

R&A Infrastructure Working group – Terms of Reference (ToR)

A. Introduction

A new [Reporting Framework](#) has been developed [via a significant consultative process](#) to better reflect the implementation of responsible investment across the diversity of signatory organisations and investment approaches. The Reporting Framework was launched in October 2013 following a voluntary pilot in 2012. It is now mandatory to complete and disclose for all signatories who are not in their one year grace period. One exception to this is the infrastructure module which is being piloted for two reporting cycles from 2013 (2013–14 & 2014–15). Signatories can voluntarily complete this module during these pilot cycles before the module is finalised by the 2015–16 reporting cycle.

The PRI Secretariat has also developed an assessment methodology based on the new Reporting Framework. The PRI Secretariat plans to continue to develop the [new assessment methodology](#) to support this new Framework and will pilot it during the 2013–14 and 2014–15 reporting cycles. The PRI Secretariat will be producing [outputs](#) that support signatories with their responsible investment implementation, which include responsible investment transparency reports, assessment reports and a Report on Progress.

This document sets the specific terms of reference for the Reporting and Assessment Infrastructure Working group which is being set up to advise specifically on the development of the Infrastructure reporting module. Please refer to the [PRI guidelines for steering committees and working groups](#) for further information on how working groups fit within the governance of PRI and expectations of members.

B. Objectives

The objective of the Infrastructure Working Group ('the Working Group') is to support and advise the PRI Secretariat with the continued development of the Infrastructure module and sections of the Reporting Framework. This includes issues specific to the Direct - Infrastructure module as well as the indirect infrastructure indicators in the Selection, Appointment and Monitoring of external managers (SAM) module.

More specifically this will include:

- Improving guidance/explanatory notes for the 2014–15 module;
- Revisions to the assessment methodology during the pilot;

- Provide industry knowledge to contextualise feedback; and
- Revisions to the module and indicators for the redrafting of the module(s) for 2015–16. The drafting of the new non-listed infrastructure module is expected to be completed by May 2015 before a period of public consultation. Following any final changes based on signatory input it will be launched as a mandatory reporting module in October 2015.

Role of INF Working Group in relation to RASC

It is proposed to have working groups that oversee asset class module or R&A specific issues and help support the [Reporting and Assessment Steering Committee \(RASC\)](#). These specialist working groups will focus on developing and adjusting specific areas of reporting and assessment. The proposed working groups are ‘fixed income’ and ‘infrastructure’. The Secretariat will update RASC on the work of these working groups. Where possible, PRI seeks overlap in membership between RASC and the working groups to facilitate this connection.

C. Working Group Membership

Selection criteria and characteristics of members

Working Group members are appointed by the Secretariat based on their ability to contribute expertise and knowledge in the responsible investment industry, particularly with regards to infrastructure. Any signatory (investment manager, asset owner or service provider) is eligible to apply for membership.

Members will be selected based on their professional experience with and knowledge of:

- Implementing the Principles for Responsible Investment in non-listed infrastructure investment processes;
- Reporting framework and/or assessment methodology design;
- RI reporting and disclosure practices;
- Working for or with multiple investment industry organisations and diverse asset management approaches; and
- Mainstream investment practice, not necessarily SRI.

Members should ensure they have sufficient time to dedicate to this project.

The target membership of this Working Group is 5–10 members. Members will be appointed by the Secretariat. The Secretariat will aim for an equal composition of asset owner (limited partners) and investment manager (general partner) members and direct/indirect investors, with proportional representation based on geographic spread.

It is important to note that members are being appointed based on their individual skills and knowledge and not based on which organisations they represent. It will not be possible to delegate colleagues to attend meetings without prior approval by the Secretariat. This is to ensure the continuity of discussions from meeting-to-meeting and to ensure that decisions can be made within meetings.

Terms

It is expected that the Working Group will be in place for the next eighteen months to ensure continuity during the piloting of both the infrastructure module and the assessment methodology.

If a member of the Working Group wishes to step down before the full term, the Secretariat will seek to replace them with a new member with similar experience and from a similar background. Any roles which become available will be publicly advertised.

Current members of the Working Group

The list of approved members of the Working Group will always be available on the PRI website and the PRI extranet once completed.

D. Responsibilities

Working group members

Typical responsibilities may include, but are not limited to:

- A minimum of four conference calls/meetings per year as and when needed (these are anticipated to take place between February and July 2014, and between October 2014 and July 2015);
- Advising on any changes to explanatory notes in the infrastructure module of the Reporting Framework during 2014 and 2015;
- Reviewing and providing solutions during the pilot of the assessment methodology in 2014 and 2015;
- Overseeing changes to indicators and to the transparency levels in 2015–16; and
- Voluntary speaking commitments on behalf of PRI. The Secretariat will provide support in the form of background research and presentation slides.

Working Group members are required to sign a non-disclosure undertaking (see Appendix 1). This is to ensure that the discussions among members can be open when discussing their own scenarios or when discussing signatory-specific information. No confidential signatory data will be provided to any Working Group members unless agreed upon by the signatory.

Given its advisory role, Working Group members will share their view with the PRI Secretariat but will not need to vote on each discussion point. Members will be able to provide their opinion either during the meeting or offline.

Working group chair(s)

The Working Group Chair will be selected by the Secretariat, or if no suitable chair is found a member of PRI staff will serve as chair. The chair commits to:

- Designate enough time to fulfil working group objectives and ensure the success of the group;
- Provide the Secretariat and working group with leadership and guidance as needed;
- Liaise with other Working Group/Steering Committee chairs and members of the RASC

- where required; and
- Assist the Secretariat with reporting progress of the working group to the R&A steering committee regularly.

PRI Secretariat

The PRI Secretariat commits to:

- Update the working group members with relevant information from the PRI Board and/or Council, the Reporting and Assessment Steering committee (RASC) as well as other R&A and Implementation Support working groups;
- Ensure that a member of the Implementation Support team is present at every meeting to ensure continuity with the work being conducted in other infrastructure working groups and steering committees within the Secretariat;
- Support the working group by coordinating meetings, providing agendas and produce meeting minutes. It will endeavour to develop first drafts of written work and integrate all working group feedback;
- Provide support in the form of background research and presentation slides to any working group members who are speaking at events where the work of the PRI is mentioned; and
- Assist with all reasonable ad-hoc requests from the working group by phone or email between meetings.

E. Suggested action plan and timeline

Time Commitments

Working group members must commit to a minimum of four and a maximum of six conference calls/meetings per year typically lasting around 2–4 hours each. If members are unable to attend a meeting/call, it is important that they inform the PRI in sufficient time in advance of the meeting to allow the Secretariat to plan accordingly (i.e. cancel a meeting if the numbers are deemed too low). Moreover, members that cannot make a meeting/call will be expected to follow up separately with the R&A team to ensure that their input and advice be captured outside of the meeting/call that you were not able to attend.

Members of the Working Group agree to commit a minimum of five working days over each full year, for attending meetings, providing offline input and promoting the Reporting and Assessment process and outputs. The proactive involvement of signatories is important to the success of the group. The Secretariat may cancel individual signatories' participation if the required level of commitment is not demonstrated. All Working Group members are welcome to undertake additional work if their schedules enable them to do so.

F. Provisional timeline

An action plan with suggested time frames and milestones will be established at the first working group meeting. A first tentative plan is presented below to give a general sense of timing and to allow Working group members to provide feedback.

Action items	Date
1. First working group call/introductory meeting: <ul style="list-style-type: none"> confirm ToR & proposed work plan; and planning/timeline of module changes for 2015–16. 	March 2014
2. Group call/meeting: <ul style="list-style-type: none"> discuss explanatory note changes for 2014–15; and preliminary assessment results and reporting issues. 	April/May 2014
3. Group call/meeting: <ul style="list-style-type: none"> review assessment consultation; assessment reports; and present signatory feedback on indicators to start looking at content / indicator / module changes for 2015–16. 	July/August 2014
4. Group call/meeting: <ul style="list-style-type: none"> to discuss revised assessment methodology proposed assessment way forward; and continued development of module for 2015-16 	November 2014
5. Group call/meeting <ul style="list-style-type: none"> to finalise consultation draft of module and explanatory notes for 2015-16 potentially review assessment results for 2015-16 	March 2015
6. Tentative: Group call/meeting <ul style="list-style-type: none"> review any final issues from consultation or assessment 	Summer 2015

F. Contact and applications

If you are interested in participating in the R&A infrastructure Working Group, the PRI secretariat is currently accepting applications for new members. Please review this Terms of Reference and send an email to alexfaulkner@unpri.org declaring your interest and explaining how you meet the selection criteria by 28 February 2014.

The PRI aims to have the Working Group members finalised by the end of March 2014. The final selection will be made against the criteria set out above. All unsuccessful candidates will be informed before this date and a list of all the approved members will be publicly available on the PRI website.

Name	Title	Email
Alex Faulkner	Reporting and Assessment Officer, PRI	alex.faulkner@unpri.org
Alyssa Heath	Reporting and Assessment Manager, PRI	alyssa.heath@unpri.org
Emilie Goodall	Acting Head of Implementation Support, PRI	emilie.goodall@unpri.org

Appendix 1: Non-Disclosure Undertaking

I _____ of

hereby undertake as follows

- 1) Recognising that certain information made available to steering committee / working group members, may be unpublished and / or subject to restriction, [signatory organisation] shall keep as confidential all information disclosed to us by PRI Association (“the Principal”) relating to the Reporting and Assessment Working Group, without the permission of the Principal.
- 2) The undertakings under Clause 1 shall not apply to:
 - I. any information which [signatory organisation] is able to reasonably establish as previously known to it; or
 - II. any information provided to [signatory organisation] by a third party who has the right to make such information available; or
 - III. any information which may become public knowledge other than through breach of any undertaking contained herein.
- 3) The confidentiality obligation will survive until such time as [signatory organisation] may receive formal notice from the Principal, or its authorised agent thereof, of a release therefrom.

Signed: _____

Name: _____

Date: _____