

PRI 2023 REPORTING FRAMEWORK

A RESOURCE GUIDE FOR INVESTOR CLIMATE REPORTING

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PURPOSE OF THIS GUIDE

This guide has been created to assist PRI signatories in reporting on their investment activities related to climate change through the PRI 2023 Reporting Framework. This document offers a broad outline of the PRI indicators that relate to climate change.

Separate specific guidance is available for members of the [Net Zero Asset Owners Alliance](#) and the [Net Zero Asset Managers Initiative](#). Those guides contain detailed information on how to report on net zero and may also be useful for signatories who have set targets without joining those alliances.

For more detailed information on all the indicators listed in this guide and a full list of the indicators included in PRI 2023 Reporting Framework, please visit the [Investor reporting framework webpage](#).

THE PRI REPORTING FRAMEWORK

PRI 2023 Reporting Framework contains climate related questions across two modules: the 'Policy, Governance and Strategy (PGS)' and the 'Sustainability Outcomes (SO)' modules.

The **PGS** module should be used for general climate-related policies and activities, including disclosures recommended by the Task Force for Climate-Related Financial Disclosures (TCFD) and the Investor Climate Action Plans (ICAPs).

The **SO** module should be used for disclosing targets set as part of an investor's climate-related activity, for reporting progress against those targets, and for disclosing stewardship and engagement activities related to climate change. The **PGS** and **SO** modules from PRI 2023 Reporting Framework includes two different types of indicators:

- **CORE** indicators, which are mandatory to report, assessed and publicly disclosed
- **PLUS** indicators, which are voluntary to disclose and can be made either public or private by the signatory

When CORE indicators include free text fields, these are mandatory to complete in the PRI system. Reporters will not be able to advance through the platform without completing them. However, there is no minimum required length for the text entered in these fields. If signatories wish to provide links to website disclosures in these fields, they may do so.

When PLUS indicators include free text fields, they are optional to complete in the PRI reporting tool.

The SO indicators are PLUS, and thus voluntary to disclose (except for signatories using them to report commitments to a net zero alliance, who must disclose them, as explained in the separate net-zero alliance guides).

COMPLETING THE REPORTING

REPORTING VIA THE POLICY, STRATEGY AND GOVERNANCE MODULE

Signatories using the PRI 2023 Reporting Framework must report on indicators from the PGS module before the SO module.¹ The PGS module is where signatories should report on most TCFD and ICAPs recommendations, covered in Table 1 and Table 2, respectively.

TCFD RECOMMENDATIONS

Signatories can report on the majority of TCFD recommendations using the indicators from the PGS module. For one specific recommendation – which TCFD refers to as “Metrics & Targets C” – signatories should use SO module indicators 1-4. Table 1 details how PRI 2023 Reporting Framework indicators from both PGS and SO modules align with the TCFD recommendations.

Table 1 – Alignment between PRI’s Reporting Framework indicators and TCFD recommendations

TCFD recommendation	PRI indicator
Report to TCFD	PGS 17
Governance A & B	PGS 11 (incl. PGS 11.1 (D))
Strategy A	PGS 41
Strategy B	PGS 41.1
Strategy C	PGS 43
Risks A, B, & C	PGS 44
Metrics & Targets A	PGS 45 ²
Metrics & Targets B	PGS 46
Metrics & Targets C	NOT in PGS module (please refer to SO module indicators 1-4,incl. their sub-indicators)

¹ For full detail on the logic pathways that link indicators within and across modules see the Logic guide on the [Investor reporting framework webpage](#)

² For climate-related metrics used in leadership remuneration, please refer to PGS 13 and PGS 14

ICAPS EXPECTATION LADDER

An overview of how PRI's indicators align to the ICAPs Expectation Ladder can be found on Table 2.

Table 2 – Alignment between PRI's Reporting Framework indicators and ICAPs

ICAPs' expectation ladder	PRI indicator
1 – Focus area: investment	
1.1 Strategy	PGS 20 (D) & (E), PGS 42
1.2 Risk management	PGS 43 (fulfilled when reporting TCFD recommendation Strategy C)
1.3 Asset allocation	SO 1 to SO 4
1.4 Additional target setting	SO 1 to SO 4
2 – Focus area: corporate engagement	
2.1 Collective / collaborative engagement	SO 5, SO 8, SO 9, SO 10, SO 13 (fulfilled when reporting NZAM commitment 10)
2.2 Bilateral engagement	PGS 39 (incl. PGS 39.2 (A))
2.3 Corporate escalation and shareholder engagement	PGS 32
3 – Focus area: policy advocacy	
3.1 Investor statements	PGS 39 (incl. PGS 39.1 (D))
3.3 Advocacy	SO 11
4 – Focus area: investor disclosure	
4.1 Commitments, objectives, and targets	SO 1 to SO 4
4.2 Carbon emissions	PGS 46 (fulfilled when reporting TCFD recommendation Metrics and Targets B)
4.3 Portfolio assessment	PGS 43 (fulfilled when reporting TCFD recommendation Strategy C)
Cross-cutting theme: governance	
Accountability	PGS 13, PGS 14
Skills assessment	PGS 15 (A)

SEQUENCING AND CONNECTION BETWEEN PGS AND SO MODULES

To report on any indicators in the SO module, signatories must complete PGS 47 (Figure 1), PGS 47.2 (Figure 2) and PGS 48 (Figure 3) to unlock the SO module. In PGS 47.2 (Figure 2), any choices except for **(H)** will lead to PGS 48. Figure 2 shows indicative responses – actual responses may vary. In Figure 3, a signatory should select option (A) to unlock the SO module if they want to provide specific sustainability targets. This process described is represented in the figures below.

Figure 1 – Indicator PGS 47 is one of the three gateway indicators to SO 1

Indicator ID	Dependent on:	N/A	Sub-section	PRI Principle	Type of indicator
PGS 47	Gateway to:	Multiple indicators	Sustainability outcomes	1, 2	CORE

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

All investment activities can be connected to positive and negative outcomes. An organisation's intended and unintended sustainability outcomes may include, for example, greenhouse gas emissions or actual and potential negative human rights outcomes for people.

(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities

(B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Explain why: _____ [Mandatory free text: large]

Figure 2 – Indicator PGS 47.2 is one of the three gateway indicators to SO 1

Indicator ID	Dependent on:	PGS 47	Sub-section	PRI Principle	Type of indicator
PGS 47.2	Gateway to:	PGS 48	Sustainability outcomes	1, 2	CORE

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

Select up to four responses.

(A) Identify sustainability outcomes that are closely linked to our core investment activities

(B) Consult with key clients and/or beneficiaries to align with their priorities

(C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character

(D) Identify sustainability outcomes that are closely linked to [systematic sustainability issues](#)

(E) Analyse the input from different stakeholders (e.g. affected communities, civil society, [trade unions](#) or similar)

(F) Understand the geographical relevance of specific sustainability outcome objectives

(G) Other method

Specify: _____ [Mandatory free text: medium]

(H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Figure 3 – Indicator PGS 48 which acts as a gateway to SO 1

Indicator ID	Dependent on:	PGS 47.2	Sub-section	PRI Principle	Type of indicator
PGS 48	Gateway to:	PGS 48.1, SO 1	Sustainability outcomes	1, 2	CORE NOT ASSESSED

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

All investment activities can be connected to positive and negative outcomes. An organisation's intended and unintended sustainability outcomes may include, for example, greenhouse gas emissions or actual and potential negative human rights outcomes.

(A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities

(B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Explain why not: _____ [Mandatory free text: medium]

Whilst it is mandatory to complete the SO module for NZAM and NZAOA signatories, for all other signatories it this is not a mandatory requirement. The next section covers the use of the SO module.

REPORTING ON CLIMATE TARGETS VIA THE SUSTAINABILITY OUTCOMES MODULE

After unlocking the SO module, the signatory may report on their climate targets and any progress associated with those targets. For more detail on how to enter specific fields when setting targets, including worked examples and screenshots, see the guides for members of the [NZAOA](#) and [NZAM](#).

Table 3 – Specific target commitments that can be reported in the SO module

Item	PRI Indicator
Net zero AUM commitment	SO 1
Portfolio-wide targets	
Details of portfolio-wide targets	SO 2
Targets for asset class, sector, fund or mandate, and progress	SO 3
Progress against portfolio-wide targets	SO 4 (targets must be previously disclosed in SO 2)
Engagement and capital allocation as tools for sustainability outcomes	SO 5
Climate-related capital allocation	SO 6
Climate-related bond investment	SO 7
Engagement targets	SO 8 (actions must be previously disclosed in SO 1)
Engagement prioritisation with investees	SO 9
Engagement prioritisation with policy makers	SO 11
Climate-related stakeholder engagement	SO 12
Collaborative climate-related engagement	SO 13

As noted in Table 3, any portfolio-wide goals that investors are working towards should be listed in SO 1. Each of these portfolio-wide goals should be entered as its own sustainability outcome in SO 1. Portfolio-wide sustainability outcome goals related to climate may include net zero asset AUM commitment, portfolio emissions reduction, climate solutions financing, and climate engagement.

Each portfolio-wide goal listed as an outcome in SO 1 should correspond to one target in SO 2. Outcomes that have only one target date (e.g., 2025) will be described only in SO 2, while outcomes for which the reporting entity has set both an interim and longer-term target date will have the longer-term target described in SO 2.1. Targets that are not portfolio-wide but pertain to particular sub-portfolios / asset classes, sectors, mandates or funds should be disclosed in SO 3, where progress against those targets can also be disclosed.

FURTHER INFORMATION

Additional reporting guidance for climate change indicators aligned with the TCFD recommendations can be found in the explanatory notes of the relevant indicators. In the explanatory notes you will also find links to the TCFD recommendations and other relevant documents.

More information on PRI reporting is available at: [Reporting & assessment resources | PRI \(unpri.org\)](#)

Please send any questions or comments to reporting@unpri.org