

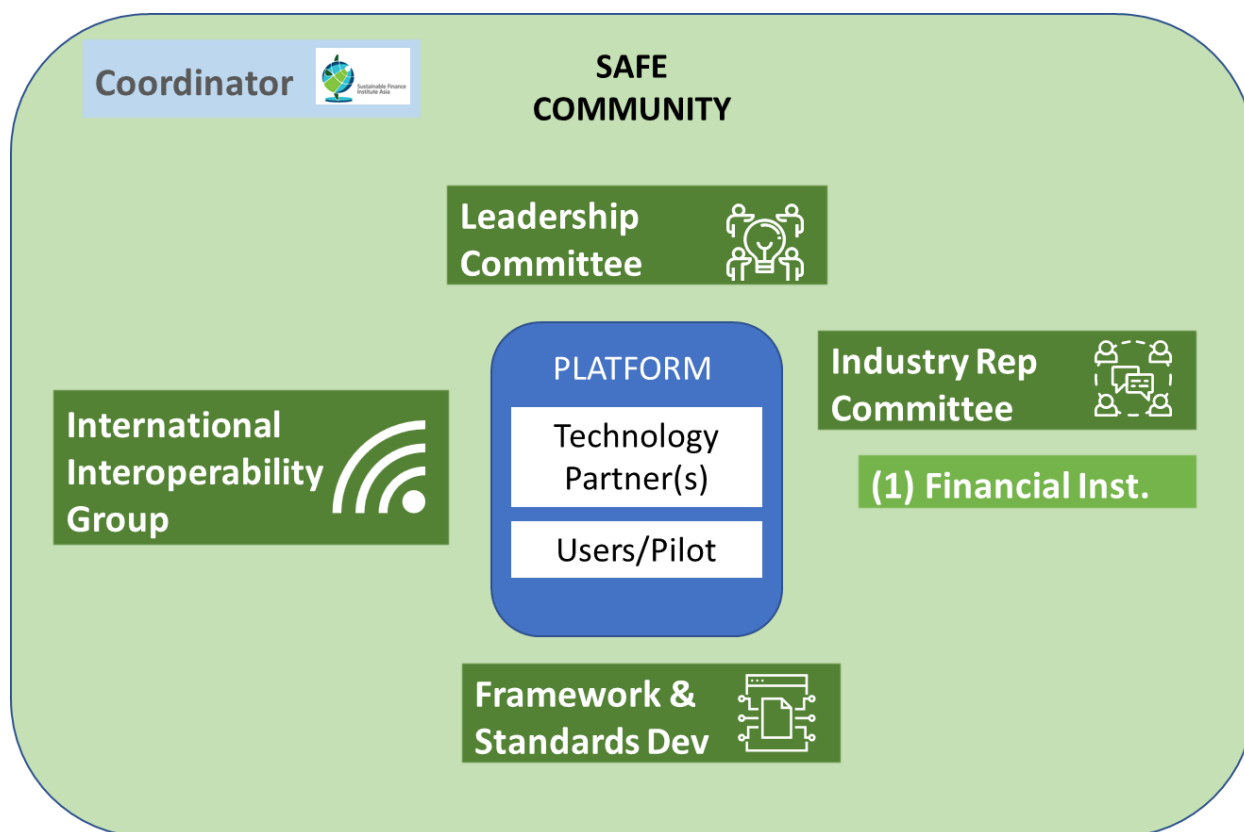
SINGLE ACCESSPOINT FOR ESG DATA (“SAFE”) Industry Representative Committee (“IRC”)

TERMS OF REFERENCE

1. Background of the SAFE Initiative

In addressing the elements necessary to bring together ASEAN as a strong sustainable finance collective, the Single Accesspoint for ESG Data (SAFE) Initiative is responding to a need for the ecosystem to address data and disclosure gaps, in providing credible, comprehensive and consistent information to enable informed decision-making. This increased transparency and accountability for multiple players and stakeholder groups across different industries is a key component to enabling sustainable finance for the region.

The SAFE Initiative is rooted in its Community-led approach, understanding that the anchoring factor and true value for a sustainability information solution lies in the creation of a vibrant and sustainable community around it (“SAFE Community” or “the Community”). The SAFE Community will protect the interest of the collective and increase utility to all stakeholders. In addition, the Community’s crowding-in to provide and use the information will promote the agenda in both the financial sector as well as the real economy.



2. Objective and Purpose of the IRC

The Industry Representative Committee (IRC) is an integral part of the Single Accesspoint for ESG Data (SAFE) Community Ecosystem. Its primary objective is to provide valuable input, insights, and guidance in the development of the SAFE Community. The IRC acts in a consultative capacity, ensuring that diverse perspectives from the financial sector are represented and considered in the decision-making process. By actively participating in the continuous development of the SAFE Platform, the IRC contributes to meeting the diverse needs of stakeholders.

The IRC will be organised by sector, with the first IRC to be convened for the Financial Sector (“IRC Financial Sector”).

3. Responsibilities of the IRC

Key responsibilities of members of the IRCs, including the IRC Financial Sector, encompasses the following:

- Share valuable insights on industry trends, challenges, and opportunities pertaining to ESG data, sustainability, and other relevant areas.
- Contribute input and feedback on the design, functionalities, and user experience of the SAFE platform.
- Contribute to the ongoing development of the platform and refinement of ESG data standards, reporting frameworks, and methodologies.
- Provide input to the SAFE Community across its current and future initiatives.

4. SFIA as the Secretariat of the IRC

The Sustainable Finance Institute Asia (SFIA), as the Coordinator of the SAFE Community, will act, specifically in this case, as the Secretariat of the IRC (Financial Sector) and ensure:

- The IRC (Financial Sector) deliverables are effectively executed, according to the stipulations and agreement of the participants.
- The IRC (Financial Sector) meetings are regularly convened, and supported with the necessary organisation requirements (minutes of meetings, discussion notes etc). SFIA will, wherever required, provide input and suggestions to the IRC (Financial Sector)'s discussions and decision making. Any other support required that is relevant to the IRC (Financial Sector) is provided

Recognising the significance of diverse expertise and perspectives, the Secretariat may extend invitations to other individuals, including specialists and regulators, both within and beyond the SAFE Community, to participate in the discussions and meetings of the IRC (Financial Sector) when deemed necessary. These invitations aim to enhance the expertise, knowledge, and perspectives brought to the discussions, thereby fostering a comprehensive and inclusive dialogue among the participants. The Secretariat will exercise this authority judiciously, considering the relevance and expertise of the invited participants to the topics under consideration by the IRC (Financial Sector).

5. IRC (Financial Sector) Participants

The IRC (Financial Sector) participants will consist of financial institutions, including banks and non-bank financial institutions such as asset management companies, insurance companies, and pension/provident funds, operating within the ASEAN region.

Participation in the IRC is open to financial institutions that are interested to be a part of the ASEAN data ecosystem. Such institutions should be willing to commit time to ensure effective representation and participation.

For clarity, the terms of participation are as follows:

- The appointment as a participant of the IRC (Financial Sector) is on an annual basis, with opportunities for extension
- Participants of the IRC (Financial Sector) are expected to attend meetings regularly, with an expected minimum attendance of 50% during the term.
- IRC participants are required to adhere to principles of disclosure and confidentiality. They shall not share or release any information or material without the prior consent of the Secretariat or other IRC participants, unless explicitly instructed otherwise. This ensures the safeguarding of sensitive information and promotes a trusted environment for open discussions.

SFIA is looking to appoint between 2-4 IRC (Financial Sector) representatives per country. Potential participants to the IRC (Financial Sector) are encouraged to nominate themselves as representatives of their country. Should there be more than 4 parties nominated, SFIA reserves the right to assess nominations based on their alignment and readiness to advance the sustainability and data agenda.

To promote transparency and accountability, the nomination of IRC representatives must be supported by their C-level executives. This nomination should be communicated either via email or by means of an official letter to the Secretariat of the IRC. The nomination should include relevant information about the nominated individual, such as their department and role for the IRC. By securing the appropriate commitment from the organisation, the effectiveness of the IRC should be enhanced, ensuring that the representatives are able to contribute towards meaningful discussions and effort.

For clarity, members of the IRC are expected to serve the complete term of one (1) year of the appointment. However, the SAFE Community recognises that certain developments cannot be avoided. As such, in cases where organisations need to exit the IRC, they are required to provide official notification to the Secretariat one (1) month prior to the intended exit, to allow the Secretariat to make necessary arrangements to secure a seamless transition and minimise interruptions to the IRC's activities.

6. Meeting and Administration Support

The IRC (Financial Sector) participants are expected to attend meetings regularly, with an expected minimum attendance of 50% during the term. Meetings are currently expected to take place monthly or bi-monthly (once every two months), depending on the final mutual decision of the appointed IRC (Financial Sector) participants. Meetings for the IRC (Financial Sector) are to be held virtually. There may be exceptions based on need for a specific meeting to be done physically, in which case agreement in advance by a majority (51%) of the IRC (Financial Sector) participants must be obtained.

Ad-hoc or extraordinary meetings may be convened at the discretion of the Secretariat, subject to the consent of a majority (51%) of the IRC (Financial Sector) participants. In order to ensure a comprehensive representation and facilitate substantive deliberations, a quorum of 50% of the IRC (Financial Sector) participants shall be deemed necessary for these meetings. This quorum requirement is designed to uphold the principles of meaningful engagement and effective decision-making within the IRC, thereby fostering a professional and productive environment.

Meeting materials, including minutes and discussion notes, should be shared within two weeks after each meeting. The mode of communication for meetings will be via email.

7. Amendments

The IRC Terms of Reference will be reviewed at least annually or when necessary, in line with the development of the SAFE initiative, to ensure its effectiveness and alignment. The review process will involve gathering feedback from IRC participants, analysing evolving needs, identifying gaps, and proposing modifications. SFIA, as the Secretariat, will initiate the review, facilitate discussions, and finalise the modified TOR based on consensus. The revised TOR will guide the IRC's activities until the next review, fostering ongoing relevance and alignment with the evolving needs of the SAFE initiative and stakeholders.