



**Global Crop Diversity Trust
Executive Board Meeting (EB/2019/2)
26 March 2019, email correspondence**

Summary Report

Attending Members of the Executive Board

- Peter Crane (Chair)
- Gebisa Ejeta
- Prem Lal Gautam
- Alexander Müller
- Knut Storberget
- Mary-Ann Sayoc
- Marcio de Miranda Santos
- Emmy Bartz Simmons
- Marie Haga (Executive Director of the Crop Trust)

The status of decisions and actions arising from **EB 2019/2** is provided in the table below:

No.	Decisions
1	Executive Board Members approved the draft Financial Statements and Letter of Representation to PWC. The financial statements and Letter of Representation will be signed by the Executive Director and Director of Finance on behalf of the Executive Board.
2	Executive Board Members approved the draft UNPRI report 2018/19 for submission.

No.	Actions Arising	<i>Status</i>
1	The endowment fund investment income and the commitments against the same will be discussed at the spring Executive Board meeting.	EB/2019/3-9
2	The Director of Finance will work with Mercer to further incorporate additional policies or procedures for the new UNPRI reporting requirements into our Responsible Investment Policy and will bring forward a revised policy to the Fall 2019 Executive Board meeting for consideration and approval.	EB/2019/3-9



Introduction

The Executive Board members received the following items for their consideration and approval:

- Draft Financial Statements for the year ended 31 December 2018
- Draft Letter of Representation to PWC for the year ended 31 December 2018
- Draft UNPRI Report 2018/19

The members of the Executive Board listed above were the ones that participated in the written procedure. The documents were also circulated to non-voting members.

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Draft Financial Statements for the year ended 31 December 2018

- Members noted the circulated draft Financial Statements for the year ended 31 December 2018 and the draft Letter of Representation. Members were also circulated with the draft unqualified audit opinion to be issued by PWC following Executive Board approval of the financial statements and with a presentation from PWC outlining their audit approach, the outcome of the audit and their recommendations.
- The Director of Finance highlighted that, as part of the Financial Statements for the year ended 31 December 2018, two statements have been added that are recommended by PWC and considered best practice:
 - Board Statement on Management – this sets out the responsibilities with respect to risk management, the process for reviewing risk and a statement on whether the Board is satisfied with the attention paid by management to risk management and that risk governance is sufficient to identify, manage and monitor key risks to the Crop Trust's organization. This Statement will be signed by the Executive Board Chair.
 - Management Statement of Responsibility for Financial Statements – a statement on the responsibilities for the compilation of the Financial Statements and the system of internal controls. This Statement is signed by the Executive Director and Director of Finance.
 - For the Financial Statements 2019 the Director of Finance proposes adding in a "Statement from the Executive Board Chair" which will provide a summary on the performance for the year and the outlook for the following year.
- The Director of Finance confirmed that the recommendations from PWC are being implemented by the Crop Trust.
- In response to a query with respect to how committed expenditures are prioritized if the anticipated income gains do not materialize in the endowment fund investments



and how we tie this into the fundraising strategy, it was agreed that this will form part of the detailed discussions at the Spring Executive Board meeting in May 2019.

- It was noted that the Annual Report will follow in due course, and it will contain a two page summary of the financial position of the Crop Trust and not the full Financial Statements for the year ended 31 December 2018.
- 1. Action: The endowment fund investment income and the commitments against the same will be discussed at the spring Executive Board meeting.
- 1. Decision: Executive Board Members approved the draft Financial Statements and Letter of Representation to PWC. The financial statements and Letter of Representation will be signed by the Executive Director and Director of Finance on behalf of the Executive Board.

EB/2019/2-2

Draft UNPRI Report 2018/19

- The annual UNPRI reporting process is made up of two parts:
 - Preparation of both a private and public version of the “Transparency Report” and publication of the public version.
 - An “Assessment Report” prepared by PRI based on our Transparency Report.
- As noted in the FIC Report to the Executive Board in October 2018, the Crop Trust achieved an overall rating of “A” in its UNPRI Assessment Report for the period 2017/18. Significant progress had been made in the past two years in developing the Statement of Responsible Investment Beliefs and Responsible Investment Policy; manager selection, appointment, monitoring and evaluation and the extension of the UNPRI report to other asset classes, not just listed equities.
- The Director of Finance highlighted that, for the Transparency Report 2018/19, these efforts have been built upon with respect to climate risk reporting, outreach and collaboration, and the promotion of responsible investment publicly at events and conferences.
- The draft report, prepared in collaboration with the investment managers, was circulated to members and it was noted that there are additional disclosures this year with respect to climate related risks, the impact of our investments on SDG implementation, compliance with the Task Force on Climate Related Financial Disclosures (TCFD) and information on other ESG initiatives we are involved with. The UNPRI also asks for separate formal guidelines on our approach to environmental factors, social factors and governance factors to be included in our Investment Policy Statement. The Director of Finance will work with Mercer to further incorporate these



requirements into our Responsible Investment Policy and will bring forward a revised policy to the Fall 2019 Executive Board meeting for consideration and approval.

- Once the UNPRI has issued its Assessment Report in summer 2019 this will be sent to the Executive Board and FIC for its review at the Fall 2019 meetings.
 - The draft UNPRI report was considered and approved by the Executive Board for submission to the UNPRI ahead of the deadline of 1 April 2019.
2. Action: The Director of Finance will work with Mercer to further incorporate additional policies or procedures for the new UNPRI reporting requirements into our Responsible Investment Policy and will bring forward a revised policy to the Fall 2019 Executive Board meeting for consideration and approval.
 2. Decision: Executive Board Members approved the draft UNPRI report 2018/19 for submission.