

TERMS OF REFERENCE

LSFI Climate Measurement and Reporting Working Group

1. General Mandate & Objectives

The general mandate and aim of this working group is to coordinate actors active in climate measurement and reporting. To fulfil its mandate, the working group will work towards achieving its first and second objectives as described below.

- **First objective** – Propose practical tools and exercises on climate measurements and reporting for Luxembourg financial institutions as a follow-up to the 2021 Climate Scenario Analysis. In particular,
 - Develop follow-up actions building on the 2021 PACTA exercise.
 - Suggest tools and methodologies for Luxembourg financial players and Luxembourg-wide studies on climate and/or climate-related measurement and reporting for 2023/2024.
 - Recommend climate measurement or reporting initiative(s) for the Luxembourg financial sector actors to join, if relevant.
 - Pioneer climate measurement and/or reporting exercises amongst working group members or to propose these to a larger group of Luxembourg-based institutions to be assessed and possibly be conducted in the following years, if relevant.
- **Second objective** - Contribute to climate measurement awareness. In particular,
 - Suggest updates with regard to the climate measurement/reporting instruments (e.g., initiatives, frameworks, standards, and tools) listed under the Take Action section of the LSFI website.
 - Advise communication activities targeting the financial sector or the wider public to help understand climate measurement and reporting.
- **On a regular basis** - Exchange of information. In particular,
 - Share information on climate measurement and reporting tools relevant to the financial industry.
 - Follow climate measurement or reporting instruments (e.g., initiatives, frameworks, standards, and tools) and share key takeaways and best practices.

Note: the working group is not a marketing or advertising platform for any organization.

2. Deliverables

Each conclusion and practical solution proposed by the working group members in line with the working group objectives will be supported by an outcome document (e.g., ppt slides, word document, guidelines, ...).

3. Confidentiality

As long as the work of the working group is ongoing and not made public by the LSFI, the data shared during the sessions will be considered under development and confidential. Likewise, the members won't be allowed to use any information or material shared or discussed at the working group without the explicit authorization of the LSFI.

4. Membership

The working group aims to be composed of professionals with relevant experience and expertise in the field of sustainable finance who are willing to contribute actively and regularly to the objectives of this working group. These professionals have to be part of an organization which fully supports their attendance at the working group meetings. Working group members include representatives of the:

- Financial industry associations.
- Financial industry institutions.
- Financial industry at large (core, inclusive, impact, etc.).
- Supervisory or regulatory authorities.
- International organisations or governmental bodies.
- NGOs.
- Think tanks, research, and education organizations.

Preferably, candidates should be based in Luxembourg to ensure regular attendance at the working group meetings. However, a candidate based outside Luxembourg with proven vested interests within the Luxembourg financial industry and adequate expertise could also apply and be considered.

Alternate members are not allowed in the working group.

4.1. Number of Members

The number of members will be limited to 10-12 persons to ensure efficiency in the discussions and ensure the working group's objectives are achieved.

4.2. Member Selection

The members are selected by the LSFI team and approved by the LSFI board based on the profile, experience, expertise, and availability of the applicant while ensuring a balanced representation of stakeholders. The selection of the members falls under the full and only discretion of the LSFI based on the above-mentioned criteria.

4.3. Selection and role of the Chair

The LSFI will appoint a Chair (and if relevant Vice-chair(s)) based on expertise, commitment to the topic and availability.

The Chair (and Vice-Chair) propose(s) an agenda to the working group, moderates and steers the discussions to ensure the delivery of practical and useful activities aligned with the working group's objectives.

The Chair will be invited to report on the working group's achievements and proposals to the LSFI Board and the LSFI Stakeholder Assembly.

5. Meetings

5.1. Meetings Calendar

The working group is expected to start at the end of March 2023 during the weeks of 20 or 27 March. Considering the working group mandate and objectives, the working group is expected to deliver its first conclusions regarding the "First objective" by mid-July 2023.

5.2. Meeting Duration & Frequency

The working group is held regularly, and the meetings are expected to last from 1.5 to 2 hours. To cover the first objective, the working group will convene every 2-3 weeks. To cover the second objective, the working group will meet every 6-8 weeks.

The meetings calendar will be confirmed during the working group's first meeting.

5.3 Meeting Format

Ideally, the first meeting and the decisional meetings will be held in person. Besides that, most meetings will be held online or hybrid for time efficiency purposes. However, if interaction with participants is needed, the chair might require holding them in person.

Overall, the secretariat will try to accommodate members' availability and preferences, always considering the evolution of sanitary rules.

6. Required Attendance

The working group members are required to ensure their availability. In case of persistent absence, members of the working group can be excluded. 3 excused or non-excused unattendances during each working group's objective phase will be considered as persistent absence¹ (e.g., the first phase refers to the conclusion of the working group first objective and will consist of 7-8 meetings over the period of 5-6 months).

We recommend applicants to carefully take into account the meeting objectives and frequency when applying to ensure their availability.

¹ Exceptions will be made only for absences related to health reasons.

7. Secretariat

The secretariat will be held by the LSFI.

The secretariat supports the working group from an organizational and administrative point of view. Its role is also to ensure the alignment of the working group with the objectives set out in the Terms of Reference.

In case you need additional information, please contact: info@lsfi.lu

8. Sub-workstreams

This working group is allowed to set up sub-working groups if extremely relevant for its purpose. The secretariat needs to approve the launch of any new sub-working group. If the sub-working group requires a call for new members, the LSFI will take charge of drafting the Terms of Reference, in collaboration with the Chair of the working group, and launching the call for applications. The meetings of these sub-working groups will be held within the same working group's timeline to support the umbrella working group's conclusions in due time.

PROCESS TO BECOME A MEMBER

Please send an email to the LSFI at info@lsfi.lu, attaching the filled-out **application form** (see attachment).

Interested members' applications must be submitted not later than the 17th of February 2023 at 7:00pm.

The working group call for members will be published on LSFI's website and promoted through the initiative's communication channels, as well as communicated by email to the members of the LSFI Stakeholder Assembly.

The final list of working group members will be made public on LSFI's website once the members have been selected.

Date of approval by LSFI's Board of directors: 13/09/2022