

6

PRINCIPLES

OF ENVIRONMENTAL, SOCIAL & GOVERNANCE
(ESG) – BASED RESPONSIBLE INVESTING

1

Active ownership
and incorporation
of ESG issues in
policy

2

Incorporate ESG
into decision-
making

3

Ensure appropriate
disclosure from
affiliated entities

4

Encourage
partnerships to
enhance
effectiveness

5

Be an industry
champion –
Promote
acceptance and
implementation

6

Be Transparent &
Share – Report on
activities and
progress



KWARA STATE
PUBLIC-PRIVATE PARTNERSHIP
BUREAU



Jointly created by the United Nations Environmental Protection (UNEP) Finance Initiative, UN Global Compact, and a group of international private sector companies, the following principles of responsible investment are hereby adopted by the Kwara State Government.

These principles will be utilized as part of the selection criteria and ongoing project assessment for all projects carried out between Government and Private Sector.

1 Active ownership and incorporation of ESG issues in policy.

- i. Developing and disclosing an active ownership policy consistent with the Principles
- ii. Develop an engagement capability (either directly or through outsourcing)
- iii. Participating in the development of policy, regulation, and standard setting (such as promoting and protecting shareholder rights)

2 Incorporate ESG into decision-making.

- i. Addressing ESG issues in investment policy statements
- ii. Supporting development of ESG-related tools, metrics, and analyses
- iii. Integrating ESG factors into evolving research and analysis
- iv. Encourage academic and other research on this theme
- v. Advocate ESG training for relevant stakeholders including contract worker

3 Ensure appropriate disclosure from affiliated entities

- i. Standardised reporting on ESG issues for greater utilization and understanding
- ii. ESG issues to be integrated within annual financial and/or other reports
- iii. Information regarding adoption of/adherence to relevant norms, standards, codes of conduct or international initiatives
- iv. Support of shareholder initiatives and resolutions promoting ESG disclosure

4 Encourage partnerships to enhance effectiveness

- i. Engaging with affiliate local companies on ESG issues
- ii. Supporting/participating in networks and information platforms to share tools, pool resources, and make use of reporting as a source of learning
- iii. Collectively addressing relevant emerging issues
- iv. Developing or supporting appropriate collaborative initiatives

5 Be an industry champion – Promote acceptance and implementation

- i. Including Principles-related requirements in requests for and responses to proposals (RFPs)
- ii. Aligning investment mandates, monitoring procedures, sub-contracting and performance indicators and incentive structures
- iii. Revisit relationships with service providers that fail to meet ESG expectations
- iv. Support the development of tools for benchmarking ESG integration

6 Be Transparent & Share – Report on activities and progress

- i. Disclose how ESG issues are integrated within investment practices
- ii. Disclose active ownership activities (voting, engagement, policy dialogue)
- iii. Disclose what is required from service providers
- iv. Communicating with beneficiaries & partners about ESG issues and the Principles
- v. Reporting on ESG-related engagement
- vi. Seeking to determine the impact of the Principles