

Signatory survey 2019

Report of findings

March 2020



Executive summary

The PRI is a signatory-based organisation and feedback on the value and resources that the initiative provides to signatories is invaluable.

The survey ran from 19 August – 31 October 2019. It was promoted via direct emails, on social media, through newsletters and on our website, with 24% of our signatory base responding. Overall, respondents were representative of our signatory base for assets under management, longevity and geography. We had a greater proportion of asset owners responding compared to our signatory base.

We analysed the responses and considered how they varied by criteria such as signatory longevity, geography, assets under management and category (asset owners, investment managers and service providers).

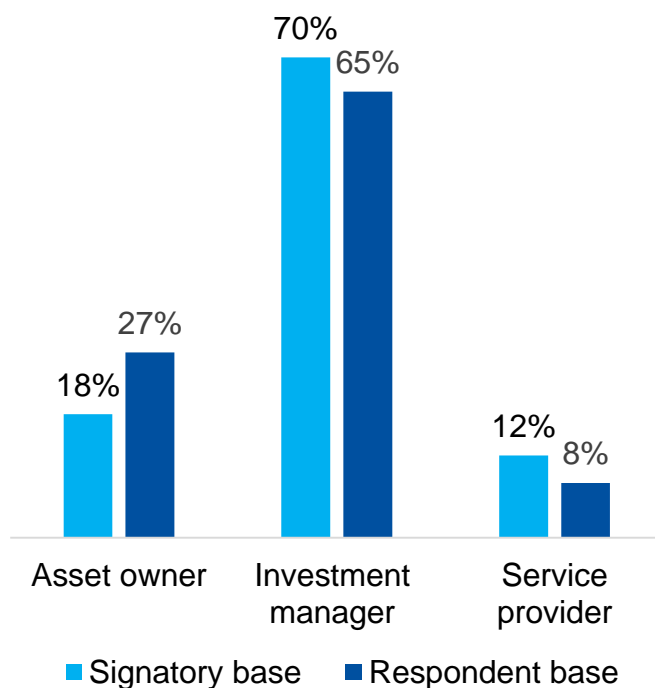
The results were positive: signatory engagement continues to grow; the PRI Blueprint is still on track and the PRI is seen to be helping to grow best practice. However, there is more work to be done: signatories would like the PRI to focus on issues related to climate change and standardisation of data; signatory satisfaction for driving meaningful data is lower than other Blueprint priorities; and signatories care about social issues and would like the PRI to focus more on this.

The responses to this survey will help to inform our future plans; shape the work we undertake and the value that we deliver to you, both in our next one-year plan and the PRI's 2021-2024 strategy.

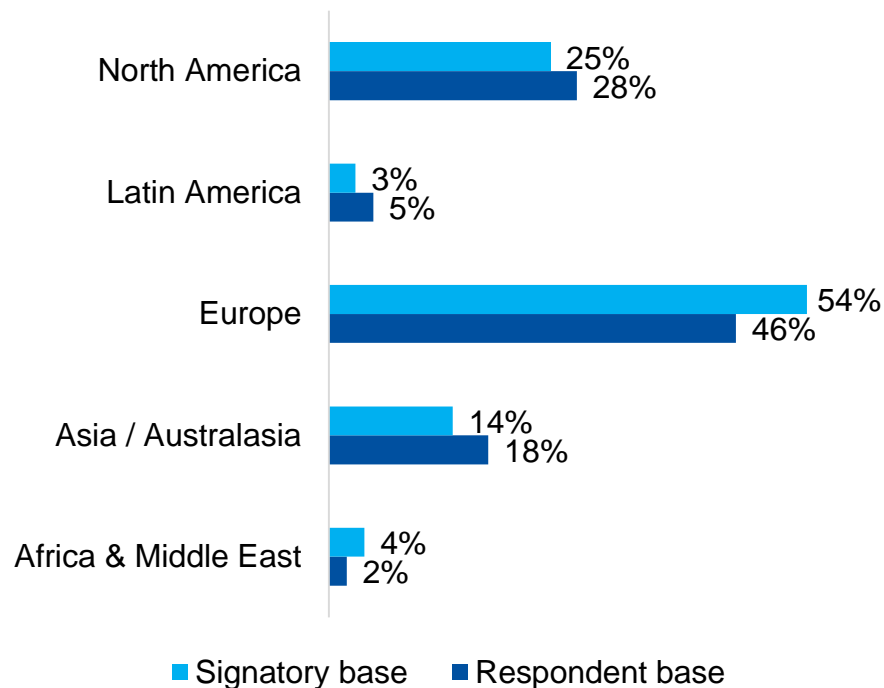
Responses

Of around 2,600 signatories, 625 took part in the consultation. This equates to a response rate of 24%. Industry standards for this kind of consultation are around 10%. Respondents were representative of the signatory base for assets under management and signature year. The results were analysed by signatory category, region, assets under management and signature year.

Respondents by signatory category



Respondents by signatory region



Key findings

Signatory engagement continues to grow

Signatory organisations are strongly committed to continuing as signatories – they see great value in being committed to the PRI and are overall satisfied with the PRI's work.

The PRI Blueprint is on track

PRI signatories see each PRI Blueprint priority as important and are on the whole satisfied with the PRI's work on each priority.

The PRI is helping grow best practice

Signatories see the PRI as a leading source of knowledge for responsible investment practices, and most feel supported by the practices and resources available.

Climate change and standardisation of data

are key issues for the future. Signatories want the PRI to focus on issues related to climate change, data and ESG (particularly education and integration).

Driving meaningful data

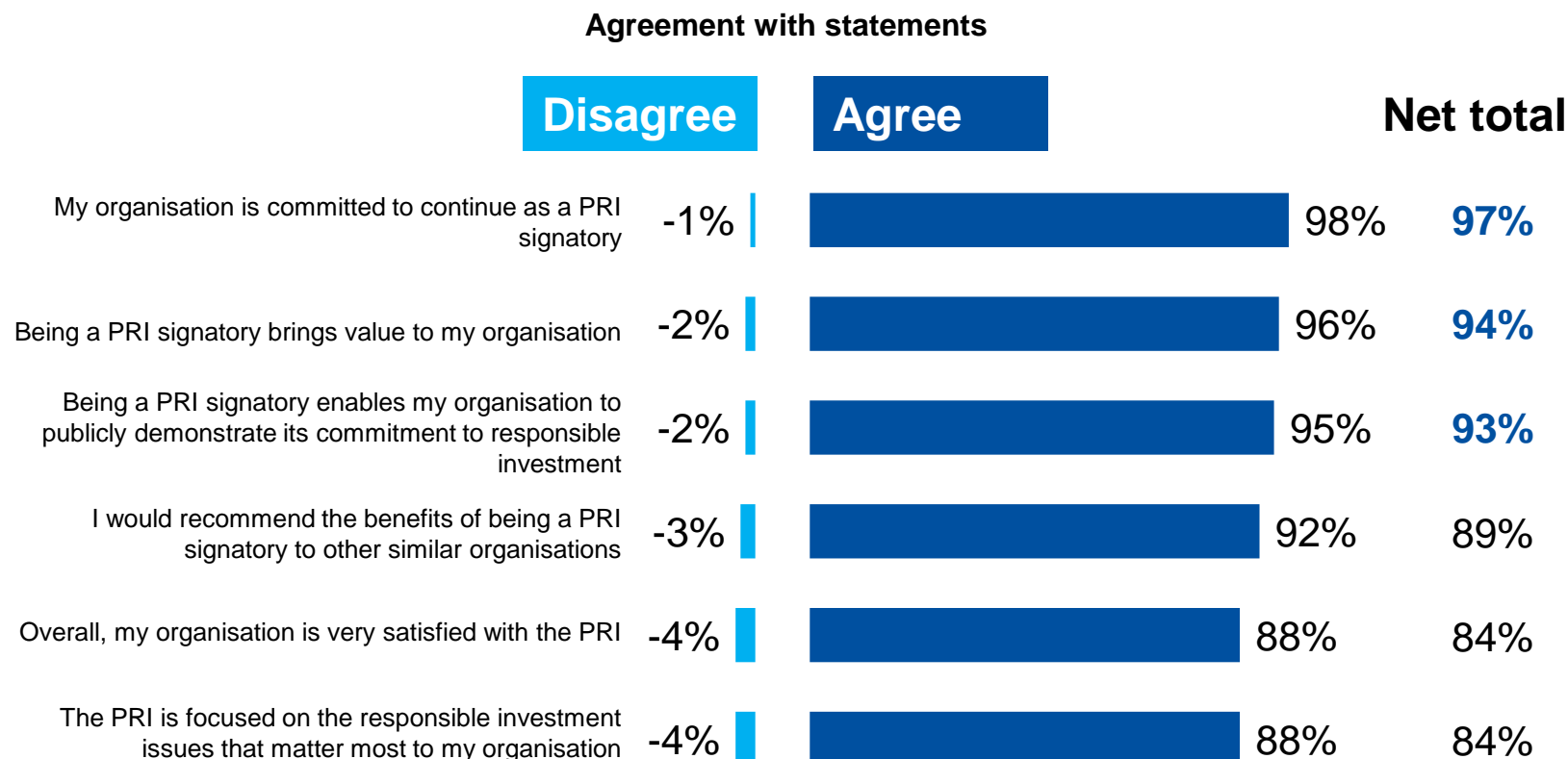
is important but signatory satisfaction is lower than other issues.

Social issues

such as labour rights and human rights came up very strongly as an issue that signatories cared about.

SIGNATORY ENGAGEMENT AND PRIORITIES

Organisations are strongly committed to continuing as signatories, and see great value in being signatories



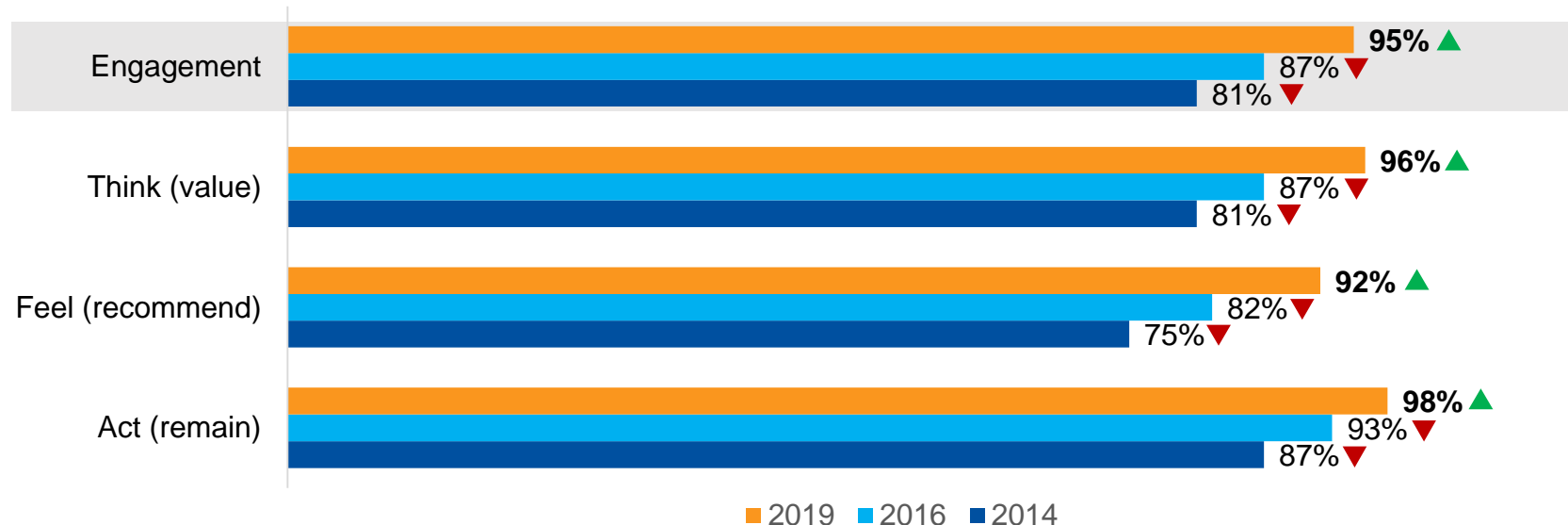
Base: All respondents (625) Q1-Q6. To what extent do you agree or disagree with each of the following statements?

Engagement with the PRI has continued to grow over the years, reaching 95% in 2019

Agreement with statements – agree (top 3 box)

Components of engagement

% Net: Agree (2014 vs. 2016 vs. 2019)



Base: 2014 (364) 2016 (346) 2019 (625) Q1-Q6. To what extent do you agree or disagree with each of the following statements?

Significance Testing @ 95% ▲ / ▼ indicates a significant difference

ESG issues guidance, demonstrating responsible investment commitment, and collaboration top the list of areas where signatories find the most value



ESG



Demonstrated commitment
to responsible investment



Collaboration



Climate change



Best practice



Global network

Base: All respondents (625) Q7. Please highlight one issue that the PRI provides most value for your organisation.

Signatories noted that the PRI has helped them to shape their own ESG policies *and* inspired them to tackle ESG issues within their own companies



ESG



*Allows us to **showcase our firm-wide ESG efforts** and allow the voice of our investment professionals who consider ESG day in and day out to be heard.*

*Helps us **frame our thoughts and formulate processes with regards to ESG integration.** Provides insight into what our peers are doing as well.*



Commitment to responsible investment

*Being a member has led to more formal structures and guidelines/policies being put in place. It has also **ignited a drive to tackle ESG issues within our company.***

*As a relatively new signatory, going through the exercise of completing our annual reporting has **helped us to shape our own policies and procedures and how we approach our ESG initiatives.***



Collaboration



Many signatories valued the ability to publicly demonstrate their commitment to responsible investment



ESG



Commitment to
responsible investment



Collaboration



Being a PRI signatory enables my organisation to publicly demonstrate its commitment to responsible investment

This public commitment enables me to focus the organization on continuing to move forward in realizing full integration and consideration of responsible investing issues and practices.

I think it shows to our clients our commitment to responsible investment. It hasn't necessarily changed what we are doing but it has formalized processes that we were doing in-house but hadn't necessarily been communicating to our clients.

Public commitment and therefore accountability to stakeholders of taking ESG considerations into account on the investment decisions



Others noted the networking opportunities and knowledge that is shared amongst signatories



ESG



Commitment to
responsible investment



Collaboration



A truly collaborative initiative that enables investment participants around the world to leverage of each other's expertise and areas of interest to create something truly impactful

Industry-level engagement, hearing regularly from other PRI Signatories including but not limited to other asset managers and asset owners.

Networking: Awareness about what peers are doing and how we can participate in these engagement/working groups.

The collaborative initiative platform is of great help in the development of our engagement activities and in the networking with representatives of the financial industry promoting the same principles.



Reflecting on areas for improvement, standardised measurements and social factors are some of the issues raised

Implement specific tools for *measuring impact* process in ESG criteria

"



Base: All respondents (625) Q8. Please highlight one issue that matters to your organisation that the PRI is not currently focused on.

Looking to the next strategy cycle, climate change, ESG issues and data are the key responsible investment activities signatories would like the PRI to focus on



Climate change



ESG



Standardisation of data



Engagement



Impact measurement



Education

Base: all respondents (625) Q35: What would be the three highest priority responsible investment activities that your organisation would like the PRI to focus on in the next strategy cycle?

Some signatories would like to see more climate change thought leadership and policy development



Climate change



ESG



Standardised data



*Facilitating **effective** climate change solutions*

*Provide **thought leadership** on **systemic issues relating to climate change** and the sustainability of the financial system, using it to influence policymakers, regulators and investors.*

*Creating **real impact** on:
Climate, resources, SDGs*

*Incorporation of environmental issues and **climate change** in the investment framework*

*Supporting **improved policies and regulations** relating to climate*



For ESG issues, signatories are keen to know more about the latest trends and see more integration



Climate change



*Deepening and sharpening
ESG integration*



ESG

*Educate investors on
ESG topics and
integration*



Standardised data

*Highlighting latest trends and
development in ESG*

*Development of standardised
ESG reporting best practise
template for investment
managers*

*ESG implementation
evaluation framework*



Signatories want more meaningful and standardised data outputs



Climate change



*Continue pushing for **better data disclosure** and consistency*

*Support needs re data and **tools to help** investors better incorporate ESG*



ESG

*Drive **meaningful** data throughout markets*

*Pushing for more **standardised** and wider universe of ESG data*



Standardised data

*Generate more data to **demonstrate the value of ESG investments** to non-believers*



While signatories noted the global visibility that the PRI provides, some would like to see more integration between the signatories within this global network



Ideas and recommendations for solutions that are quick and easy to implement - especially for small companies

PRI gives us a global visibility for our commitment to responsible investment

Bring forth awareness of trends and changes in the investing and investment landscape.

Exchange of best practices between investors of different geographies (e.g. US vs Japan vs Europe). Education on different local governance/stewardship codes and voting best practices

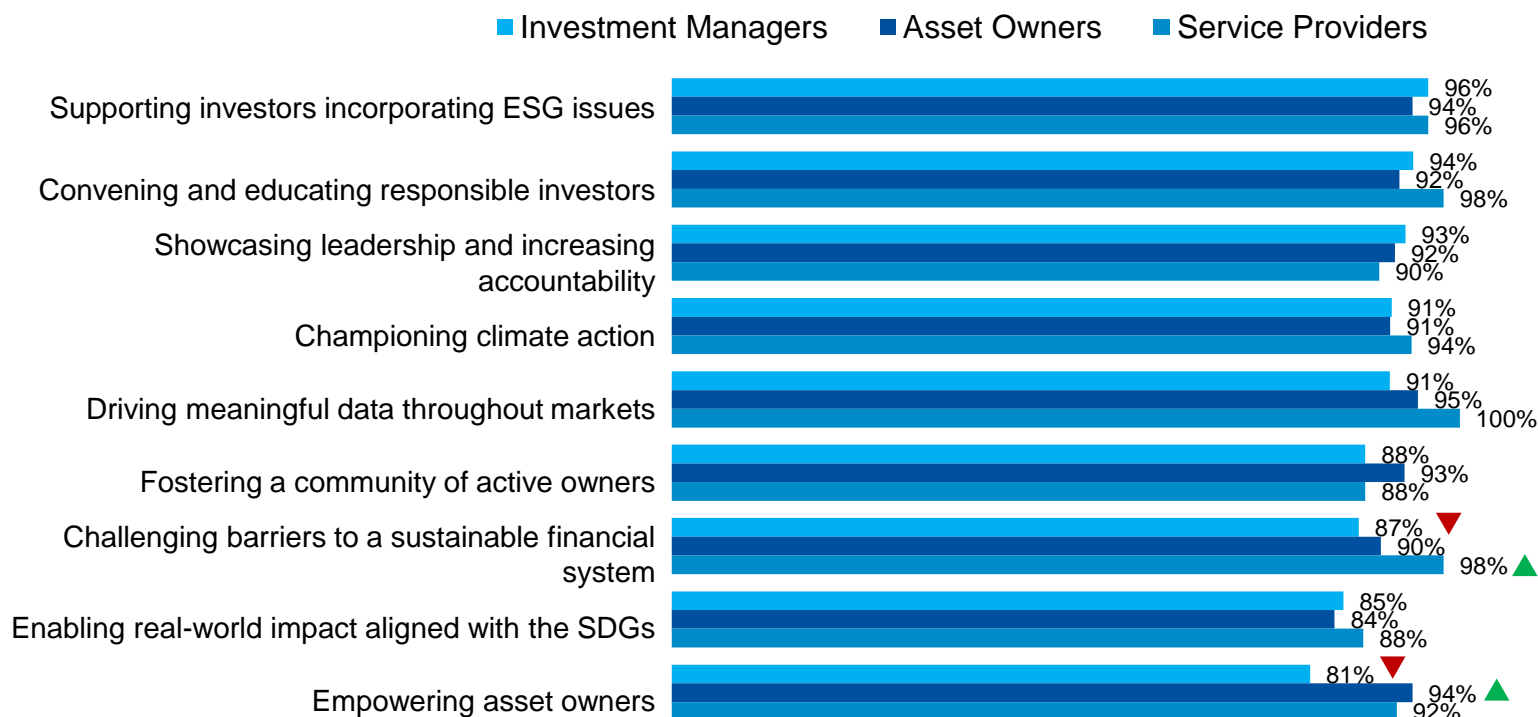


Base: all respondents (625) Q36: Please provide any other comments on the value that the PRI provides (or could provide) to Signatories.

PRI BLUEPRINT PRIORITIES

Driving meaningful data is the top priority for service providers and asset owners, while investment managers focus more on supporting investors incorporating ESG issues

Importance of PRI's work on each of the nine PRI Blueprint priorities by signatory type

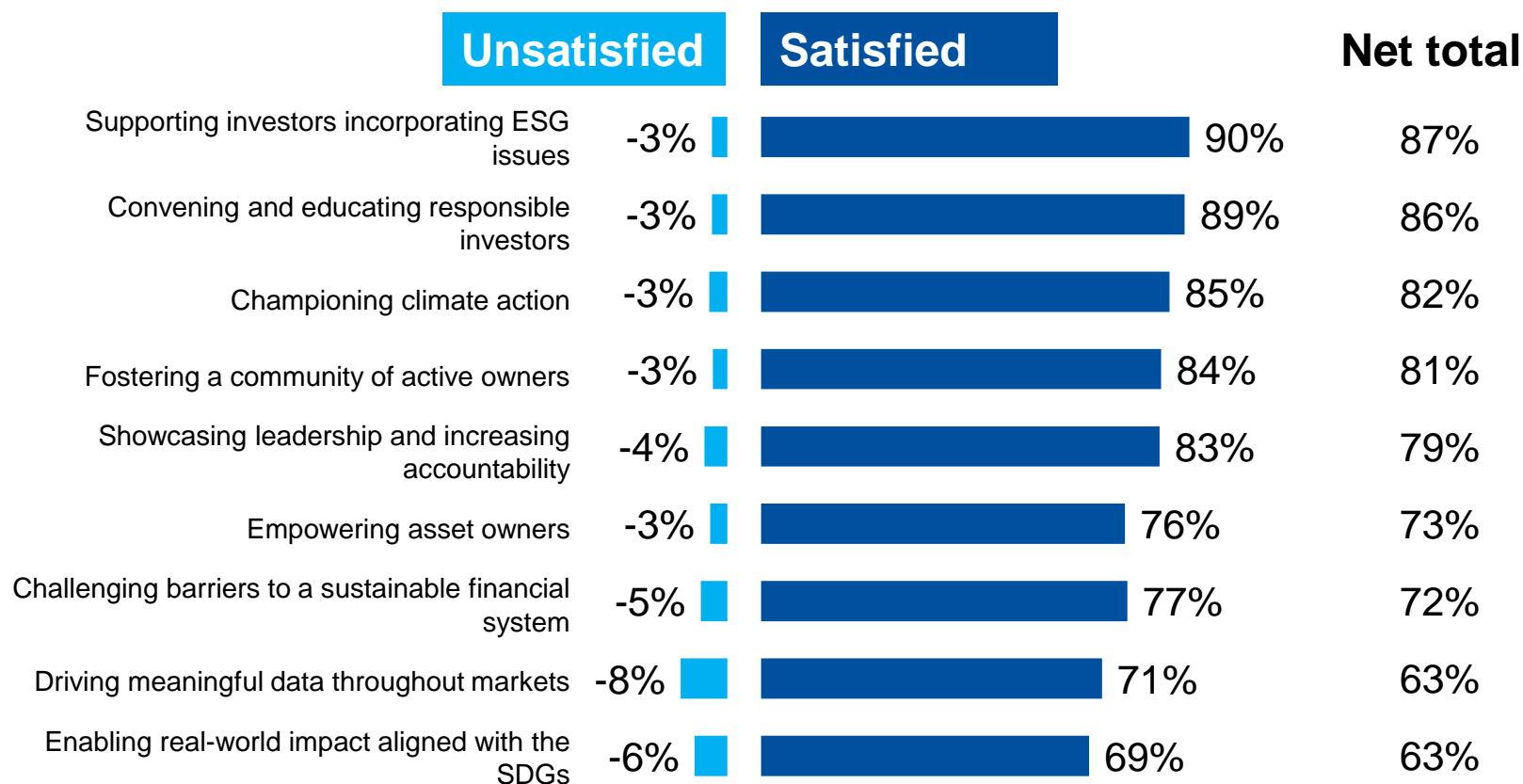


Base: Investment Managers (406), Asset Owners (170), Service Providers (49) Q9. Please indicate the importance of PRI's work on the following nine PRI Blueprint priorities for your organisation:

Significance Testing @ 95% ▲ / ▼ indicates a significant difference

There is less satisfaction with signatory support for enabling real-world impact aligned with the SDGs than other Blueprint priorities

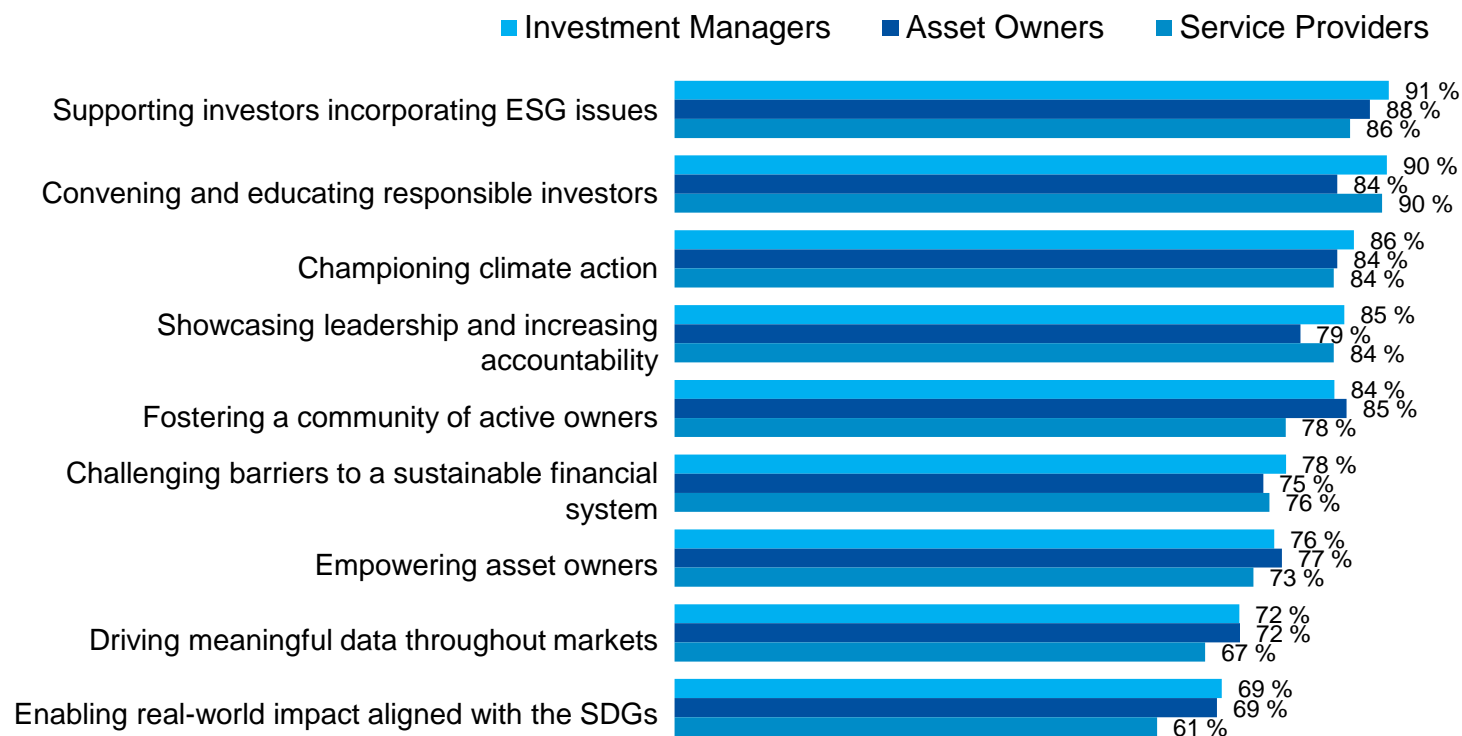
Satisfaction with PRI's work on each of the nine PRI Blueprint priorities



Base: All respondents (625) Q10. Please indicate your organisation's satisfaction with the PRI's work on each of the following Blueprint priorities.

Satisfaction with the work undertaken by the PRI on the Blueprint priorities is relatively consistent across the different types of signatories

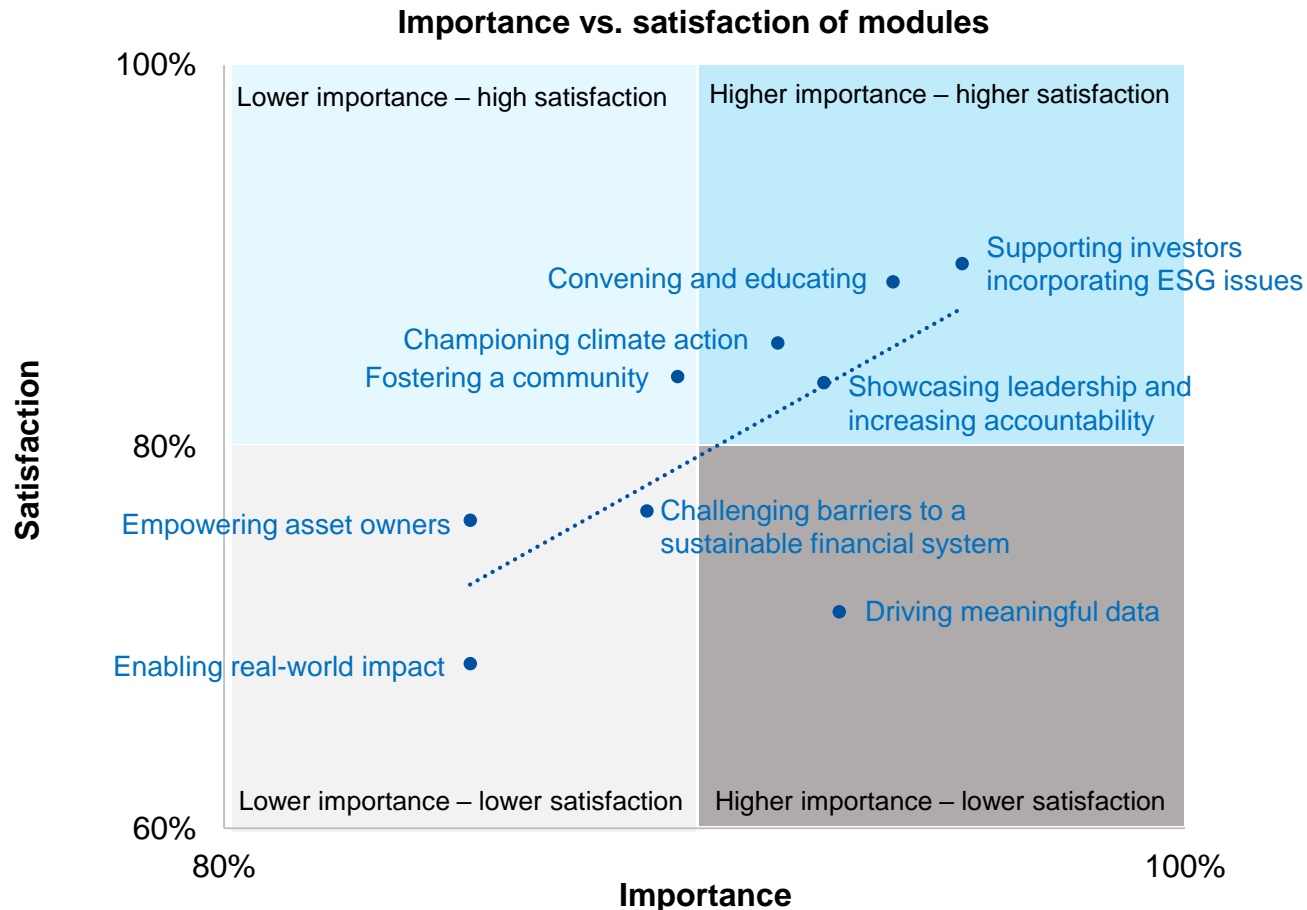
Satisfaction with PRI's work on each of the nine PRI Blueprint priorities by signatory type



Base: Investment Managers (406), Asset Owners (170), Service Providers (49) Q10. Please indicate your organisation's satisfaction with the PRI's work on each of the following Blueprint priorities.

Significance Testing @ 95% ▲ / ▼ indicates a significant difference

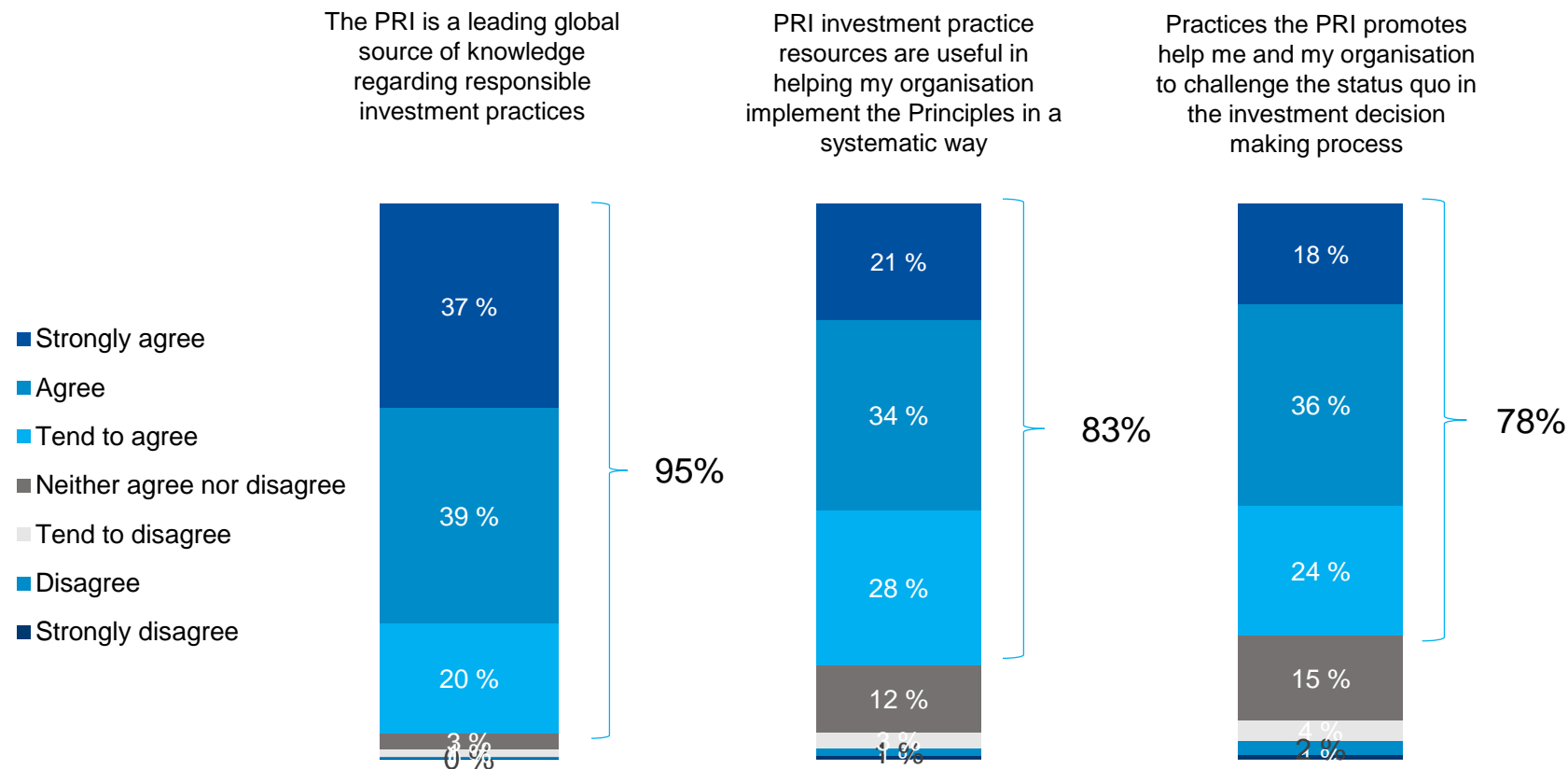
Signatories see each issue as important and are satisfied overall. Driving meaningful data is important but satisfaction is lower than in other areas



WORK PROGRAMMES

Investment practices

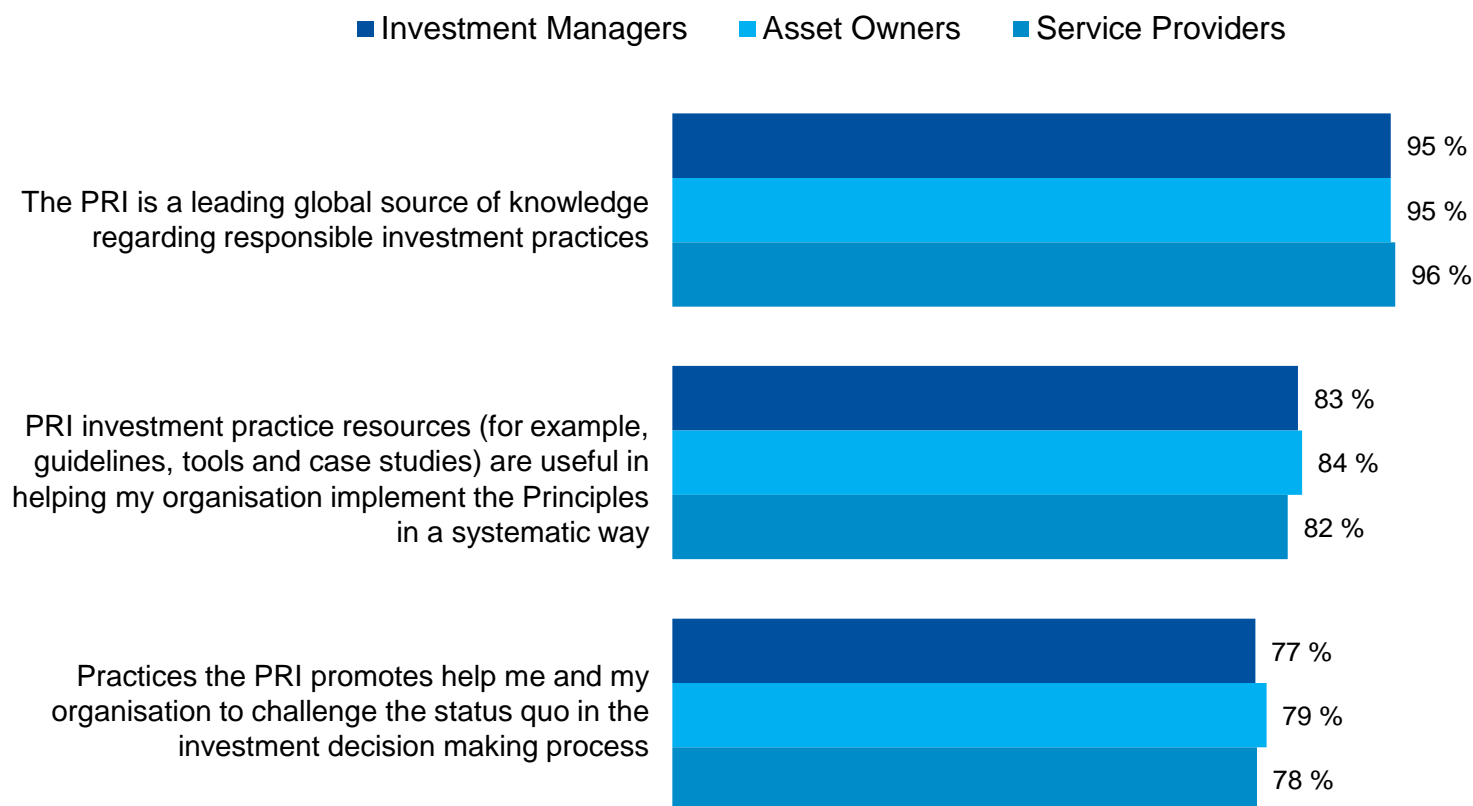
Signatories see the PRI as a leading source of knowledge for responsible investment practices, and eight in ten feel supported by the practices and resources available



Base: All respondents (625) Q11-Q13. To what extent do you agree or disagree with each of the following statements?

Investment practices

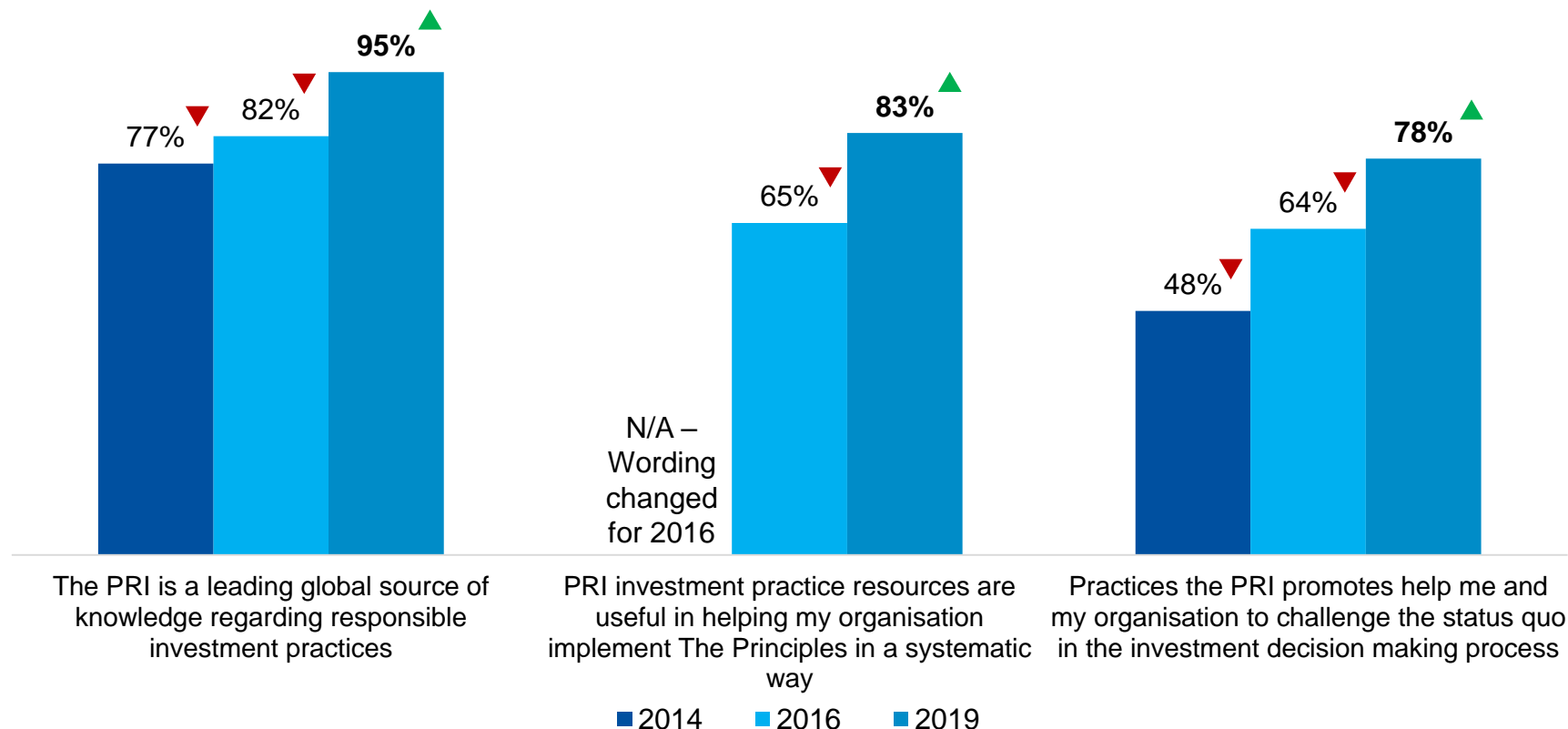
Each signatory type feels adequately supported and sees the PRI as a leader in responsible investment



Base: Investment Managers (406), Asset Owners (170), Service Providers (49) Q11-Q13. To what extent do you agree or disagree with each of the following statements?

Investment practices

The PRI's leadership has grown significantly in recent years, with the resources seen as increasingly useful



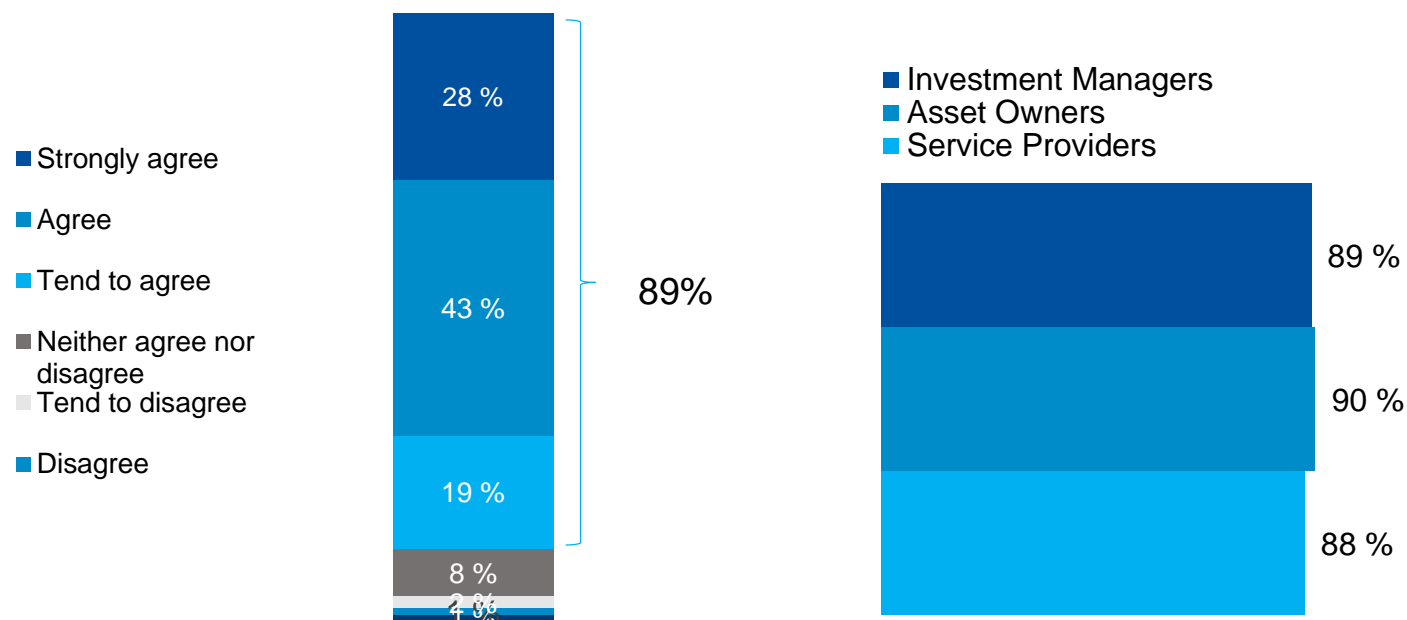
Base: 2014 (364) 2016 (346) 2019 (625) Q11-Q13. To what extent do you agree or disagree with each of the following statements?

Significance Testing @ 95% ▲ / ▼ indicates a significant difference

ESG issues

Nine in ten PRI signatories find the resources on ESG issues useful – consistent across signatory type

PRI resources on Environmental, Social and Governance (ESG) issues are relevant and useful for my organisation



Base: All respondents (625), Investment Managers (406), Asset Owners (170), Service Providers (49) Q14. To what extent do you agree or disagree with the following statement?

Significance Testing @ 95% ▲ / ▼ indicates a significant difference

ESG issues

Signatories picked out carbon-related and social issues as key ESG issues they would like the PRI to focus on in the next strategy cycle



Climate change and carbon reduction, encouragement of climate change-related risk disclosures.

Governance of the "ESG" space itself and how to combat "green washing"

*Prioritise initiatives
focused on social issues
and human rights*

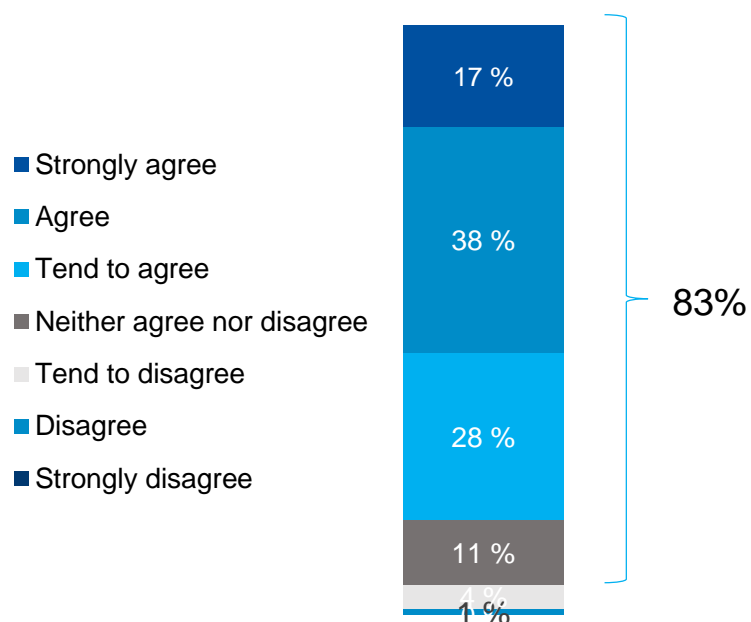


Base: All respondents (625) Q15. What would be the three highest priority Environmental, Social and Governance (ESG) issues that your organisation would like the PRI to focus on in the next strategy cycle?

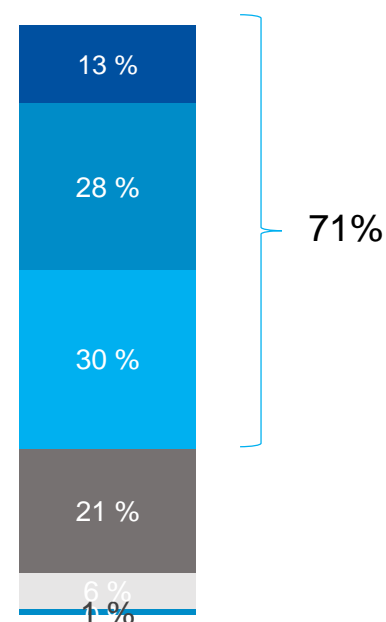
Policy

Eight in ten signatories believe the PRI to be effectively contributing to public debate around responsible investment – seven in ten believe it to be effectively contributing to policy

The PRI is effectively contributing to the public debate about responsible investment using the results of research and analysis



The PRI is effectively influencing public policy with respect to responsible investment

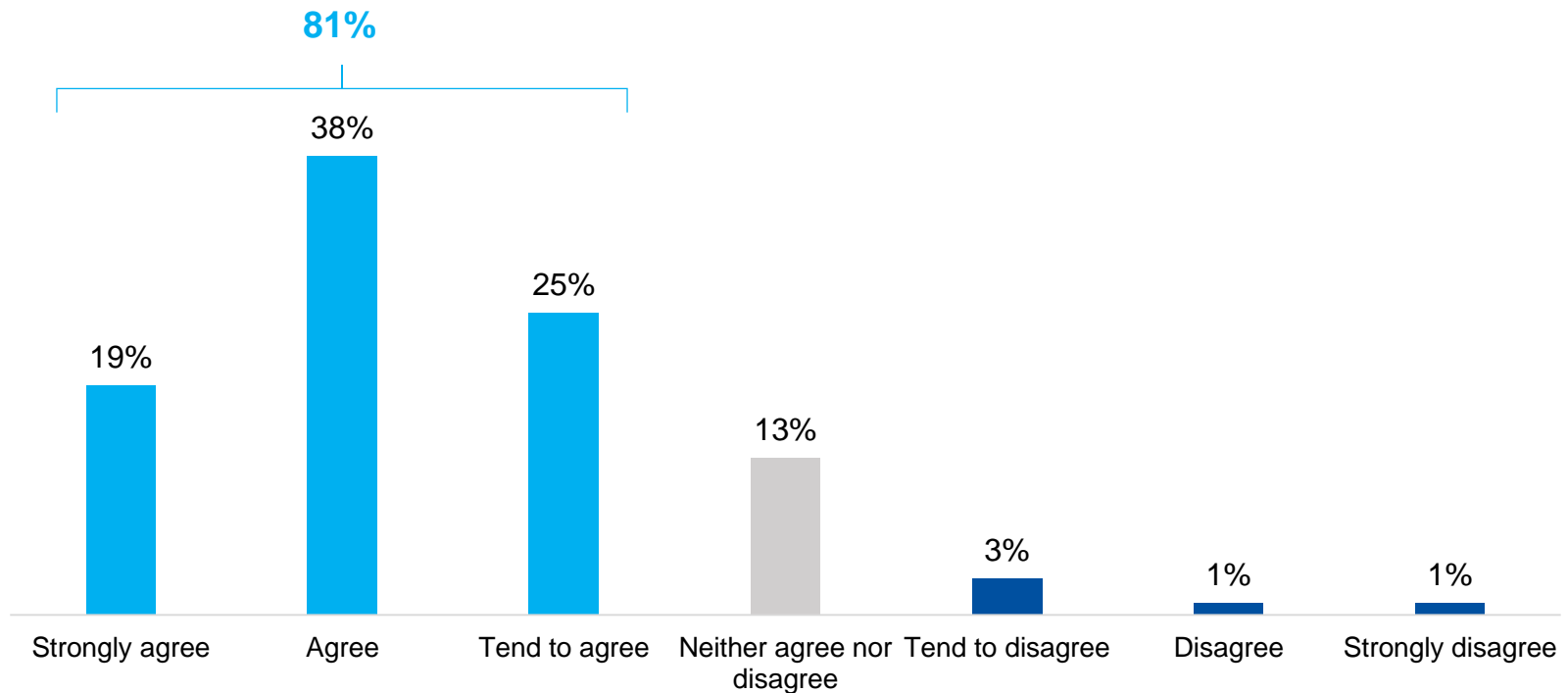


Base: All respondents (625) Q16-Q17. To what extent do you agree or disagree with each of the following statements?

Active ownership

The PRI provides most organisations with a forum to engage with other stakeholders on ESG issues

The PRI provides my organisation with a forum to engage with various stakeholders on environmental, social and governance (ESG) issues.



Base: All respondents (625) Q18. To what extent do you agree or disagree with the following statement? The PRI provides my organisation with a forum to engage with various stakeholders on environmental, social and governance (ESG) issues.

Active ownership

The PRI's support enables organisations to be more ambitious and focused on active ownership influence and activities.

60% of responding signatories

have taken part in a collaborative engagement

Lack of resources or not being aware

are the main reasons signatories do not take part in collaborative engagements

5 out of 6 responding signatories

that have taken part in a collaborative engagement agree that they achieve change

Almost 50%

of responding signatories do not use the Collaboration Platform

Active ownership

Despite many signatories not taking part in collaborative engagements, most would value resources to support this

71% of signatories would value further resources from the PRI to support collaborative engagement.



Engagement

Active engagement of signatories on ESG initiatives and sharing of experience



Communication

More clear communication of available events, and opportunities to discuss best practices of implementation / success cases.



Collaboration

More support for continuous collaboration through more online sharing and communication



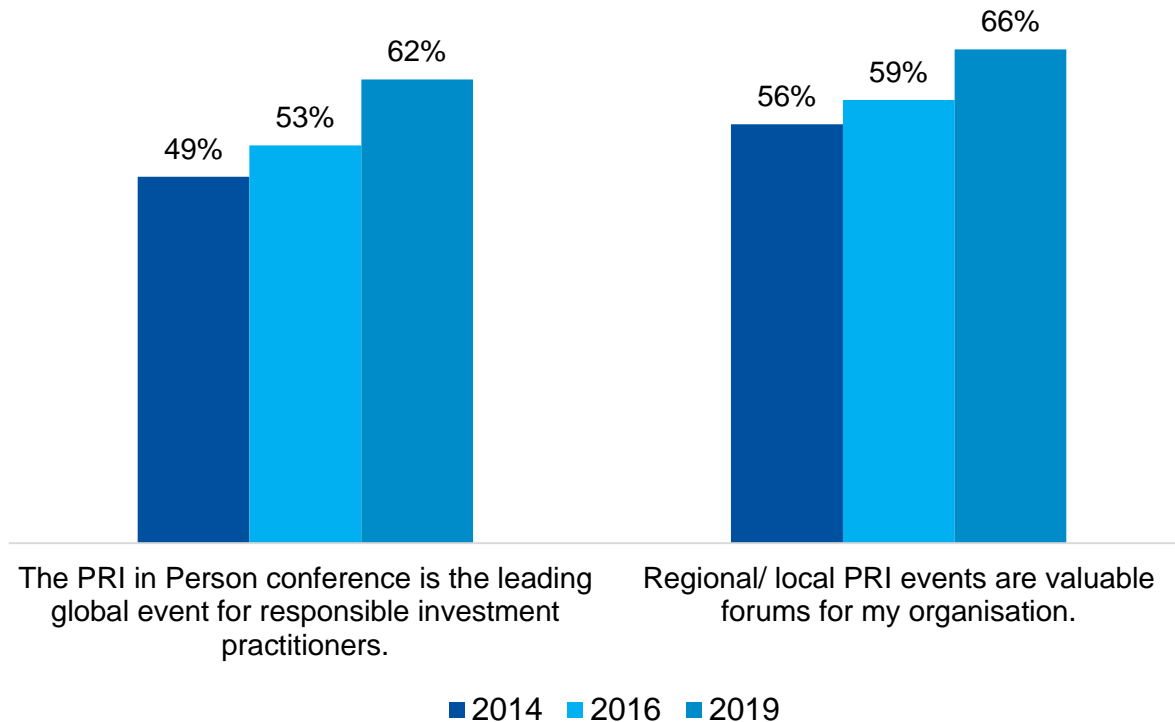
Base: All respondents (625) Q23. Would you value further resources from the PRI to support collaborative engagement? Q23a: What additional support from the PRI would you value most?

EVENTS AND COMMUNICATIONS

Events

The PRI in Person conference is seen increasingly as a leading global event while the regional events are considered to be increasingly valuable

To what extent do you agree or disagree with the following statements:

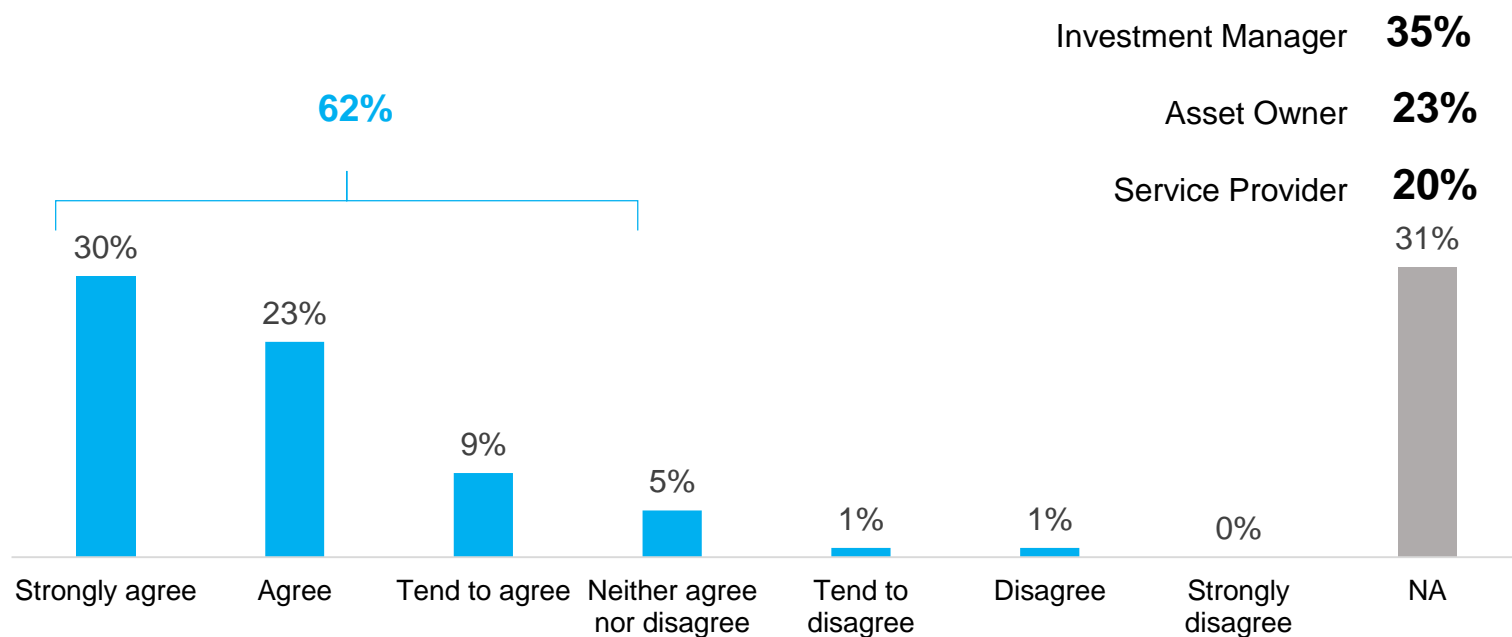


Base: PRI Signatories 2014 (364); PRI Signatories 2015 (346) 2019 (625) Q19-20. To what extent do you agree or disagree with the following statement?

Events

The PRI in Person conference is seen as a leading global event but over a third of investment managers say their organisation hasn't attended

To what extent do you agree or disagree with the following statement: The PRI in Person conference is a leading global event for responsible investment practitioners.

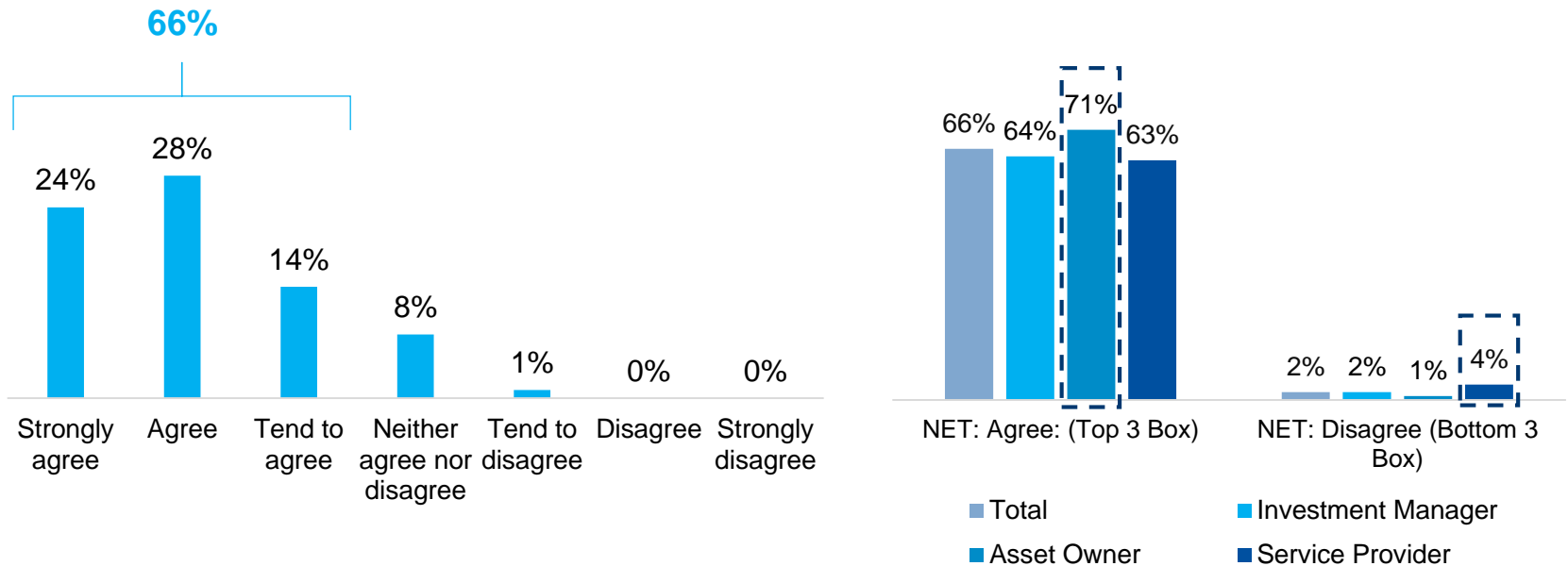


Base: All respondents (625) Q19. To what extent do you agree or disagree with each of the following statements? The PRI in Person conference is a leading global event for responsible investment practitioners

Events

Asset owners find regional and local PRI events the most valuable

To what extent do you agree or disagree with the following statement: Regional/ local PRI events are valuable forums for learning and networking for my organisation.

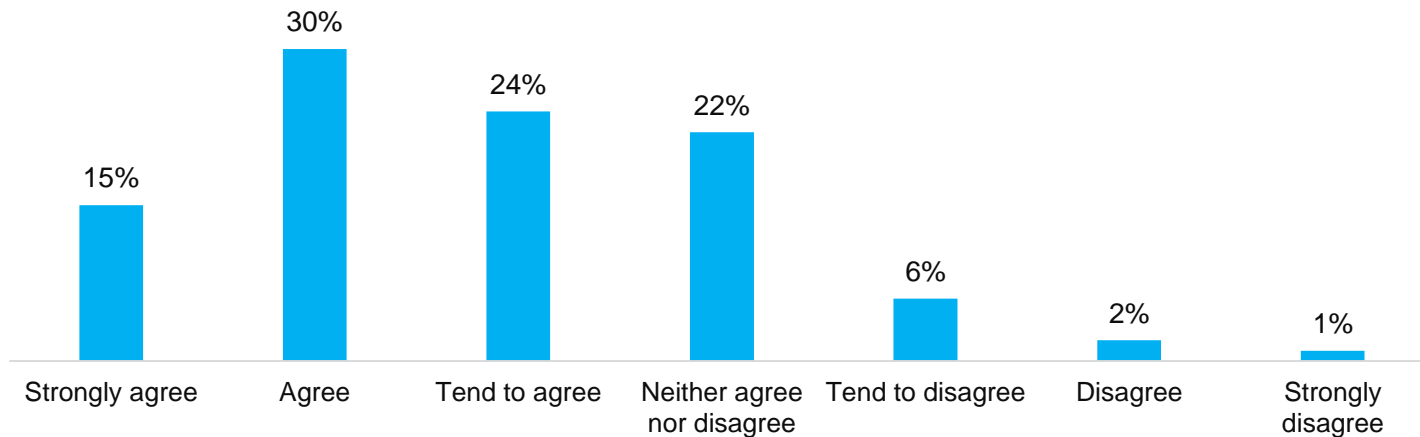


Base: All respondents (625) Q20. To what extent do you agree or disagree with each of the following statements? The regional/local PRI events are valuable forums for learning and networking for my organisation.

Events

There is agreement that the PRI enables networking opportunities

To what extent do you agree or disagree with the following statement: The PRI allows me to identify and network (in person and online) with other relevant responsible investors outside my home market.



Base: all respondents (625) Q22. To what extent do you agree or disagree with the following statement: The PRI allows me to identify and network (in person and online) with other relevant responsible investors outside my home market.

Communications



The PRI website is informative but less likely to be seen as user-friendly



The PRI is more likely to be perceived as a thought leader than in 2016



The PRI is more likely to be perceived as having an effective communication channel than in 2016



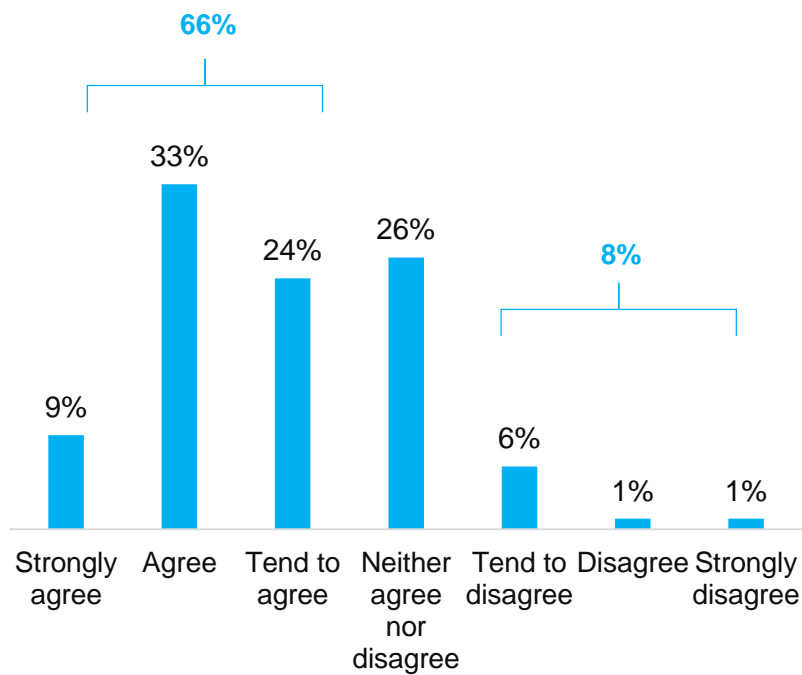
Reports and case studies are the most useful sources of information

PRI GOVERNANCE

PRI governance

Two-thirds of signatories agree that the level of disclosure relating to the board's activities is appropriate

What extent do you agree or disagree with the following statement: I understand the role of the PRI Board and the PRI provides an appropriate level of disclosure relating to the Board's activities.



Agreement around the level of disclosure has increased each year since 2014 amongst signatories

