

# TERMS OF REFERENCE – CLIMATE REFERENCE GROUP

## Background

Climate change presents growing financial risks to investors. The purpose of the Climate Reference Group is to build investor awareness, capacity and interaction by sharing good practice and thought leadership on climate mitigation and resilience strategies. The group will facilitate knowledge-sharing on climate-related issues including net zero transition planning and the management of rising physical risks. The group will also engage climate leaders within our signatories in a two-way dialogue, where signatories have the opportunity to contribute expertise towards PRI's thought leadership on climate-related investor practice, climate policy and wider systems change.

## Objectives

- **Advance signatory awareness and understanding** of climate-related impacts, dependencies, risks and opportunities relating to their investment activities.
- **Build investor capacity and peer learning to enable investors to develop their climate-related specialist knowledge** – to facilitate knowledge-sharing on e.g., the use of scenario analysis, good practice transition planning, and technological and nature-based solutions to climate-related challenges.
- **Support investors to integrate climate related risks and opportunities** in their investment practices and policies, and to use the best available tools and frameworks.
- **Facilitate investor input on PRI climate programme** – drawing on investor perspectives to inform PRI's work programme and positions.

The Climate Reference Group will be active from the date of its first meeting until further notice, with members committed to attending a minimum of one 1-hour meeting every 3 months.

## Membership

Members of the Climate Reference Group are appointed by the PRI following an open invitation to the signatory body. PRI Reference Groups are typically made of 60 to 70 signatories. The PRI Executive will publicise new membership opportunities, if and when they arise, including the criteria for appointment of new members and timelines.

Alternatively, signatories may request to join by emailing [sudeshna.ray@unpri.org](mailto:sudeshna.ray@unpri.org). All appointed members will be listed on the PRI website.

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

- PRI signatories who are either asset owner, asset manager, or service provider.
- The signatory must have a public commitment on climate.
- The signatory has displayed leadership in addressing climate issues via one or more of the following:
  - Adopted a climate action plan/ transition plan;
  - Set interim emissions reductions targets;
  - Active corporate and/or policy engagement climate issues;
  - Investment strategy gives attention to systemic climate risks;
  - Membership in a net-zero or sustainability-focused collaborative initiative.

- Additional consideration will be given to ensure representation of signatories of different types, sizes, and geographies.
- The group member must have expertise in climate issues and responsible investing.
- The group member must have ability to contribute expertise and time – in appointing members the PRI Executive will seek individuals that have a balance between seniority and ability to commit a certain level of engagement.

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

## Tenure

An individual may remain a member of the Climate Reference Group as long as they continue to meet the membership requirements (see membership criteria above and responsibilities below). Members can request to discontinue their involvement at any time. Membership will also cease if the PRI Executive discontinues the reference group.

If a member leaves their role, the member may continue on in the group as a representative of a new signatory organisation, where that organisation meets the membership criteria, or in exceptional cases, as individuals if they are performing work that is related to PRI's mission, subject to approval by the PRI Executive. The signatory from who the member left is also welcomed to nominate a replacement member to be appointed to the group by the PRI Executive, pending a determination from the PRI Executive that the new nominee satisfactorily meets the membership criteria above.

The PRI Executive maintains the right to amend these terms of reference to impose future term limits if doing so is deemed necessary to help the group fulfil its purpose.

## Responsibilities

### PRI Executive

The PRI Executive plays an active role in leading and coordinating the Climate Reference Group and commits to:

- Convening, administering, and chairing the reference group meetings.
- Updating reference group members on PRI work programs in between meetings whenever necessary.
- Coordinating meetings, providing agendas, producing summaries of meetings, briefings and publications, etc.
- Providing expertise from either internal or external sources.
- Providing support in the form of background research and developing material for discussion.
- Sharing insights and learning from the reference group internally within PRI to inform PRI workstreams.
- Conducting a regular review of the reference group's activities and, where appropriate, reporting relevant points to the PRI Board.

Following appropriate input from members of the Climate Reference Group, the PRI Executive at all times retains ownership and final sign-off of any outputs that are published under the name of the PRI, including events, research and any other publication. The PRI Executive is responsible for the timelines, resources and budget that have been allocated to all programmes and projects.

## Reference Group Members

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

Responsibilities include, but are not limited to:

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

All group members are welcome to undertake additional work, for example, drafting statements, or supporting the group to convene on relevant topics if their schedules enable them to do so. The PRI Executive may seek to convene one or more sub-groups on specific topics (e.g., relevant to guidance development), comprised of reference group members who have insight on that topic. This would be categorised as additional work upon request, which will be voluntary/opt-in for reference group members.

## PRI Board Oversight

The PRI Board oversees the relationship between the PRI Executive and Signatories as well as acting as a final point of escalation on matters related to the PRI Executive's work to drive signatory implementation of the Principles, including ESG incorporation, active ownership, collaboration and reporting. The Board has oversight of the terms of reference for all reference groups. If a signatory has a significant concern with the operations of a signatory group, the signatory can escalate the issue(s) to the CEO of the PRI Executive. If the matter cannot be resolved by the head of the PRI Executive, the issue(s) will be escalated to the PRI Board.

## Plan and Timeline

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

## Reporting Requirements

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

## Code of Conduct, Confidentiality and Public Communications Protocol

The PRI is committed to maintaining a collaborative, professional, and respectful environment within the Climate Reference Group, underpinned by transparency, responsible data stewardship, and compliance with competition law. By accepting these Terms of Reference, members agree to the following principles:

### Conduct

- Members must act in a manner consistent with the objectives of the Climate Reference Group and the wider mission of the PRI.

- Climate Reference Group forums may not be used for commercial, promotional, or competitive purposes.
- Members must treat all participants, including other members, PRI staff, and invited guests, with courtesy and respect, fostering an inclusive and constructive environment.
- It is the responsibility of participants to ensure that they are not subject to a conflict of interest in respect of engagement with any given member. Members must declare any actual or potential conflicts of interest that could compromise their participation.

Failure to meet these requirements may lead to the signatory being removed from the group. In such circumstances, the PRI Executive will firstly issue the participant with a warning. If following the warning, the participant still fails to meet the Terms, the PRI Executive may take the decision to remove the participant from the Climate Reference Group.

## Confidentiality

- Climate Reference Group membership will be publicly listed on the PRI website and the PRI's Collaboration Platform. By joining, members consent to publication of their name and organisation and agree that PRI may publicly acknowledge their participation.
- All discussions, documents, and materials shared within the Climate Reference Group should be treated as confidential, unless otherwise indicated in writing by the PRI Executive.
- Meeting notes that may be circulated to the group are confidential.

## Data Protection and Privacy

Personal data of contacts at each participant (Participant Contacts) will be used to support their involvement with the Climate Reference Group as set out below:

- Personal data (information related to an identified or identifiable real person) will never be shared with third parties without an adequate legal basis for doing so (e.g. consent).
- By joining the Climate Reference Group, participants agree to the [PRI's privacy policy](#).
- By joining the Climate Reference Group, participants grant the PRI Executive the right to share their work contact details with other participants.
- Participant Contacts' names and email addresses will be used to support their involvement with the Climate Reference Group and invite them to meetings.
- Participant Contacts' name and email address will be shared with other participants in the Climate Reference Group for the purposes of allowing discussion between participants on matters related to the Climate Reference Group.
- The PRI may record group meetings for internal purposes, such as note taking. When recordings of group discussions are taken, meeting attendees will be notified. Typically, recordings will not be circulated to participants. On occasion, however, recordings may be shared – for example, for educational briefings given to participants.
- Where meetings are being recorded by the PRI, meeting participants will be notified in advance and will be given an opportunity to object to the recording if they are not happy for the meeting to be recorded. Members whose organisations require recording of calls must adhere to the same confidentiality commitments outlined here.
- The PRI reserves the right to use trusted and secure artificial intelligence (AI) tools to facilitate note taking and summarising of meetings.
- Where experts present to participants on a particular topic, with their prior permission, a webinar or audio recording may be taken and shared with participants as a resource.

Further information about how PRI uses personal data and information about individuals' rights in relation to their data is set out in PRI's [Privacy Policy](#).

## Communication

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

Each member grants PRI a non-exclusive, perpetual licence to use the materials provided by the member to the Climate Reference Group for the purposes of the group.

## Anti-Trust Disclaimer

The PRI does not require or seek collective decision-making or action with respect to acquiring, holding, disposing and/or voting of investments or securities from any of the members of this group. Signatories are independent fiduciaries responsible for their own investment decisions, including proxy voting, and must always act completely independently to set their own strategies, policies and practices based on their own best interests. Any use of PRI guidance and tools is at the discretion of individual signatories.

Group members will avoid the exchange (including one-way disclosure) of any non-public, competitively sensitive information as part of the informal or formal work of the group.

## Review

The terms of reference for the Climate Reference Group will be reviewed annually.

## Contact

For more information about the Climate Reference Group, please contact [sudeshna.ray@unpri.org](mailto:sudeshna.ray@unpri.org).

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