

ASSET OWNER ADVISORY COMMITTEE TERMS OF REFERENCE (TOR)

A. INTRODUCTION

The Principles for Responsible Investment (PRI)'s signatories are its greatest strength. Being on top of the investment chain, Asset Owners particularly play a crucial role in accelerating responsible investment throughout PRI's signatory base and beyond. Advisory Committees provide opportunities for signatories to convene, share knowledge and collaborate on responsible investment. Through the signatory groups, the PRI Executive (Executive) delivers practical tools, events and support on the implementation of the six Principles around the world. The Asset Owner Advisory Committee advises the Executive on the strategy and execution of the PRI Asset Owner work stream and will be exceptionally active in global outreach, both through formal and informal channels. The Advisory Committee consists of PRI Asset Owner signatories that have demonstrated leadership in the implementation of the Six Principles. Through collaboration and knowledge-sharing in the Advisory Committee, the work stream will achieve maximum impact and alignment with the overarching strategy of the PRI: *'From awareness to impact'*. The composition of the Advisory Committee fairly represents PRI's Asset Owner signatory base in order to best inform the Executive's Asset Owner work stream.

This ToR has been drafted in full accordance with the [PRI Rules for Advisory Committees and Working Groups](#) (approved by the PRI Board in June 2015).

B. OBJECTIVES

PRI's Asset Owner work stream brings together Asset Owners to further implement the Principles throughout the investment chain.

The objective of the work stream is to increase the engagement of Asset Owners into responsible investment. The Advisory Committee puts that objective into practice by:

- Providing responsible investment guidance and implementation support to Asset Owners, including Executive and Board;
- Creating insight into the opportunities of ESG incorporation for Asset Owners, for example by ESG incorporation into manager selection, appointment, monitoring and portfolio level investment considerations such as passive investment management;
- Building outreach and engagement with industry stakeholders including industry associations, existing and potential PRI signatories;
- Collaborating with and guiding working groups to be developed for the execution of the aforementioned objectives.

These objectives have been proposed by the Executive and can be refined over time. Proposed changes must be agreed with the Asset Owner Advisory Committee and are subject to final approval by the Executive.

C. MEMBERS

The Advisory Committee, which works closely together with the Executive, consists of PRI Asset Owner signatories supporting the objectives of the Asset Owner work stream.

COMPOSITION

The composition of the Asset Owner Advisory Committee is as follows.

Member	Position	Organisation	Country
Mr. C. Ailman	Chief Investment Officer	CalSTRS	United States of America
Ms. Y. Bakkum	Director, Investment Management	FMO	The Netherlands
Mr. J. Davis	Chief Investment Officer	Opseu Pension Trust	Canada
Mr. H. Mizuno	Executive Managing Director, Chief Investment Officer	Government Pension Investment Fund	Japan
Mr. J. Ralph	Member of the Board of Management	Allianz SE	Germany
Mr. I. Silk	Chief Executive Officer	AustralianSuper	Australia
Mr. A. Thorendal	Chief Investment Officer	Church of Sweden	Sweden
Mr. X. den Uyl (chairperson)	Trustee	ABP	The Netherlands
Ms. F. Ward	Chief Risk Officer	Brunel Pension Partnership	United Kingdom
Ms. L. Mateza	Head of Investments and Actuarial Services	GEPF	South Africa
Ms. V. Brunsting	Trustee	Unitarian Universalist Association	United States of America
Mr. D. Chau	Chief Risk Officer	University of Toronto AM	Canada

APPOINTMENT OF MEMBERS

The Executive will publicise membership opportunities as they arise, including the criteria for appointment of members and timelines – via relevant newsletters and the PRI website for a minimum of four weeks. The Executive will review applications. Final decisions on the Asset Owner Advisory Committee composition are at the discretion of the Executive.

The balanced composition of the Asset Owner Advisory Committee will be preserved to the greatest extent possible when replacing outgoing members.

Advisory Committee members are required to attend at least three Committee meetings a year, and requested to attend all meetings of the Committee. The Executive has the discretion to accept two representatives from an organisation to sit on the Advisory Committee; in which case(s), dual

representation should offer complementary strengths from the two individuals rather than a duplication.

If a member steps down from the Advisory Committee during their tenure, they are welcome to appoint an appropriate replacement from their organisation (according to the criteria described in the first paragraph of this section). If the replacing member does not demonstrate the required level of commitment and engagement, then the Executive may terminate that signatory's participation and invite other interested signatories to participate. If a member steps down from the Advisory Committee towards the end of their organisation's tenure, then it is at the Executive's discretion whether to accept a replacement from their organisation for the rest of their tenure or whether to open the position up to other interested signatories.

TENURE

- Members are appointed for three calendar year terms;
- Members have the option at the end of each year to step down;
- The Executive will review the Advisory Committee composition on an annual basis, keeping in mind that there should be some degree of continuity from year to year;
- The term of the Chair is typically between one and three years, and will be evaluated on an annual basis. The maximum tenure for a Chair, is six years;
- The maximum tenure for a signatory organisation to sit on the Advisory Committee, is six years.

D. RESPONSIBILITIES

ROLE OF THE EXECUTIVE

The role of the Executive is implemented through the PRI representative that attends the Advisory Committee meetings. The Executive manages the productivity of the Advisory Committee and will assess the groups' objectives, work plan and composition on a regular basis.

The Executive commits to:

- Convening and administering Advisory Committee meetings;
- Keeping Advisory Committee members updated on Asset Owner work stream activities in between meetings whenever necessary;
- Developing the Asset Owner work stream plan for discussion by the Advisory Committee;
- Providing expertise required for Asset Owner work stream activities from either internal or external sources;
- Providing support in the form of background research and pitching material for Asset Owner Advisory Committee members who are undertaking outreach and engagement activities on behalf of PRI;
- Coordinating communication on the activities of the Asset Owner work stream to signatories and PRI Board;
- Managing communication flows with PRI and its regional networks on Asset Owner work stream activities;

ROLE OF THE CHAIR

The Asset Owner Advisory Committee Chair commits to dedicating sufficient time and resources to fulfil Chairing responsibilities, which include, but are not limited to:

- Chairing meetings;
- Advising the Executive regarding relevant Asset Owner insights;
- Providing the Executive with guidance and working with the Executive to provide leadership to the Advisory Committee as needed.

ROLE OF ADVISORY COMMITTEE MEMBERS

Asset Owner Advisory Committee members are expected to act in an advisory role to the Executive on the work stream strategy and activity. Members of the Advisory Committee agree to commit sufficient time to participating, promoting and overseeing the Asset Owner work stream. Typical responsibilities include, but are not limited to:

- A minimum of three Advisory Committee meetings/conference calls per year, between one and two hours duration;
- Regular guidance/feedback to the Executive on relevant Asset Owner insights. This may include providing advice/feedback on outputs such as publications, toolkits and the work stream strategy;
- Ideally participating in a working group dedicated to one of the objectives of the Asset Owner work stream;
- Outreach and engagement with peers on behalf of PRI. The Executive can provide support in the form of background research and pitching material.

All Advisory Committee members are welcome to undertake additional work in the context of the Asset Owner Advisory Committee, such as drafting and reviewing working papers if their schedule enables to do so, in coordination with the Executive.

E. ACTION PLAN AND TIMELINE

An action plan with suggested time frames and milestones will be established by the Executive and presented to the Advisory Committee at the first Advisory Committee meeting of each year. Progress against the action plan should be evaluated by the Advisory Committee during the last meetings of each year.

F. REPORTING REQUIREMENTS

The Executive will report on Asset Owner Advisory Committee activities every quarter on the PRI signatory website. Meeting minutes will be published to the signatory website once approved by the Advisory Committee Chair. This Asset Owner Advisory Committee Terms of Reference will be published on the signatory website.

G. CODE OF CONDUCT

- An Advisory Committee meeting should proceed only if a majority of members can attend (in person and/or on the phone). Due to regional time differences, separate calls may be held with members unable to join the meetings.

- The proactive involvement of signatories is important to the success of the group. The Executive may terminate individual signatories' participation and invite other interested signatories to participate if the required level of commitment is not demonstrated.
- Signatories must refrain from using these forums for explicit commercial purposes and should focus on furthering the goals and objectives of the work programme. Failure to meet these requirements may also lead the Executive to terminate signatory participation.
- Advisory Committee members are welcome to advertise their participation in other forums such as LinkedIn.

H. CONTACT

For more information about the Asset Owner Advisory Committee, please contact Catherine Chen, Senior Manager Asset Owner Insight, Principles for Responsible Investment at Catherine.chen@unpri.org