoring/negotiation, and litigation. Investors can also seek to improve broader market conditions and resilience to systemic risks through contributing to research and public discourse and by engaging with policy makers.

Driven by the need to address system level risks and the need to seize the development opportunities, the Chinese government is escalating the green transition of the whole economy. Meanwhile, the Chinese asset management industry has become one of the world's largest. That makes institutional investors an increasingly powerful stakeholder in China's economy. China's regulators are setting increasingly high expectations on investors to facilitate the transition of the whole economy to a more sustainable and equitable future by calling on investors to support the achievement of carbon neutrality goals, common prosperity and improving the corporate governance of Chinese listed companies. Apart from the [Guidance on Fund Managers Exercising Voting Rights](#) on behalf of Funds published by AMAC back in 2012, the newly issued [Guiding Opinions to Promote High-quality Development of the Public Fund Industry](#) explicitly encourages investors to vote and exercise responsible investment. The [Green Finance Guidelines](#) published by the CBIRC set out explicit expectation on banking and insurance institutions to practice certain stewardship activities to align investment impacts with sustainability objectives. The insurance asset management association of China launched [a stewardship initiative](#) in last September with a clear focus on delivering sustainability outcomes.

The PRI is presenting this series of stewardship capacity building workshops to signatories and the public, providing an opportunity for leading investors to share stewardship best practices and, most importantly, for the broader Chinese investor community to prepare themselves for the increasing client and policy demands of shaping investment impacts in line with sustainability objectives.

#### Supporting Organisation: IAMAC

Session	Session Title	Time
1	Overview	Aug 31 <sup>st</sup> 15:00-17:00
2	Thematic stewardship: Leveraging stewardship to escalate green transition	Sept 27 <sup>th</sup> 15:00-17:20
3	Risk management and stewardship	Oct 25 <sup>th</sup> 15:00-17:30

## Session 1: Overview

Time	Content	Speaker
15:00-15:15	<b>Introduction</b> <ul style="list-style-type: none"> <li>• Series overview</li> <li>• Survey Result &amp; results</li> <li>• The concept of Stewardship</li> </ul>	<b>Zhou Aiwen</b> CA100+ Specialist, Stewardship, PRI
15:15-16:10	<b>Policy Dialogue: Stewardship in China and Policy Landscape</b> <ul style="list-style-type: none"> <li>• Intro: regulatory landscape for investor stewardship</li> <li>• IAMAC stewardship initiative and code: rationales and expectations</li> <li>• Defining effective stewardship: outcomes, systemic issues, collaboration</li> <li>• Q&amp;A</li> </ul>	<b>Du Jian</b> Director of Education and International Affairs Department, Senior Expert, IAMAC <b>Liu Junru</b> Policy Specialist, PRI
16:10-16:50	<b>Knowledge Sharing from Investors</b> <ul style="list-style-type: none"> <li>• Why stewardship is important in Chinese context?</li> <li>• Key elements of stewardship policy and why it is important?</li> <li>• What governance is needed to ensure efficacy and accountability? (Including resources, KPIs, assessment, supervision, etc.)</li> <li>• How to integrate stewardship and investment decisions and why it is important?</li> <li>• Progress tracking and reporting</li> <li>• Case sharing: objective setting, selection of targeted investees, strategies, actions, outcomes</li> </ul>	<b>Zhao Binyu</b> Sustainable Investment Analyst, Fidelity International <b>Edward Fang Xiang</b> Head of ESG Research, Neuberger Berman
16:50-17:00	<b>PRI Stewardship resources</b> <ul style="list-style-type: none"> <li>• Reports and Guidance</li> <li>• PRI stewardship initiatives</li> </ul>	<b>Zhou Aiwen</b> CA100+ Specialist, Stewardship, PRI

## Session 2

### Thematic stewardship: Leveraging stewardship to escalate green transition

Time	Content	Speaker
15:00-15:10	<b>Intro and Recap</b> Stewardship tools, Ecosystem, process, and Transition Finance	<b>Liu Junru</b> Policy Specialist, PRI
15:10-16:10	<b>Stewardship Practices: Thematic stewardship – climate change in China</b> <ul style="list-style-type: none"> <li>Climate Action 100+ and Benchmark Intro</li> <li>Investor Net Zero Transition Roadmap</li> <li>Translating investor climate targets into investee targets via Stewardship</li> <li>Challenges and solutions in China</li> <li>Case studies</li> </ul>	<b>Zhou Aiwen</b> CA100+ Specialist, Stewardship, PRI <b>Crystal Geng</b> Asia ESG research lead, BNPP AM <b>Dong Xinxin</b> ESG Specialist, APAC, Schroders <b>Shirley Xu</b> Head of ESG Research, China AMC
16:10-16:45	<b>Sectoral Engagement – Agriculture &amp; Food Industry</b> <ul style="list-style-type: none"> <li>ESG Risks in Agriculture &amp; Food Industry</li> <li>FAIRR Intro</li> <li>Value Partners Article 8 Food &amp; Nutrition ESG Fund</li> <li>Investment risks management via stewardship</li> <li>Q&amp;A</li> </ul>	<b>Erika Susanto</b> Director of ESG Data and Research, FAIRR <b>Frank Tsui</b> Managing Director, Head of ESG Investment, Value Partners
16:45-17:20	<b>Investor sharing on Just Transition</b> <ul style="list-style-type: none"> <li>What is a just transition?</li> <li>Why is just transition important?</li> <li>How can investors engage on just transition?</li> </ul>	<b>William Ng</b> Director of Investment Stewardship, HSBC Asset Management

Session 3		
Risk management and stewardship		
Time	Content	Speaker
15:00-15:05	Recap and intro	<b>Zhou Aiwen</b> CA100+ Specialist, Stewardship, PRI
15:05-15:15	<b>Institutional Investor representatives: the importance of stewardship and resources needed</b>	<b>Kimberly Lewis</b> Head of Active Ownership, Schroders <b>Ross Teverson</b> Regional Team Lead, Asia and Global Emerging Markets, EOS at Federated Hermes
15:15-16:10	<b>Risk management and stewardship: corporate governance</b> <ul style="list-style-type: none"> <li>• A-share company: key corporate governance issues</li> <li>• Using stewardship to address corporate governance risks</li> <li>• Challenges and solutions</li> </ul>	<b>Nana Li</b> Head of Sustainability & Stewardship, APAC, Impax AM <b>Tang Shuwei</b> Partner, ZD Proxy <b>Wilson Wei Yixi</b> Head of ESG Research, E Fund
16:10-16:45	<b>Social and environmental related risks in the supply chain</b> <ul style="list-style-type: none"> <li>• Key social and environmental related risks in the supply chain</li> <li>• How to influence the companies via stewardship to address supply chain risks</li> </ul>	<b>Kenny Tsang</b> Associate Director, Equity Ownership Services (EOS) at Federated Hermes
16:45-17:20	<b>Systemic risks and stewardship</b> <ul style="list-style-type: none"> <li>• What systemic risks are material to investment?</li> <li>• Why it is important for investors like insurance companies, pension funds, index and ETF investors to adopt a systemic approach to stewardship?</li> <li>• How to leverage stewardship to tackle systemic risks? (Policy, process, strategy, key levers and case studies)</li> </ul>	<b>Trista Chen</b> Head of Investment Stewardship Asia (ex Japan), LGIM <b>Junru Liu</b> Policy Specialist, PRI
17:20-17:30	<b>Series Conclusion</b>	<b>Zhou Aiwen</b> CA100+ Specialist, Stewardship, PRI