

Frontier International – 2024 PRI in Person: Key lessons and observations

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Our team recently travelled to Canada to attend the 2024 PRI in Person conference, held in Toronto in October. The conference brought together nearly 2,000 global delegates to discuss progress in responsible investment. Hosted by the Principles for Responsible Investment (PRI), the world's leading proponent of responsible investment, this year's theme, *progressing global action on responsible investment*, highlighted the importance of staying committed to responsible investment goals while driving tangible outcomes.

Taking centre stage at the conference was climate change, underscored by recent natural disasters such as Hurricanes Helene and Milton, which demonstrated the pressing need for climate adaptation and mitigation. Sessions explored strategies to address climate-related risks but also highlighted investment opportunities in renewable energy, energy grid upgrades, electric vehicle infrastructure, battery technology, renewable natural gas, sustainable materials and carbon removal solutions. We believe climate adaptation and mitigation are integral to maintaining the competitiveness of businesses, as disruptions caused by flooding, wildfires and rising sea levels can severely impact cash flows and infrastructure.

Biodiversity also featured prominently, with discussions focussing on achieving risk-adjusted returns while fostering economic growth, job creation and ecosystem restoration. This dual focus on both financial returns and environmental impact shows a growing understanding of sustainable investment.

Data and its pivotal role in sustainable investment and reporting was another major theme. Interestingly, investors are increasingly prioritising robust data frameworks to enhance transparency and meet evolving accountability standards.

The conference also explored the broader ESG landscape, covering topics such as the transition to net zero, managing greenwashing risks and the need for collective action to address the challenges of climate change. A key focus was the evolving regulatory environment, particularly with the growing scrutiny on ESG claims.

We found the PRI conference to be an invaluable source of global insights into responsible investment, reaffirming its universal importance. It was clear that the challenges of adopting responsible investment principles are shared across investors of all sizes and jurisdictions, underscoring the global nature of this effort. A consistent message throughout the event was the necessity of integrating responsible investment principles into every stage of the investment process.

In our comprehensive paper, we delve deeper into the key lessons and observations of RI themes and perspectives discussed at the conference. We also cover practical implications of topics for Australian investors in their investment management activities.

Frontier is well-equipped to support clients in navigating these complexities, offering expertise in portfolio construction, implementation strategies and manager selection to align investment practices with sustainable objectives. We look forward to your feedback and discussion on any of the topics in this paper.

If you have any questions or want to access the full paper, please get in touch with us. Frontier clients can access the comprehensive research paper instantly on Frontier's Partners Platform.