

Social Risk (including Human Rights) Framework



GOVERNANCE

Strengthen governance and oversight of social risk factors, including human rights risks, and enhance transparency on how these risks are integrated into investment and stewardship policies and practices

KEY ACTIONS

- 1 Further integrate social risk factors into investment governance frameworks
- 2 Enhance board oversight of social-related risks
- 3 Communicate progress on implementation of social risk framework



RISK MANAGEMENT

Further develop risk management approaches to identify, assess, and address social risk factors across the investment portfolio.

KEY ACTIONS

- 1 Identify and assess social risk exposure across the portfolio
- 2 Deepen analysis of high-risk holdings including investments with exposure to conflict-affected and high-risk areas
- 3 Use risk insights to inform investment manager engagement and oversight



INVESTMENT MANAGER ACCOUNTABILITY

Further embed social risk expectations into the selection, contracting, and ongoing evaluation of investment managers and encourage managers to adopt best practices for social due diligence and stewardship.

KEY ACTIONS

- 1 Continue to integrate social risk considerations, including human rights, into manager selection and oversight
- 2 Establish clear expectations for continued advancements in social risk due diligence and stewardship practices by investment managers
- 3 Encourage collaboration, continual learning and leadership by investment managers



COLLABORATION & LEADERSHIP

Work with peers, networks and experts to strengthen the implementation of global norms and international standards related to social factors and responsible business conduct.

KEY ACTIONS

- 1 Promote the advancement of global human rights standards and standards of responsible business conduct.
- 2 Participate in investor-led efforts for improved corporate reporting of social-related risks