



# Analyzing Forms of ESG Investing Engagement, Including Collective Engagement, and How to Set Goals for Successful Engagement

ESG & Sustainability Transformation

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Engagement is the process of actively engaging with a company where the investor is seeking specific change. This can often be a lengthy process and involve repeated contacts with senior company representatives.

With a focus on preserving and enhancing long-term value on behalf of asset owners, investor engagement can encompass a full range of issues affecting the long-term value of the investee enterprise, including:

- Strategy;
- Capital structure;
- Operating performance and execution;
- Risk management;
- Remuneration; and
- Corporate governance.

ESG factors are clearly integral to these issues. The opportunities and challenges brought about by ESG developments need to be reflected in a company's strategic thinking.

### Forms of Engagement:

According to The Investor Forum 2019b white paper published in November 2019, "Collective engagement: Essential Stewardship Capability," it identifies 12 different forms of engagement. Of these, five are individual engagements (engagements by a single institutional investor):

1. Collective letters: these are broad communications that relate to a range of investor holdings;
2. Private letters: these are more targeted and can cover a range of topics at varying levels of detail;
3. "Housekeeping" engagements: these are annual conversations that are designed to help maintain and enhance relationships with an investee company, but with limited objectives;
4. Active individual engagements: specific and targeted engagements; and
5. Active public interaction: interaction that is intentionally organized publicly.

Other forms are forms of collaborative engagement, (where one organization works with one or more other organizations):

1. Informal discussions: organizations discuss views on specific situations of the investee company;
2. Collective campaigns: collective letter writing or sector/market-wide campaigns;
3. Follow-on dialogue: interactive dialogue with the investee company led by one or more investors to follow up on a group letter or express a broader view;
4. Calls for support: calls for broader support for formally stated objectives (e.g. a "vote no" campaign or in support of a shareholder resolution);



5. Group meetings: a one-off group meeting (or series of meetings) with an investee company, followed by investor reflection on the discussion or by a jointly signed letter;
6. Collective interaction: a formal alliance of investors with clear objectives, often working in conjunction and with a coordinating body; and
7. Concert party: a formal agreement, of any kind, with specific objectives and agreed steps (e.g. jointly proposing a shareholder resolution or agreeing on how to vote on a particular issue).

The Investor Forum paper argues that as you move through the lists, you will need a more formal approach that may attract greater regulatory attention. That greater formality requires increased clarity about the engagement objective(s) and may perhaps provide greater scope to influence desired change.

Achieving clearer engagement objectives is particularly important because it forms one of the key success factors for effective engagement that The Investor Forum paper identifies (based on its own practical experience and academic research). In summary, these six success factors are as follows:

#### **Success Factor (SF): Characteristics of an Engagement Approach**

- SF1. Objectives must be specific to provide clarity of implementation.
- SF2. Objectives must be strategic or governance-oriented, or linked to key strategic and/or governance issues.
- SF3. The engagement approach must be tailored (tailored) to the target company.

#### **Success Factor (SF): Characteristics of Investor Engagement**

- SF4. Engagers must be clearly led with the appropriate relationships, skills, and knowledge.
- SF5. The size of the alliance assembled (both in terms of the size of the holdings and the total assets under management (AUM) of the group) will matter.
- SF6. The alliance must have a prior relationship with and/or cultural awareness of the target company.

The Investor Forum paper continues by adding these success factors (SFs) to the matrix along with the 12 forms of interaction (already listed), indicating the likelihood that each interaction meets the six success factors listed. The table below shows the conclusions reached (including some assumptions and generalizations that are informative, darker colors indicate higher likelihood).



Success factor	CHARACTERISTICS OF ENGAGEMENT FOCUS			CHARACTERISTICS OF INVESTOR GROUPING AND APPROACH		
	SF1: Clear objective	SF2: Material and strategic	SF3: Bespoke	SF4: Effective leadership	SF5: Scale of coalition	SF6: Depth of relationship
<b>Potential impact on effectiveness (low to high)</b>	Express concern ↔ Specify change	Narrow ESG focus ↔ Include strategy and finance	Generic approach ↔ Close cultural awareness	Informal grouping ↔ Formal coalition	Limited ownership ↔ Broad and material share ownership	Limited relationship ↔ Top-level access
<b>Individual institutional engagement</b>						
Generic letter-writing				n/a	n/a	
Tailored letter-writing				n/a	n/a	
Housekeeping engagement				n/a	n/a	
Active private engagement				n/a	n/a	
Active public engagement				n/a	n/a	
<b>Collaborative engagement</b>						
Informal discussions						
Collaborative campaigns						
Follow-on dialogue						
Soliciting support						
Group meeting(s)						
Collective engagement						
Concert party						

Source: The Investor Forum.

### Strategy and Tactics: Setting Goals

There are a number of challenges to engagement, the most important of which is the issue of resources. Does the institutional investor have the time, expertise, and leverage with the investees to engage successfully?

Given the size of most fund managers, the number of investees in their portfolios that they invest their clients' money in is large, meaning that the oversight element of investment management is itself a significant obligation. Even when individual portfolios are highly concentrated, the overall risk exposure is quite broad. Many mid-sized institutional investors own several thousand companies, and top fund managers own tens of thousands of companies. Having the resources to effectively engage with all the companies in their portfolios is a significant challenge. In fact, every investor is resource-constrained.

Given these resource constraints, engagement strategies must be designed to deliver meaningful outcomes in the most cost-effective and time-efficient manner. In practice, this leads to a number of operational challenges that need to be addressed in the following order:

- Investors need to define the scope of engagement and carefully prioritize engagement activities to ensure they add value to their clients/beneficiaries and have an impact on improving the performance of their investee companies.



- Investors need to include engagement topics (whether climate risk or supply chain risk) in the broader discussion of strategy and long-term financial performance with the investee company's management team and board.
- Engagers must develop a clear process that outlines realistic goals and milestones so that both the investment organization and its clients have clear metrics to measure the expectations and effectiveness of the engagement strategy.
- The interaction process needs to be tailored to the local context, language and cultural approach to business operations. In addition to dialogue, investors also need to have clear escalation measures in case the interaction fails.

In many ways, this represents two different forms of prioritization that are necessary:

- Identifying which companies in the portfolio most need engagement; and
- Identifying which ESG engagement issues should be prioritized in the dialogue between the investor and the investee (if change is to be effectively implemented, the investor cannot raise every concern with the investee — especially since it risks creating confusion about which issues the investor believes are most important).

The engagement approach should always be within the investment manager's investment approach, and an active fund manager can easily prioritize both companies and issues because they are of the highest value in the portfolio. The existence of risk suggests that if the investment manager is active, selling shares in a company (or other investment asset) will always be an appropriate action for the responsible fiduciary to take.

For passive investors (e.g. index investors), a similar value-at-risk (VaR) dynamic should be the driving force, but it may come less naturally to decision-making teams as they are less accustomed to identifying where the highest VaR is in a portfolio. This approach tends to focus on the largest companies and the most important issues, although there may be issues that certain clients (institutional clients) place particular emphasis on. These issues and companies are then deemed to be more worthy of attention and are therefore moved up the priority list.

Many fund managers are building management resources by adding expertise to their management teams. This is perhaps the only option for passive fund managers (who invest in the widest range of companies), while many active investors are working to ensure that their active portfolio managers can exercise management authority along with regular monitoring of the companies they invest in. Even when portfolio managers take the lead, they will often need the support and cooperation of a dedicated management team.

Potentially, another important additional resource is external collective engagement vehicles—trade management operations or investor groups. Many of these organizations have staff with a range of specialized and complementary skills that fund managers can draw on. For example, engaging on a particular topic, such as water or palm oil, may require specific knowledge and expertise that is difficult to source internally. Partnering with an investor with specific skills in a particular area or with a collective engagement vehicle can bring alternative skills that can help investors make progress that they would not be able to make alone. In addition, working collectively can help investors with relatively small stakes gain traction in discussions with management and the board.



There are significant behavioral challenges associated with working as part of an investor coalition. These include challenges in reaching consensus, conflicts of interest, and competition.

Investors will often agree that there is a problem with an investee company, or at least they share concerns about it. But class action discussions often fail because investors cannot reach any consensus on what might need to change at the company to address the problem. Investors cannot always reach agreement, even on the nature of the problem. Investee companies sometimes rightly argue that there are so many different views from investors that they cannot respond to all of them (although some investors often feel that this is more of an excuse than a reason not to act).

PRI's 2018 report on how engagement adds value for investors and investees suggests that individual engagement can be more strategically valuable (and can allow investors to address an unclear or unusual position that they might otherwise want to address alone), but that such individual approaches can be time-consuming and costly (PRI 2018d). The report suggests that "engagement activities should be tailored to balance the trade-offs between individual and collective forms of engagement."

In the same report, PRI identified common enablers and barriers to successful engagement from both the corporate and investor perspective.

Conflicts of interest can also be a behavioral barrier to engagement. The fact that many investment management codes require transparency around conflicts that may impact management clearly acknowledges this issue. PRI notes:

Conflicts can arise when investment managers have business relationships with the same companies they interact with or with companies they vote for at the AGM. A company chosen to interact with or vote for may also be related to the parent or subsidiary of the investment organization. Conflicts can arise when the interests of clients or beneficiaries are also different. Finally, conflicts of interest arise when employees may have personal or professional affiliations with a company whose shares are up for vote, or included in an investor engagement program. Best practice is to transparently disclose any existing, potential or perceived conflicts of interest.

The final barrier is the appearance of competition. Historically, few people have worked in this once-resourceful industry, and professional investment managers have been content to work together, both formally and informally. They recognise that working together on highly specialised and specific issues can be the best way to effect change on behalf of their clients. As the role of investment stewardship becomes increasingly important to clients and the focus of investment advisers and fund managers increases, there are signs that this collaborative approach may be waning. However, there are exceptions, such as the Climate Action 100+ (CA 100+) collaborative commitment that most large institutional investors now adhere to. Even there, however, many different investment institutions are differentiating themselves by taking different approaches (individual CA 100+ engagements are very distinct), and while each engagement with an investee company appears to be led by a single investor, in some cases other institutions are taking forward their own initiatives under the CA 100+ banner.

As engagement grows, competition among service providers in the quality of their resources and reporting will be beneficial, as competition allows for the development of more innovative and efficient services at scale, reducing costs for individual fund managers. It is



important that the benefits of collective engagement are not lost sight of, and that institutional investors continue to explore synergies in engagement priorities and amplify their collective impact.

### **Setting Engagement Goals:**

The first important step in the engagement process is to set clear goals. Given that engagement is a conversation with a clear purpose—not just a conversation for the sake of conversation—it is important to know what the purpose is. This is why investment management providers all adopt a set of key metrics or key performance indicators (KPIs) for their engagements so that clients can hold them accountable. This also explains why PRIs themselves set a key KPI that members should target for the majority of their interactions. PRI's 2020 Annual Report confirms that 71% of members do this, although this is still below the 80% requirement.

Results matter more than actions, and since it is not possible to attribute stock price movements to any single engagement success (in fact, it can be challenging to even attribute changes in the investee company's practices to any single engagement success), having some mechanism to check that the goals are being met is the best way to give clients confidence in the success of the engagement. Some investors also have goals that provide a practical roadmap of specific measures that can be taken to move toward the broader goal of the engagement conversation.

Having a clear objective helps to set a clear agenda. While a successful engagement is always a conversation and can therefore be multi-faceted, the engager needs to know (at most) what issues really need to be explored and what the real focus of the discussion is. In many cases, the investor will share at least some version of this agenda and an honest and open framework is set out at the outset with the investee company to minimise surprises.

Clarity about the objectives will also help to identify the right people/groups of company representatives to work with. For ESG operational issues, this will typically be the sustainability and/or investor relations team, then escalate to senior management and then the board. For business strategy or operational issues, the starting point is often the CEO or CFO, escalating to non-executive directors if necessary. For governance issues, the usual starting point will be the chairman, often with the company secretary (or equivalent role) involved in the discussion, with the possibility of further discussion with the senior independent director or lead independent director—or with other non-executives.

If the issue is purely a voting issue, the first contact is usually with the company secretary (at least in markets where that role is prominent; in the US and some continental European countries, contact is more likely to start with the investor relations team), and then further dialogue may be with the chair of the relevant board committee (remuneration or audit) and/or the chairman of the board. There is no hard and fast rule in practice. Investors need to respond appropriately to each company. Sometimes it may take some effort to convince a company that the dialogue the investor is seeking is worth the time of a company representative, especially a non-executive director.

Meetings may be held at the investor entity's headquarters or at the investee company. Often, the choice between the two is simply a matter of convenience for both parties, although a visit to the investee company's office may help demonstrate the investor's interest. In rare cases, the interaction may occur during a visit to an operating facility or supplier. An investor who has spent time exploring and learning fully through dedicated



visits to operating sites or through visits to one or more suppliers can add value to their interactive dialogue and help reinforce the points they are trying to make.

The engager typically has an hour with an individual to discuss a range of issues, perhaps only one of which will be the primary focus of the meeting. Listening is just as important—often more important—than talking. Good engagement seeks understanding and constructive dialogue as the engager explains how the proposed course of action is in the best interests of the investee company, not just the interests of the investor. Demonstrating knowledge of the company and industry is helpful in building rapport, as it demonstrates a serious approach and helps the investor be most persuasive in the engagement (hence the site visit).

It is also important to identify possible reasons why the investee company may not want to take a course of action that is generally perceived as beneficial. Often, a company's culture, history, or personalities can impede change—one reason why successful engagement is often a multi-year, multi-phase endeavor. Investors may find their role is to add weight to one side of the ongoing discussion at their investee company, helping those pushing for change win that debate.

To be constructive, the initial dialogue should take place in private without media attention, especially since media attention often leads to a defensive mindset on the part of the company rather than allowing for the transparency that may be needed for change to occur.

However, over time, it may become clear that greater force is needed to make the investor's message heard appropriately in a dialogue. This is where escalation or escalation tools may be needed.

### **Escalating/Increasing Engagement:**

While engagement is covered by the new IRA under Principle 11, the old UK Code provided a useful list of escalation measures that could be considered to promote engagement. While the first three may be considered by many engagement professionals as part of the standard toolkit in normal dialogue with investee companies, the following four would certainly be considered additional forms of escalation:

- Holding additional meetings with the investee company's management to discuss concerns;
- Raising concerns through the company's advisers; • Meeting with the chairman or other members of the board;
- Joint interventions with other organisations on specific issues;
- Speaking publicly at a general meeting of shareholders;
- Submitting resolutions and speaking at the meeting; and
- Request a general meeting of shareholders, in some cases proposing changes to the Board of Directors.

Additional methods used by some as part of their enhanced engagement model may include:

- Writing a formal letter outlining concerns, usually after one of the meetings mentioned earlier and often addressed to the chairman; such letters are usually private, but can sometimes be leaked publicly if frustrations become more serious (sometimes such leaks





come from within the company, if there are internal individuals frustrated by the lack of progress in resolving the issue);

- Seeking dialogue with other stakeholders, including regulators, banks, creditors, customers, suppliers, the workforce and non-governmental organisations (NGOs) (stakeholder dialogue is often a tool in the European market and is particularly important in the Shareholder Rights Directive II, but is increasingly used in other markets as well);
- Formally request a special audit of the company (this is a shareholder right in some countries, notably Germany, to review specific areas of concern);
- Publicise concerns in the media or in some other form, not just as the rules state in relation to AGMs or other general meetings;
- Seek improvements in governance and/or damages through litigation, arbitration or other legal means; and
- Formally blacklist or withdraw or threaten to withdraw the company.

The idea of escalation is that it is a ladder of additional steps to enhance the benefits of an engagement. Many engagement objectives can be managed without escalation, and in fact investors may choose to engage more slowly rather than escalate in order to maintain a positive relationship with a company they want to continue investing in for many years. But when escalation is deemed necessary, the investor must consider what additional steps may be needed to effect the desired change, and this consideration may go through a number of stages of escalating one step at a time or sometimes by jumping to multiple steps at once if the change is felt to be particularly urgent. There is no specific order to the steps, although some steps are clearly more important than others.

Given the resource constraints noted above, the investor must always be prepared to recognize at any point that the likelihood of further progress is low and therefore pause the engagement. Investors will also need to consider whether the steps are warranted; sometimes the right thing to do is to step back and step away from the target for a while. This is typically done in a formal letter outlining the investor's concerns, which can be revisited in future years when the board may be different or in different circumstances, and therefore more responsive to engagement.

Many of the tools of enhanced engagement need to be used judiciously and not overused. For example, litigation is rarely used, especially given the expense and time involved in any legal action; The step of making concerns public through mass media or social media needs to be taken with caution. An investor who rarely raises an issue in public will likely be heard more by the company than an investor who always expresses his or her views publicly. But often, moving engagement from private to public is seen as one of the most important ways to increase influence.

One form of public engagement is shareholder resolutions—a shareholder right in most jurisdictions, although local laws often limit the nature of resolutions that can be proposed, as well as the size and length of ownership that proponents of resolutions must have. In many markets, companies must publicly propose resolutions; However, in the United States, where they are most common, they are not usually made public until the relevant AGM documents are published. This will typically occur after the company has attempted to exclude the resolution from the AGM agenda and sought a ruling from the Securities and Exchange Commission (SEC) as to whether the exclusion is permissible. Therefore, proposing a shareholder resolution in the United States can be a trigger for private



engagement, which may well result in investors withdrawing the resolution, thus never coming to public attention.

Collective engagement is sometimes seen as an alternative engagement model, but in this article we will see it as another form – often the most powerful form of escalation. This will be considered in more detail in the following discussion.

Perhaps counterintuitively, one form of escalation that many organizations consider to be divestment is divestment. This can only truly increase impact when it is done through a formal process that makes the company aware that it is approaching a point where investors may feel compelled to sell their shares. An example of a public and impactful divestment process is the Norwegian Government Pension Fund Global, where an independent ethics board considers whether companies should be excluded from the fund for business practices (such as indiscriminate weapons production or coal-fired power) or for violating standards of conduct (the UN Global Compact).

For example, in recent years the ethics board has recommended divestment based on criteria adopted in 2016: behaviour that leads to unacceptable levels of carbon emissions, including an assessment of companies' willingness and ability to change that behaviour in the future. The fund manager (Norges Bank Investment Management, commonly known as NBIM) reviews these recommendations and may exclude companies for these reasons. For example, it has excluded four companies involved in oil sands (Oil sand or tar sand) production.

NBIM makes its exclusion list public and makes its decisions to exclude individual companies (and sometimes rescind exclusions) public. This disclosure is part of an escalation process with the companies in question and is likely to affect other companies as well. The NBIM exclusion list is followed by a number of other investors and some of its exclusions are adopted by other institutional investors.

### **Collective Engagement:**

Another way that investors can share resources is through collective engagement. This can be done informally, through quiet and non-specific dialogue between management teams of individual fund managers, while being careful to avoid reaching agreements or even sharing specific plans due to restrictions on coordination of actions and other regulations. In addition to these informal dialogues, there are also active means of collective engagement in various forms.

Collective engagement is often the most resource-efficient way to engage; every investor inevitably has limited resources, and pooling those limited resources will yield greater efficiency. Such efficiency also benefits the corporate recipient because it reduces the weight of the message received, which in some cases can feel like a series of conflicting opinions that are difficult to understand. Pooling investors' resources can aid in their own education on an issue, while also adding weight and emphasis to their concerns, making them more likely to be heard.

The challenges surrounding collective engagement are perhaps the obvious ones of coordinating a group of disparate investors with potentially different capabilities and trying to maintain a consistent view, or at least a sufficiently consistent view, so that the firm receives a clear message from investors on key issues. Some investors are also concerned about regulations in particular markets that deal with anti-competitive conduct or market abuse or exploitation (such as regulations relating to coordinated action, where a number of



disparate investors work together to leverage their holdings as a whole). Some market regulators have made it clear that there is a safe haven for institutional engagement, but such safe havens do not exist everywhere and none have been tested with any certainty. Therefore, unless they are careful, such investors may be seen as acting in concert and may therefore face serious legal consequences, most importantly in terms of corporate takeovers. It is therefore essential to take care in approaching collective interaction.

Several global asset-owning organizations support their members in investment management, such as the following:

- The Asian Corporate Governance Association (ACGA);
- Associação de Investidores no Mercado de Capitais (AMEC) in Brazil;
- Assogestioni in Italy;
- The Australian Council of Superannuation Investors (ACSI) in Australia;
- The Council of Institutional Investors (CII) in the United States;
- Eumedion in the Netherlands; and
- The Pensions and Lifetime Savings Association (PLSA—formerly the National Association of Pension Funds or NAPF) in the United Kingdom.

Most of these organisations have a much broader remit, with investment management being just one part of their offering. In addition, investor coalitions that include ESG have recently been formed, specifically around environmental issues, to bring investors together. These include Climate Action 100+ (CA 100+). Climate change groups—such as:

- The Asian Investor Group on Climate Change (AIGCC),
- The Australian Investor Group on Climate Change (IGCC),
- The European Institutional Investor Group on Climate Change (IIGCC), and
- Ceres (which coordinates US investor efforts on this issue)

Each agency has regional responsibilities, but all are currently looking to coordinate their actions — largely focused on lobbying and playing an effective role in political debates on climate. However, these are increasingly developing corporate engagement, notably by taking on a coordinating role on CA 100+.

CA 100+ targets the largest polluters, designating one organization as the lead engagement agency and a small group of organizations working alongside it. In theory, there is a common approach and agenda, but coordination is flexible and the lead engagement agency is invited to respond to the specific circumstances of each company, so there can be many points of disagreement between the actors. The CA 100+ has had some notable successes, particularly in relation to strategic changes by major European oil companies, such as Spain's Repsol, France's Total, Italy's ENI, Britain's BP and Britain/Netherlands' Royal Dutch Shell, each of which has significantly changed its intended investment scope in recent years.

PRI also has its own collective engagement service: the Collaboration Platform. Its main focus is on corporate engagement, sometimes targeting a single company but often identifying a problem faced by a number of investee companies and proposing a common



approach to engage the companies involved. Typically, a single investor raises something on the platform and invites other PRI members to participate in the proposed engagement; typically, the engagement is then led by a small group of investors. According to PRI statistics, there have been over 2,500 groups and over 600 engagements running on the Collaboration Platform, targeting 24,667 companies with over 2,000 signatories.

Formal collective stewardship vehicles come in many different forms. There are commercial approaches, primarily provided by fund managers that provide stewardship overlay services, which perform the interaction work on behalf of clients whether or not they invest money on their behalf. Some of the major players in the overlay market are Responsible Engagement Overlay (REO) Service, Federated Hermes EOS, Robeco, and Sustainalytics (which acquired the former GES International in 2019 and is part of Morningstar).

These include both advisory voting and direct interaction. There are also non-commercial activities that provide a means for members to collaborate. Prominent among these is the UK's The Investor Forum, which was established in 2014 in response to the Kay Review's call for such a means. It is being closely watched by other markets as a potential model to follow.

The Investor Forum has a detailed collective engagement framework (available only to members), through which the Forum commits to avoid breaching the rules around coordinated action and market abuse. Many investors see such market abuse rules as limiting the ability to effectively engage in collective engagement. The Forum has published 10 key features of this collective engagement framework.

- Trusted facilitator, not advisor. Members retain all voting and other investment rights in their shares. No control is ceded to the Forum or other members.
- Opt-in/opt-out. A member actively chooses to participate in an interaction involving a company in which they are a shareholder. They may also choose to opt-out of the interaction at any time.
- Supplemental to direct member interaction. Members are actively encouraged to continue to interact directly with companies outside the Forum's auspices.
- Confidentiality. Members must agree to comply with confidentiality obligations during the interaction. Disclosure of identity and public statements must be agreed to by participants during the interaction.
- Nominated primary interaction contact. Members have full control over whether they receive information and who receives it.
- Hub and Spoke Model. The bilateral model is the usual mode of communication between the moderator and the members participating in the interactions.
- No inside information. The Forum is not intended to facilitate the exchange of inside information between investee companies and members or between members themselves. Participation in an interaction will not exempt any person from any laws or regulations governing the use and dissemination of inside information.
- No concert parties and no groups. Members agree that by participating in the Forum they will not form a concert party over the relevant company, including by way of a resolution seeking control of the board of directors or seeking to gain control of the company.
- Enhanced procedures. At various times during an interaction, enhanced procedures may be deemed necessary, including seeking expert advice. Particular attention is given to



interactions involving companies that are dual listed in the United States or other foreign markets and companies or members subject to the Bank Holding Company Act.

- Avoiding conflicts of interest. The Forum maintains procedures to avoid conflicts of interest that may affect the governance of the Forum itself or individual interactions. Members are reminded of their obligations to manage conflicts of interest and should note that participating in an interaction does not replace or relieve them of those obligations.

It is this formal structure that the Forum has developed—and its apparent effectiveness in engagement (for example, in relation to Unilever’s withdrawal from its planned relocation of its headquarters)—that has led to international interest in the Forum as a model for other markets. (For example, in its November 2019 report, the French Club des Juristes recommended that France seek to establish a similar organization.)

In particular, the collective engagement framework is seen as a key mechanism for mitigating the risks that sometimes impede collective engagement, i.e. legal provisions against seeking control of public companies other than through formal takeover bids or market abuses and restrictions on insider trading.

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