

Summary of the Paris Aligned Investment Initiative governance structure

The PAII is a voluntary collaboration of the following networks: AIGCC, Ceres, IGCC, and IIGCC — hereafter referred to as Network Partners.

The PAII Net Zero Asset Owner Commitment is open to any asset owner globally who is also a member of one of the PAII Network Partners. The commitment statement defines the main components of action which an asset owner should commit to and implement, with the oversight and support of the PAII Network Partners. The commitment should be made by the CEO of the asset owner.

Implementation of the commitment will be supported by the PAII Network Partners through their existing activities and initiatives that relate to supporting members/signatories to achieve and promote the goal of net zero global emissions by 2050 or sooner. The PAII Network Partners will agree to a process for providing assurance of signatories' implementation, utilising established processes to the extent possible.

PAII Network Partners

The PAII Network Partners collaborate to provide the global coordination for the PAII. The role of the PAII Network Partners global collaboration is to:

- Encourage members to sign up to the PAII Net Zero Asset Owner Commitment, approve and accept asset owner net zero commitment statements, and keep a record of current signatories to the commitment
- Receive the annual reporting of signatories and provide support in relation to implementation of the commitment signatories
- Update, identify or develop and support further practical methodologies and approaches to enable Paris aligned investing to be included in the Net Zero Investment Framework, or associated supplementary guidance documents
- Develop communications to promote the PAII with the aim of encouraging further signatories and promoting action towards net zero emissions.

Additionally the individual networks will:

- Provide advice and guidance on best practice for implementation of the commitment, as requested by their members or as part of the Network Partner's broader ongoing efforts to support investors to implement activities to achieve net zero emissions
- Develop or provide additional tools, guidance, case studies and other materials that are relevant to enabling investors to implement their net zero investment strategies.

PAII Executive Committee

The CEOs or their designees of the PAII Network Partners (AIGCC, Ceres, IGCC, IIGCC) will constitute the PAII Executive Committee (EC), which shall be the highest governance body of the PAII.

The role of the EC is to:

- Approve the approach for supporting the global PAII collaboration and sharing of responsibilities among the PAII Network Partners
- Oversee the implementation of the global PAII collaboration, including to ensure relevant support is provided to signatories to enable best practice implementation, and that implementation is in line with the commitments made by signatories. This also includes supervision of the PAII Staff Working Group and any other working groups that the EC may create
- Consider and approve any shared resourcing/fundraising activities that the EC deems relevant to support the PAII.

The EC has the right to decline an asset owner's request to join the PAII where, the asset owner is not a member of a PAII Network Partner, or the EC has reason to doubt the asset owner's ability or intent to comply with the commitment, or if their joining the PAII may otherwise damage the credibility and reputation of the initiative.

PAII Steering Group

A steering group of asset owners will be created by the PAII Executive Committee to inform the PAII EC and Staff WG in their provision of support for implementation of net zero commitments.

The PAII Steering Group will meet at least twice a year with the PAII EC and PAII Staff WG together to consider any recommendations it wishes to make with regard to the operation of the PAII. The Steering Group should seek to represent the interests of the broader group of asset owners to the greatest extent possible.

To the extent possible the PAII Steering Group will include at least one Paris Aligned Asset Owners signatory from, and selected by, each PAII Network Partner, and otherwise reflect the geographical balance of signatories. The PAII EC will encourage Steering Group diversity across lines of race/ethnicity, gender, geography, and type of asset owner.

PAII Steering Group members will serve for an initial term of two years, following which PAII Network Partners will invite nominations for new Steering Group members from the signatory organisations from which the Network Partners will select new appointments. With consent, the term of existing Steering Group members may be extended if no new suitable candidate is identified, or to ensure the aforementioned diversity is maintained.

Duties of the Steering Group:

- To set the strategic direction for the initiative and consider and provide recommendations to the PAII Executive Committee with regard to the operation of the PAII
- To review and provide input on any changes, additions, clarifications or amendments needed to the PAII Net Zero Asset Owner Commitment, accompanying Q&A, and Net Zero Investment Framework including supplements.
- Provide advice on, and support the planning of any meetings for PAII signatories or other PAII events.
- Serve as champions of PAII and serve as key spokespeople for the initiative as required by the Network Partners in their communications activities. All opportunities to act as a spokesperson for PAII should be agreed and aligned with the Staff Working Group for the initiative.
- Promote the initiative to new potential signatories in their network and region.
- Adhere to the highest standards of ethical and responsible behaviour in carrying out the duties of the Steering Group, and not act in any manner that may bring the Steering Group, the initiative of the Network Partners into disrepute.

PAII Staff Working Group

The Network Partners will designate a staff member of their own to lead that Network Partner's contribution to supporting the PAII in line with the roles set out above. These designated staff members will form a PAII Staff Working Group.

The Staff WG will be responsible for developing and implementing a PAII annual work plan following the strategic direction of the PAII EC and taking into account advice of the PAII Steering Group.

The Staff WG will be responsible for approving all PAII core publications including supplements or amendments to the PAII's Net Zero Investment Framework.