

Grant & Eisenhofer Launches ESG Institute to Help Guide Global Institutional Investors in Socially Responsible and Sustainable Investment

Institute to address such key ESG issues as sustainability and fiduciary duty, climate change and securities law, international whistleblowers, limits on executive compensation, and corporate responsibility in developing countries; socially responsible investments worldwide account for \$23 trillion in assets; group includes nine prominent board members representing leading U.S. and European institutional investors.

NEW YORK/WILMINGTON (October 11, 2017) – Leading investor law firm **Grant & Eisenhofer** announced the launch of a new **ESG Institute**, a global thought leadership and advocacy group focused on legal considerations surrounding environmental, social and governance issues in institutional investing. The ESG Institute debuts as G&E marks its 20th anniversary as an advocate for investors internationally.

Interest in sustainable and responsible investment continues to accelerate: in the past three years, global assets in the sector have soared by 25% to **\$23 trillion**, according to the Global Sustainable Investment Review.

“Grant & Eisenhofer has built its legacy in corporate governance with a commitment to responsible investment over the course of 20 years of actively protecting and promoting the rights of institutional investors and public entities,” said Co-Managing Director **Jay Eisenhofer**. “The new ESG Institute continues to build on this record, to address the increasing dialogue around ESG criteria and objectives within the global institutional investment community.”

Mr. Eisenhofer noted that investment policies integrating ESG factors express investor values advancing sustainability, human rights, humane working conditions and strong corporate governance, while limiting the spread of nuclear and chemical weapons, carbon emissions and fossil fuel usage. “ESG investors are looking to make investment decisions that can help tackle social or environmental problems,” he said.

“Board-level engagement and shareholder activism are further strategies used by investors to influence corporate behavior driven by ESG guidelines,” said Mr. Eisenhofer, noting that some ESG investors focus on reining in abuses and excesses in executive compensation. More recently, ESG investors have called on companies to take a more assertive role in safeguarding personal data in the face of numerous high-profile data breaches and hacks.

The Institute’s nine-person Oversight Board comprises prominent names in corporate governance and investor rights in the US and Europe. Its members include: **Deirdre Hykal**, Managing Director and General Counsel with financial services giant TIAA; New York City Assistant Comptroller for Corporate Governance and Responsible Investment **Michael Garland**; Prudential Financial Chief Governance Officer and Corporate Secretary **Peggy Foran**; GMB Trade Union legal officer **Maria Ludkin**; and ValueEdge Vice Chair and corporate governance guru **Nell Minow**. Also joining the board are former ranking officers of several large European public pension funds.

G&E Co-Managing Director **Stuart Grant** said, “A key part of the ESG Institute’s mission is to provide thought leadership. The objective is to continuously address legal issues that investment

officers and shareholders are grappling with in implementing sustainability considerations and responsible investment criteria. We're fortunate to be launching the new Institute with a close-knit board of genuine authorities in impact investing and corporate governance, representing diverse perspectives from the worlds of global asset management, public pension funds, nonprofits and corporations. Their insights will help guide the Institute's development as we begin to host events and tackle issues core to the global ESG community."

Among the legal issues to be addressed by the Institute in developing its programs and content:

- Fiduciary duty and integration of ESG criteria such as sustainability in investment
- The relationship between climate change and securities laws
- Corporate accountability and liability involving cybersecurity and protection of consumer data
- Corporate legal responsibility for activity in developing countries
- International whistleblower developments
- Legal challenges to limit executive compensation

ESG topics will also form a centerpiece panel at this year's Global Shareholder Activism Conference, supported by Grant & Eisenhofer through the Institutional Investor Education Forum. This year's program will be held at the St. Regis Hotel in New York on November 30-December 1, with members of the ESG Institute presenting:

<http://www.iief.org/event/2017-global-shareholder-activism-conference/>.

Attention to ESG criteria is one aspect of responsible investment strategy, which includes the belief that investors can deploy capital and shareholder votes in a way that urges companies to behave responsibly and ethically in the treatment of workers and their supply chains, their relationship with the environment, and their general business practices. Significant research exists demonstrating that companies with stronger ESG profiles are less exposed to scandal and ultimately deliver better returns for shareholders.

About the Oversight Board

Peggy Foran is Chief Governance Officer, SVP and Corporate Secretary for Prudential Financial, Inc. She has served in leadership roles with the Society of Corporate Secretaries and Governance Professionals and was named one of the most influential people in corporate governance by *Directorship Magazine* for five straight years. Ms. Foran received a Lifetime Achievement Award from TheCorporateCounsel.net in 2015. She was previously SVP and associate general counsel for corporate governance at Pfizer.

Paul Frentrop is a former professor of corporate governance and capital markets, former head of corporate governance at Dutch pension fund manager APG and author of *A History of Corporate Governance (1602 -2002)*. He is founder and director of the Dutch Governance Society (het Nederlands Governance Genootschap), chairman of the supervisory board of the Architects Pensionfund and member the boards of Unilever Trust Office and the Investor Claims Against Fortis foundation. Mr. Frentrop also advises shareholders in listed and non-listed companies on governance issues.

Michael Garland is Assistant Comptroller for Corporate Governance and Responsible Investment for New York City. His team is responsible for overseeing corporate governance programs for the five New York City Pension Funds, which hold combined assets totaling over \$180 billion. The active ownership programs for the funds include "voting proxies, engaging portfolio companies on their environmental, social and governance policies and practices, and advocating for regulatory reforms to protect investors and strengthen shareowner rights."

Tim Goodman is a director at Hermes Investment Management, within Hermes EOS, its stewardship and engagement team. He is responsible for Hermes EOS' activities in North America. Previously, he worked in the insurance industry and held a number of senior management roles before becoming a company secretary in a UK-listed company. He is a member of the Institute of Chartered Secretaries and Administrators. Mr. Goodman is a member of the U.S. Council of Institutional Investors' corporate governance advisory council and a former chair of the UK Quoted Companies Alliance corporate governance committee and co-author of some of its governance related publications.

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Deirdre Hykal is Managing Director and General Counsel with the financial services organization TIAA in New York. She is a former litigation partner with the law firm Willkie Farr & Gallagher LLP in New York. Ms. Hykal sits on the Board of Directors for Mobilization for Justice, a New York-based legal services organization that provides representation for low-income, disenfranchised or disabled clients.

Maria Ludkin is Legal Director for GMB, one of the UK's largest trade unions. She advises on all legal and compliance matters and has led strategic campaigns around high-profile litigation involving transparency in private equity, equal pay and construction industry blacklisting. She currently leads the challenge on employment status rights for Uber drivers in the UK, and recently won a groundbreaking case establishing that Uber drivers have employment rights as workers, affecting workers' rights across the entire gig economy in the UK.

Jan Matej is former Chief Legal Counsel, for over 20 years, with First Swedish National Pension Fund ("API"), one of five buffer funds in the Swedish national income pension system. Before joining API, Mr. Matej worked as in house lawyer and later as Chief Bank Manager for one of the Swedish banks now forming Swedbank.

Keith Mestrich is President and Chief Executive Officer of Amalgamated Bank. Previously, he served as CFO and Deputy Chief of Staff for the SEIU and as an organizer for the AFL-CIO and UNITE. Keith is a Fellow of the inaugural class of the Finance Leaders Fellowship Program and a member of the Aspen Global Leadership Network. He currently serves on the Board of Directors of The Roosevelt Institute, Democracy Alliance, Progressive Congress, Sidney Hillman Foundation, Capital and Main, The Workers Lab, Working America Education Fund, The Public Utility Law Project, Hot Bread Kitchen and the Remember the Triangle Fire Coalition.

Nell Minow is Vice Chair of ValueEdge, which helps institutional investors engage with their portfolio companies. Called "the queen of corporate good governance" by *Businessweek* and named one of corporate governance's 20 most influential people by *Directorship*, Ms. Minow is known for her writing on corporate governance. She co-founded corporate oversight research firm GMI Ratings and its predecessor, The Corporate Library. She was the sole recipient of the International Corporate Governance Network award for exceptional achievement in corporate governance. A prolific writer, she has co-authored three books on corporate governance.

"The institutional investors who manage the great majority of investment capital on behalf of individuals increasingly push for better disclosure on sustainability and other ESG considerations to evaluate investment risk and return, said Ms. Minow. "It's an honor to join with Grant & Eisenhofer and the other distinguished board members on the new ESG Institute, in hopes of elevating discussion on best practices in ESG investing and corporate accountability. We look forward to adding our voice into this important dialogue."

About Grant & Eisenhofer P.A.

Grant & Eisenhofer is one of the nation's leading litigation firms, with a highly successful track record representing plaintiffs in complex litigation and arbitration matters. The firm has offices in Wilmington, New York, and Chicago, and an international docket of high-profile cases. G&E's clients include institutional investors, whistleblowers and other stakeholders in securities class actions, derivative lawsuits, consumer class actions, antitrust suits, bankruptcy litigation and whistleblower cases involving the False Claims Act. The firm has recovered more than \$28 billion in the last 10 years and has twice been cited by RiskMetrics for securing the highest average investor recovery in securities class actions. G&E has been named one of the country's top plaintiffs' law firms by *The National Law Journal* for more than a decade, and was named one of the nation's "Most Feared Plaintiffs Firms" by *Law360*.

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