

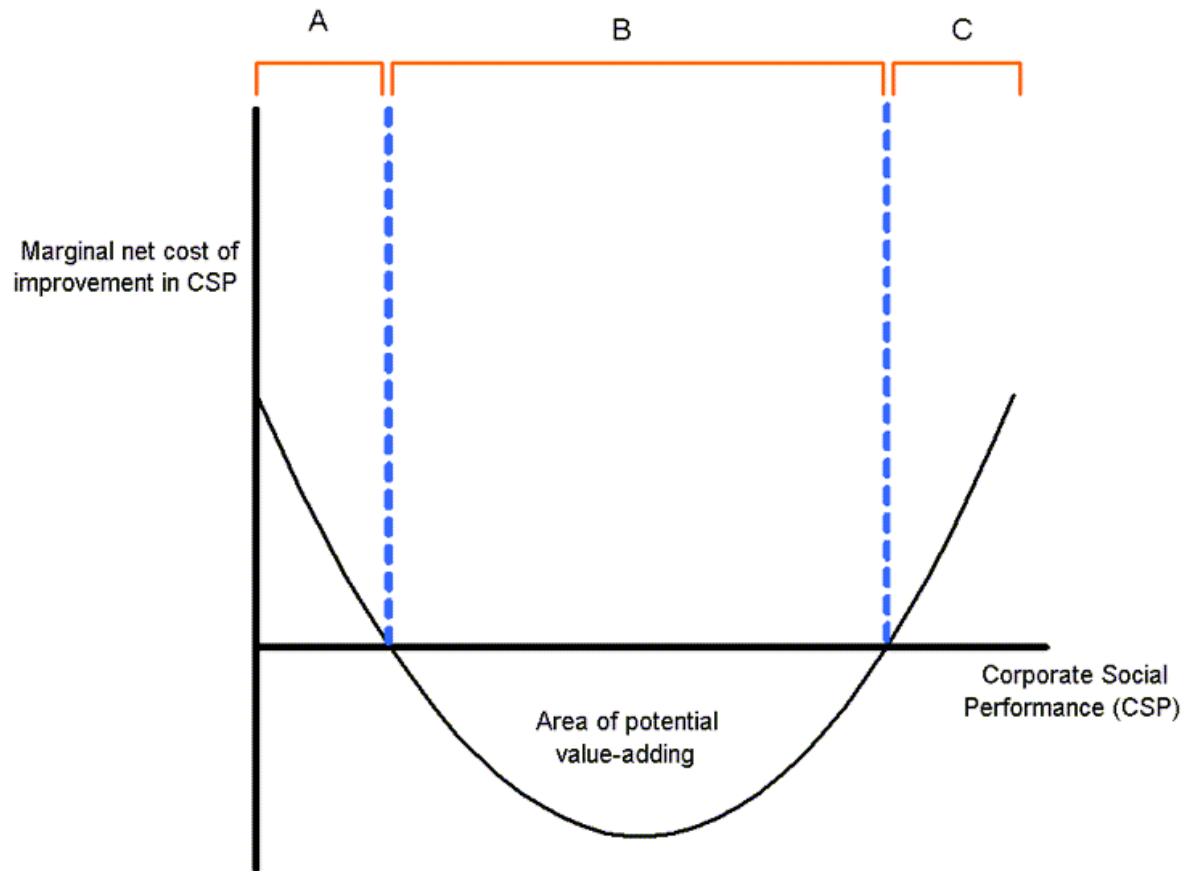
# WORKSHOP ON ENGAGEMENT

## Making Investment Profits by Improving Corporate Behavior

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# CSP and marginal cost of improvement in CSP (ESG)



# Factors contributing to shareholder salience

## Power-oriented

**Use of shareholder rights:** shareholder resolutions, votes against management, director elections

**Use of economic power:** divestment (or investment)

**Use of the media and/or public statements/peer pressure:** Public shareholder campaigns; threats to reputation

## Legitimacy-oriented

**Credibility of the individuals:** seniority, experience and expertise; ability to develop trust and collegiality

**Status of the engaging organisation:** degree to which investor is perceived to be 'mainstream'; perceived alignment of interests between the investor and the company; Organisational alignment and consistent messaging.

**Strength of the business case:** Validity of the argument; evidence; extent of new information provided to the company; maturity of the issue.

**Strength of the societal case:** Social and cultural context; Existence of legitimising standards, norms and principles

**Political/policy context:** Supportive political environment; regulatory momentum

## Urgency-oriented

**Time-sensitivity:** deadlines, benchmarks

**Intensity of private engagement activities:** assertiveness and persistence

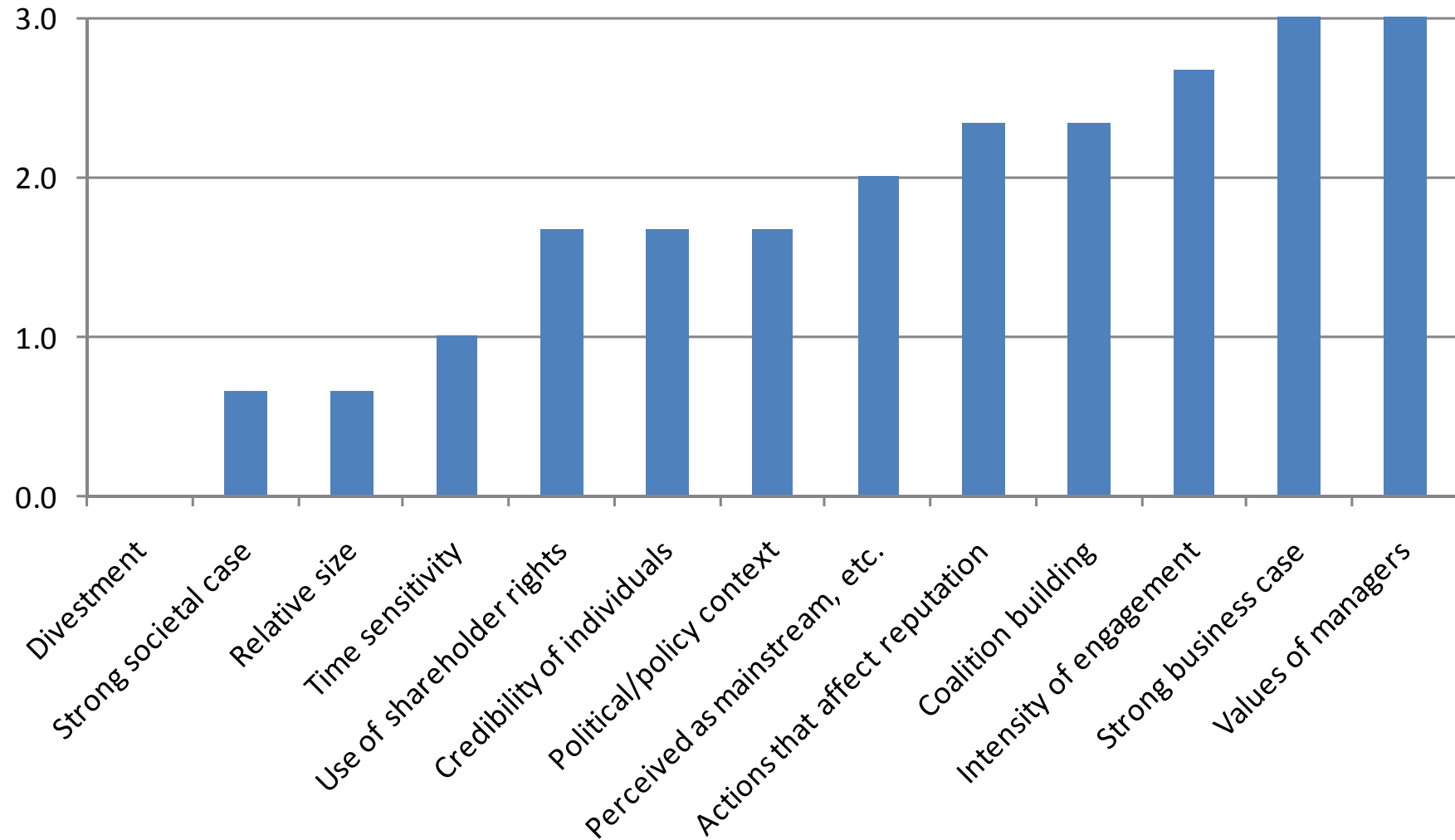
## Enhancing and moderating influences

**Relative economic and governance power:** Size of the stake, investor and firm

**Coalition building:** leveraging other investors, NGOs and policy makers

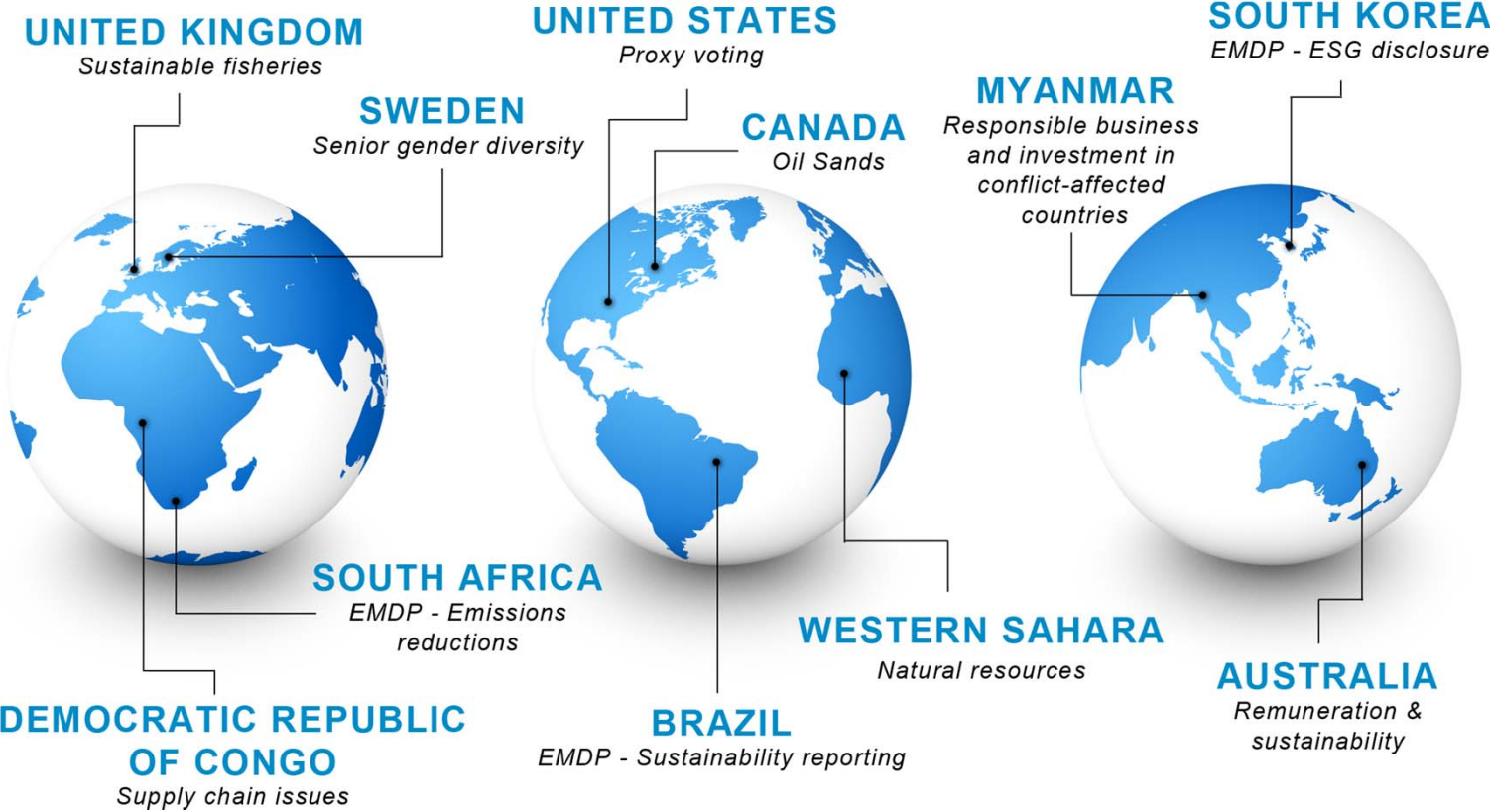
**Values of managers:** degree of alignment with investor request

## Support for propositions across all three cases



# PRI Collaborative shareholder engagement

More than 400 investors across 470 collaborations



# 1911: Triangle Shirtwaist Factory

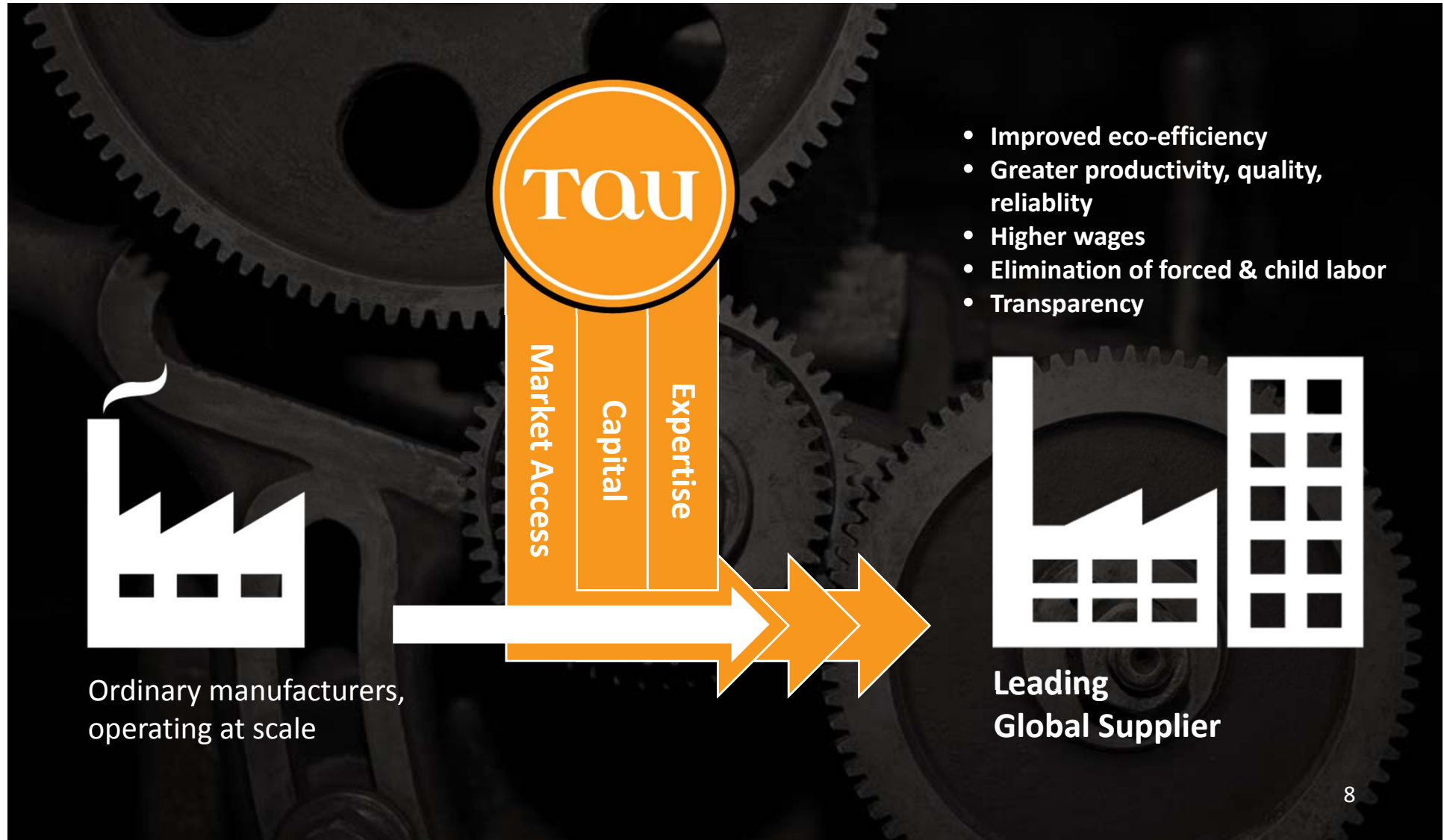


# April 2013: Rana Plaza





# Investing for social, environmental & financial sustainability







# The Vision: Create a network of leading sustainable apparel producers globally

Today



Future Vision

