

2021
SIGNATORY
GENERAL MEETING

**PRI
BOARD
REPORT**

AGENDA

The 2021 Signatory General Meeting (SGM) will be virtual. To accommodate the PRI's global signatory base there will be two SGMs held on 23 September 2021, 08:00 – 09:30 BST and 17:00 – 18:30 BST.

1. PRI BOARD REPORT

Martin Skancke, Chair, PRI Board

2. MANAGEMENT AND FINANCIAL REPORT

Fiona Reynolds, CEO, PRI

3. SPOTLIGHT – CLIMATE

Sagarika Chatterjee, Director of Climate, PRI

3. SPOTLIGHT – STEWARDSHIP

Paul Chandler, Director of Stewardship, PRI

5. SIGNATORY VOTING AND PRI BOARD DIRECTOR ELECTIONS

Martin Skancke, Chair, PRI Board

4. Q&A

Martin Skancke, Chair, PRI Board and Fiona Reynolds, CEO, PRI

The PRI wants to encourage an active dialogue between signatories and the board. The SGM, the annual general meeting of signatories, is an important forum for communication between the board and signatories. The SGM is an opportunity for the board to report to signatories on the PRI's strategy and its implementation; the work undertaken by the board and its committees; forthcoming board elections; formal consultations and any other business.

The PRI sought input from signatories on the SGM draft agenda in July 2021 and invited signatories to contribute agenda items and resolutions to be put to a vote. No agenda items or resolutions were received by the deadline of 23 July.

We have allocated time in the meeting for signatory questions. Signatories are asked to submit questions in advance, particularly detailed financial or legal questions, by email to governance@unpri.org by 16 September. Alternatively, signatories can post questions live during the meeting. For more information on the virtual SGM, how to participate and submit questions in advance, click [here](#).

CHAIR INTRODUCTION

The board remains focused on realising the ambitions of the PRI's Blueprint for responsible investment and providing value to all signatories. Despite a tumultuous year, with the Covid-19 pandemic, the PRI has proved resilient and signatory engagement and interest has grown.

The board met for eleven virtual meetings. These shorter meetings meant that key discussions were often broken down and discussed over a series of meetings. There were three key ongoing discussions throughout the year:

- Covid-19 and organisational resilience.** The board was regularly kept informed of the organisational response to Covid-19. The Executive put in place measures to support flexible working as well as supporting the health and well-being of staff during the pandemic. The board considered several possible scenarios on the possible financial impact of Covid-19 and agreed a conservative approach to the budget, reviewing and adjusting regularly. The organisation proved to be resilient throughout the pandemic, with high levels of reporting in 2020, good signatory retention, and better than expected signatory recruitment. Most importantly, within the broader context of an increase in interest in ESG and broader sustainability during the pandemic, there was a notable increase in signatory participation in virtual PRI events and activities.
- 2021-24 strategy.** An important discussion for the board was the signatory feedback on the strategy consultation paper. Signatories overall were generally very supportive of the strategy. Signatories support the core of the PRI's work, providing resources and support for ESG incorporation. This provides value for signatories. Signatories have also been calling for support from the PRI on the SDGs and outcomes.

However, for a lot of engaged signatories, we learnt that we needed to provide more context for the strategy, and insight into how the board was thinking about the PRI's direction, above and beyond the key initiatives that we plan to deliver in this strategy period. The board aimed to rectify this through a more in depth strategic plan. Also, there were reservations about a new purpose statement. The intention was to draft more of an 'elevator pitch', but the board understands the signatory feedback. The board has committed to a future conversation with signatories on the PRI mission and purpose. The board believes now is a good time to review the mission statement with signatories as an opportunity to engage with signatories, have a more structured discussion on these issues, and strengthen a shared vision. The board will communicate further with signatories about the scope and timing of this conversation.



Martin Skancke,
Chair, PRI Board

Thank you to all signatories that participated in the consultation. The PRI is a signatory based organisation and we need to be guided by you in the context of the Principles and the PRI mission.

- Reporting and Assessment framework pilot.** Throughout the year the board received updates on the new Reporting and Assessment framework, including development of the 'content' (questions and structure), signatory focus group feedback on the content, the reporting tool infrastructure, and signatory communications.

Regrettably the Reporting and Assessment framework pilot did not proceed as planned. The board plans to oversee a thorough review of the implementation of the pilot and put steps in place to ensure that the 2021 transparency reports and assessments are delivered as well as the successful launch and execution of the next reporting period in early 2023.

In January 2021 the board welcomed for further terms two re-elected directors, Renosi Mokate (GEPF) and Tycho Sneyers (LGT Capital Partners). In July 2021 Takeshi Kimura, Special Adviser to the Board, Nippon Life Insurance Company, was elected as a board director by asset owner signatories in a mid-term election. Takeshi replaced Hiro Mizuno (University of Tokyo), who stood down from the board in March 2021. I would like to thank Hiro for his valuable input and dedication over the past four years. The PRI will no doubt continue to work with Hiro as part of his UN Special Envoy role.

The 2021 PRI Board annual election is for four asset owner and one investment manager representative position. The PRI Board is encouraging candidates: with governance skills and senior leadership experience; and with demonstrated leadership in responsible investment. In addition to the above, for the asset owner positions, the PRI Board is encouraging candidates from asset owner signatories (with their HQ) in North America and Australasia. Geographical diversity is one critical component of effective debate and decision-making. The PRI is a global organisation, and aims for global representation on its board, particularly within the asset owner positions.

Signatory participation in the signatory voting in October and November is important. The PRI is a membership organisation and to continue to thrive we need to engage signatories with relevant work and activities, and signatories need to keep engaged and active in our governance. The PRI will be asking signatories to elect five directors, approve the SGM minutes, confirm the appointment of the auditor and vote to receive the PRI Annual Report and Accounts.

Martin Skancke
Chair, PRI Board

Lastly, I wanted to thank Fiona Reynolds for her dedication to the PRI over the past nine years. In Fiona's tenure as CEO of the PRI, she has led the growth in scope and reach of the organisation to investors, policymakers, and other stakeholders around the world. In turn, with tremendous commitment, energy and experience, Fiona has also contributed personally to the growth of responsible investing more broadly. We are very sorry to see Fiona step down as CEO, but fully understand her personal wish to be home in Australia with family.

The board is responsible for the appointment of the next CEO and has established an ad hoc committee of board directors to support the board in the search process. The aim is to have the CEO in position towards the beginning of 2022 and obviously have a seamless transition.

I encourage you to read the full PRI Board report, below. The report is an overview of the work undertaken by the board over the past year, how we work together and with the Executive. The report includes our focus on organisational purpose; the leadership of the Board; integrity measures; decision-making processes, risks, and controls; actions to improve our effectiveness; how we are thinking about board diversity and communicating this to signatories; and our efforts to be open and accountable to signatories.

If you would like to discuss any aspect of the PRI's governance with me, please feel free to email me at governance@unpri.org.

PRI BOARD REPORT

DELIVERING ON ORGANISATIONAL PURPOSE

The board remains focused on the PRI's purpose and long-term strategy. Board agendas are set by the Chair, with input from the CEO. The board had a number of key strategic discussions throughout the year.

- Covid-19 and organisational resilience.** At the March 2020 meeting the Executive provided an outline of the organisational response to Covid-19, with a duty to staff and keeping the initiative operational. The Executive planned for impacts on the work programme as well as operations, human resources, IT, travel, and events.

The board was regularly kept informed of the organisational response to Covid-19, supported particularly by two board committees, Human Resources and Remuneration, and Finance, Audit and Risk. The Executive put in place measures to support flexible working as well as supporting the health and well-being of staff during the pandemic. The board considered several possible scenarios on the possible financial impact of Covid-19 and agreed a conservative approach to the budget, reviewing and adjusting regularly.

The organisation proved to be resilient throughout the pandemic, with high levels of reporting in 2020, good signatory retention, and better than expected signatory recruitment. Most importantly, within the broader context of an increase in interest in ESG and broader sustainability during the pandemic, there was a notable increase in signatory participation in virtual PRI events and activities, including signatory engagement with the PRI convened Covid-19 working groups.

- 2021-24 strategy.** The initial board discussions on the forthcoming strategy started in late 2019. At this early stage the board committed to the PRI remaining a 'big tent' organisation, that supports and showcases leadership practices, while ensuring signatory (and PRI) accountability.

Due to the necessity of shorter and virtual meetings the board had a series of iterative discussions throughout 2020 on the strategy, including:

- PRI's purpose, comparative advantages, and strategic risks.
- Theory of change, supporting leadership and ensuring accountability, and key initiatives.
- Supporting the global signatory base and digitalisation.
- Human resources strategy and long-term funding plan.

An important discussion for the board was the signatory consultation findings. Signatories overall were generally very supportive of the strategy. Signatories support the core of the PRI's work, providing resources and support for ESG incorporation. This provides value for signatories. Signatories have also been calling for support from the PRI on the SDGs and outcomes.

As part of these strategy discussions the Board drafted a purpose statement for the PRI: '*Global investors leading for a sustainable future*'. The Board's intention was to draft more of an 'elevator pitch', a summary of the long mission statement that was originally approved by the PRI Advisory Council in 2012 and included in the signatory approved reform of the PRI's Articles of Association in 2015.

However, during initial conversations some signatories had reservations about any new purpose statement. The concern was that it could signal or enable 'mission drift', with a purpose statement overlaying the existing mission and six Principles. While the intention of the board was to provide a short version of the existing mandate without any change to the mission or Principles on which the PRI is founded, the board recognized the sensitivities around any changes to statements regarding the purpose of the PRI. Therefore, the board chose to not adopt the proposed purpose statement at this time and ensure that any new purpose statement that speaks to the role of responsible investors is subject to signatory consultation and approval.

Looking back to the PRI ten-year review, conducted in 2016, one of the headlines was that "*signatories' views vary as to the PRI's purpose and vision.. [and] this seems increasingly to hamper its effectiveness*". The PRI's ultimate aim is to enable a sustainable global financial system, as set out in the mission statement. At the same time, the board notes that the external environment has changed significantly since the mission statement was originally developed: the Paris Agreement and the SDGs have been adopted, terminology is different, and investor expectations and practices are evolving. The board thus believes now is a good time to review the mission statement with signatories as an opportunity to engage with signatories, have a more structured discussion on these issues, and strengthen a shared vision.

In the board response the board committed to a conversation with signatories on the PRI mission and purpose, originally scheduled for late 2021. Based on feedback from the consultation, possible changes could be put to a later signatory vote. (Any change to the mission, embedded within the Articles, requires the approval of a simple majority of signatories and a simple majority asset owner signatories.)

One request from signatories was for more context for the strategy, more insight into how the strategy presented would help them continue to implement the Principles, and work together towards the PRI Mission of a sustainable financial system. The [board response](#) to the strategy consultation and the final [PRI strategic plan 2021-24](#) aim to provide further context and understanding of the board's discussions and the final three-year strategy itself.

■ **Reporting and Assessment framework pilot.**

Throughout the year the board received updates on the new Reporting and Assessment framework, including development of the 'content' (questions and structure), signatory focus group feedback on the content, the reporting tool infrastructure, and signatory communications. The board discussed at the July 2021 meeting the importance of reducing the reporting burden, providing meaningful assessment of signatories' reporting, not being too prescriptive and maintaining the 'big tent' approach by accommodating different levels of competence and regulatory frameworks.

Regrettably the Reporting and Assessment framework pilot did not proceed as planned. Overall, most signatories signalled that the content of the new framework better captures their responsible investment activities compared to the past. However, the feedback varied between modules and between asset owners and investment managers, with some areas flagged as requiring attention or being less suited to specific signatory types. Moreover, many signatories found that the time and resource required to report on the pilot framework was too high.

Issues with the new online reporting tool, which centred on navigation and functionality, contributed to the time taken to report and created problems during the review process for signatories. Unfortunately, this has also affected the quality of a portion of the 2021 dataset as some (but not all) signatories' submissions contained data gaps and/or errors.

The board plans to oversee a thorough review of the implementation of the pilot and put steps in place to ensure that the 2021 transparency reports and assessments are delivered as well as the successful launch and execution of the next reporting period in early 2023.

- **Annual review and key initiatives.** Every year the Executive presents an appraisal of progress against the nine Blueprint priorities and the three-year strategy. In 2019/20 there was significant progress on 'Enabling real-world impact aligned with the SDGs', 'Driving Meaningful Data' and the 'Digital' enabler. There were also plenty of positive achievements: signatory growth; leadership awards; minimum requirements; Climate Action 100+; UN Asset Owner Alliance; largest ever PRI in Person; EU Sustainable Finance Taxonomy; delivery of the flagship programmes.

As part of the annual review discussions the board urged more responsibility for and coordination of asset owner focused work. The board welcomed the progress made on the SDGs work programme, with the release of the *Investing with SDG outcomes: A five-part framework*, and requested that the PRI maintain momentum and leadership on this programme. Lastly, the board agreed that this was now an opportune time to re-think the PRI's digital strategy. (The PRI's digital effort was also discussed as part of the board's strategy discussions.)

Separately the board received updates on the SDGs work programme and the evolution of the Driving Meaningful Data work programme.

- **CEO succession.** In June 2021 Fiona Reynolds, CEO, decided to step down as CEO. The board is responsible for the appointment of the next CEO and has established an ad hoc search committee of board directors to support the board in the search process. The aim is to have the CEO in position towards the beginning of 2022.

As a result of the search process, the board has decided to postpone the conversation with signatories on the PRI purpose and mission. The board's priority at this time is the search process and appointing a new CEO for the next phase of the PRI's development. The board also agreed that the PRI purpose and mission conversation would ideally be shaped and delivered by the new CEO. It will be a good opportunity for the appointee to meet with signatories and understand their views and perspectives.

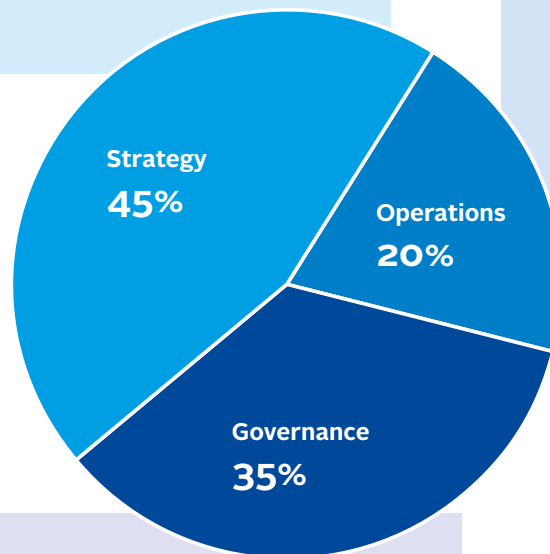
BOARD DISCUSSIONS DURING THE YEAR

Strategy

- Sustainable Development Goals
- Driving meaningful data
- 2021-24 PRI strategy consultation
- Strategy consultation feedback and next steps
- Digital strategy
- Globalisation
- Minimum requirements consultation
- Reporting Framework reform
- Human resources strategy
- Long-term funding plan
- 2019/20 annual review

Operations

- Management / CEO report
- CEO review and priorities
- 2021/22 budget
- Potential impact of Covid-19 on PRI's financial position
- 2020 delisting process
- Human resources review
- Key person risk
- PRI in Person



Governance

- PRI Board priorities
- PRI Board evaluation
- PRI Board representation
- PRI Board committee reports
- 2020 and 2021 PRI Board elections
- Chair review and priorities
- Serious violations of the Principles
- Signatory and stakeholder interaction
- Power of attorney
- Minutes and matters arising

PRI BOARD DISCUSSIONS AND ACTIONS IN 2020/21

May 2020 (virtual) meeting

- Discussion of potential impact of Covid-19 on PRI's financial position
- Approval to delay PRI in person due to Covid-19
- Approval of delisting 2020 process and update
- Discussion of strategy: purpose, competitive advantages, strategic risks

June 2020 (virtual) meeting

- Discussion of sustainable development goals
- Discussion of driving meaningful data programme
- Approval of strategy: purpose, comparative advantages, and strategic risks
- Discussion of strategy: key programmes and theory of change
- Discussion of strategy: leadership and accountability

July 2020 (virtual) meeting

- Discussion of board evaluation
- Reporting framework reform
- Discussion of 2019/20 annual review

September 2020 (virtual) meeting

- Discussion of reporting update
- Approval of minimum requirements
- Discussion of serious violations of the Principles
- Discussion of the strategy presentation

October 2020 (virtual) meeting

- Discussion of human resources strategy
- Discussion of long-term funding plan
- Discussion of 2021-24 strategy document
- Discussion of driving meaningful data
- Discussion of globalisation and digitalisation opening discussion

December 2020 (virtual) meeting

- Discussion of driving meaningful data
- Discussion of strategy consultation feedback and next steps
- Discussion of minimum requirements consultation feedback and next steps
- Approval of power of attorney
- Discussion of digital strategy
- Discussion of globalisation

February 2021 (virtual) meeting

- Discussion of 2021-24 PRI strategy update
- Discussion of board evaluation
- Approval of 2021 PRI Board elections

March 2021 (virtual) meeting

- Approval of 2021-24 PRI strategy and PRI Board response
- Approval of PRI Board priorities
- Approval of CEO review and priorities
- Approval of Chair review and priorities
- Approval of 2021/22 budget
- Discussion of human resources
- Discussion of key person risk
- Discussion of PRI Board representation

Standing items at every Board meeting:

- Welcome from the Chair
- Declaration of interests
- Minutes
- Matters arising
- Signatory and stakeholder interaction
- Chair report
- CEO report
- Committee reports
- 12 month rolling board agenda
- Board *in camera*

LEADERSHIP

The board is collectively responsible for the long-term success of the PRI, in particular:

- establishing the PRI's mission, vision and values;
- setting the strategy, risk appetite and structure;
- delegating the implementation of the strategy to the PRI Association Executive (the Executive);
- monitoring the Executive's performance against the strategy;
- exercising accountability to signatories;
- being responsible to relevant stakeholders.

Matters reserved for Board approval are listed in the Directors' Terms of Reference. There are clear division of responsibilities and roles set out in the terms for the Chair, Directors, Permanent UN Advisors and Managing Director.

The board has agreed to a set of organisational values. All staff receive 360° feedback from a survey focusing specifically on behaviours, through the lenses of competencies and values. This is designed to bring objectivity and the values into to the appraisal process and the feedback will contribute toward each performance evaluation.

COMMITMENT

All Board directors and the UN permanent advisors remain committed to their roles on the PRI Board. Due to the continuing Covid-19 pandemic the board met virtually throughout the year. The board increased the frequency of meetings, from typically three to four in person meetings in past years, to 11 virtual meetings. Considering the circumstances and the increased frequency of meetings the attendance at board and committee meetings was very good. For more information on the attendance records see the tables [below](#).

INTEGRITY

Board directors must abide by the Code of Ethics and Conduct, and the Directors' Terms of Reference. Also, every election candidate is asked to state that they "*Will not bring the PRI Board or PRI Association into disrepute if elected*". At every meeting, directors are given the opportunity to declare relevant interests, which are recorded in the register of interests. Interests can include commercial relationships between board members, between the Chair and signatory organisations, and interests regards particular items for board discussion.

PRI BOARD AGREED POLICIES

- [CEO Terms of Reference](#)
- [Chair's Terms of Reference](#)
- [Code of Ethics and Conduct](#)
- [Directors' Terms of Reference](#)
- [Diversity Policy](#)
- [Election Rules](#)
- [Grant Policy](#)
- [Human Rights Policy](#)
- [Permanent UN Advisors' Terms of Reference](#)
- [Procurement Policy](#)
- [Signatory Accountability rules](#)
- [Signatory Categorisation guidelines](#)
- [Signatory General Meeting Rules](#)
- [Signatory Rules](#)
- [Whistleblowing policy](#)

THE PRI'S SIX CORE VALUES

PRINCIPLES DRIVEN

The Principles underpin our work and provide an opportunity to contribute to a more sustainable society

AUTHENTICITY

We are true to our organisation, its mission and ourselves

COOPERATION

We work together constructively with mutual respect and enthusiasm

OPENNESS

We welcome diversity and expect transparency in our activities

EMPOWERMENT

We support and encourage each other to perform to the best of our abilities

RESPONSIBILITY

We take ownership for our actions and outcomes

DECISION-MAKING, RISK AND CONTROL

RISK

The Finance, Audit and Risk committee reports to the board at every meeting on changes to important operational risks. The top operational risks at the end of the financial year are considered to be: risks to future PRI in Person events; misaligned collaborative initiatives and governance, legal and funding risks; the implications of Covid-19 on the PRI operations, long-term funding; delivery of business plans, signatory retention and recruitment; cybersecurity and data risks; and reputation risks to the PRI's credibility from lack of signatory accountability and actions of signatories that are contrary to the spirit of the Principles.

COMPLIANCE

The Finance, Audit and Risk committee support the board in the oversight of compliance, including tax, legal, human resources for PRI Association and also on investment issues. The Executive has a quarterly compliance meeting and reports on a quarterly basis to both the Finance, Audit and Risk committee and the Human Resources and Remuneration committee. The compliance report has an executive summary, with recent changes, and then is structured into four parts: signatory complaints; corporate entities; human resources; data; and other policies and practices. At every meeting the committee review the most recent compliance report. Included are also possible or likely threats of adverse material compliance issues including legal or regulatory action.

Noted in the compliance report during the year were:

- A number of complaints about signatories' actions under the serious violations of the spirit of the Principles policy.
- Legal, governance and funding issues related to collaborative initiatives with the PRI and other organisations.
- Formal human resources issues.
- One signatory data breach and one internal data breach.

CEO REPORT

The Board has oversight of the implementation of the strategy principally via the CEO report, a standing item for every board meeting, and an annual report to the board on the progress against the strategy.

The CEO report is an opportunity for the CEO to raise issues of concern or big issues on the horizon, seek advice and to celebrate recent achievements. Routine reports within the management report include: key performance indicators; updates on key initiatives; recent and forthcoming publications; quarterly signatory update; financial accounts;

partnerships and fundraising updates; human resources report. In addition, during this year the CEO report briefed the board on

- the organisational response to Covid-19 and staff morale;
- the signatory reporting and fees collection processes;
- signatory engagement in the digital events and other PRI led activities;
- signatories in the delisting process for failure to meet the minimum requirements; and
- work programmes, including Driving Meaningful Data and the Sustainable Development Goals.

BOARD EFFECTIVENESS

2020 PRI BOARD REVIEW

The PRI Articles require the Directors to carry out their own annual review of the functioning of the Board and the Chair must report the results of the annual review to the next SGM.

The review analysed the performance of the board according to six themes, identified as the necessary elements for a board to engage, direct, decide and control:

1. **Role of the Board and Directors.** Role of the board with regards to strategy development, oversight of financial/operational performance, operations and finance allocation, effective oversight of controls and risk management, interactions with management, strategic HR.
2. **Board Relationships.** Interactions with signatories and other stakeholders, interactions with the UN.
3. **Board Composition and skills.** Board size, board skills, director profiles and skills, representation of signatory classes.
4. **Board Functioning and Dynamics.** Meeting length, number of meetings, agenda setting.
5. **Board Processes and Support.** Minutes, board papers, director workload, effectiveness of board support by the Executive, induction processes, board evaluation processes, board training.
6. **Board Committees.** Adequacy of committee reporting to board, delegation to board committees, role of board committees.

Board members are also invited to reflect on the effectiveness of their contribution to the board, how they might improve their contribution, the key strengths of the PRI Board, ways to improve the board's effectiveness and priorities for the next financial year.

The self-evaluation indicated that the board is working well, adapting to meeting virtually and some recently adopted ways of working, such as the more frequent meetings, should ideally be continued post-Covid. There was broad consensus on some of the board's key strengths: diversity; collegiate and open culture; and the experience of board members. Areas that were ranked highly in the evaluation:

- The board is working well together, collegial, engaged, committed, open discussions and board members bring good skills and experience to the discussions.
- There is a positive relationship between the Board and CEO / key staff.
- Good use of mission / strategic objectives in strategic decision-making, good oversight of the implementation of the strategy and the financials.
- The administrative / secretariat support that the Board receives is adequate.
- The board committees are performing well.

Board discussion on the self-evaluation focused on one area, the constructive challenge of the Executive by the board, a relatively lower score this year in the board evaluation. The lower score for 'constructive challenge' could be a result of a number of factors: the shorter and virtual meetings where it is more difficult to challenge, the largely positive conversations on the strategy and or the good work undertaken by the Executive.

The board raised a number of issues and suggestions. The board papers can appear too positive, with limited insight into organisational challenges. Also, because the board is just meeting virtually there is no opportunity for more informal conversations with the CEO and the wider leadership team.

The board suggested that the Chair could give more of a sense of challenges, and the nature (differences and tensions) of conversations between meetings. The board agreed to build in more in camera sessions with the CEO in the forthcoming board agendas. The chair also committed to reflect on how to best chair the meetings and the role of the chair in the preparation of the board papers.

The board agreed that the priorities for 2021/22 should be focused on deliverables that the board can achieve, or set in motion, over the next year:

- Mission and purpose consultation.
- Reporting and assessment reform.
- Enabling effective growth via:
 - Post-Covid ways of working
 - Digitalisation
 - Globalisation
- Actions from the organisational 'health check' exercise.

2020 CHAIR ASSESSMENT

The Chair assessment was led by the Human Resources and Remuneration committee. The assessment was structured into three areas:

- 1) Leadership of the Board, ensuring its effectiveness and working with the Executive;
- 2) Performance on the agreed priorities for the chair in 2019:
 - a) Leadership of the Board;
 - b) 2021-24 PRI strategy;
 - c) Climate strategy (including TCFD role); and
 - d) Drive meaningful data throughout markets.
- 3) Feedback on focus activities for the Chair in 2021.

The review was positive, consistent with previous reviews. Board members were pleased with the way in which Chair performs his role, including the complementary manner with which he and the CEO relate and support each other. This year there has been more continuous communication with the Executive, and this has worked well. Chairing the board virtually has been challenging. A lot of effort has gone into the strategy process, although signatory engagement and the context for signatories on the strategy could be improved over time.

The Chair's priorities for 2021-2022 were agreed

1. 2021-24 PRI strategy
2. Mission and purpose review; and
3. Driving Meaningful Data.

In addition to the priorities identified by the board, the Chair highlighted the need to focus on the induction of new board members given the potentially large number of new directors in 2021-2022 as well as contributing the discussion on the role and profile of the PRI Chair going forward.

DIVERSITY

The PRI Board is composed of:

- one independent Chair, nominated by the Board and confirmed by signatory vote
- ten directors:
 - seven elected by asset owner signatories;
 - two elected by investment manager signatories;
 - one elected by service provider signatories; plus
- two permanent UN advisors to the Board, representatives from the PRI's founding partners: UN Global Compact and UNEP Finance Initiative.

Recent board elections have been competitive, adding to the legitimacy of the candidates and also indicating a strong interest in the PRI Board. In January 2021 the PRI welcomed two re-elected directors, all of whom will bring their perspectives, skills, and knowledge to the board:

- Renosi Mokate, Chairperson, GEPF Board of Trustees, GEPF (re-elected for a second term by asset owner signatories)
- Tycho Sneyers, Managing Partner, LGT Capital Partners (re-elected for a second term by investment manager signatories)

In 2021 the board will have had both a *mid-term election* and an *annual election*.

Hiro Mizuno's term on the PRI Board as an asset owner signatory representative ended on 31 March. The PRI's Articles of Association and Election Rules have provisions that if, during a calendar year, there is a vacancy or there are vacancies on the board the Directors may organise a mid-term election by signatories of the relevant category or relevant categories to fill such vacancy or vacancies. The PRI Board's view is that geographic representation amongst asset owners is important and therefore agreed to a PRI Board mid-term election that encouraged nominations from candidates from Asia, via an 'exclusivity period'. Takeshi Kimura, Special Adviser to the Board, Nippon Life Insurance Company nominated during this exclusivity period and was elected by asset owner signatories. Takeshi Kimura's term started on 19 July 2021.

The 2021 PRI Board annual election is for four asset owner and one investment manager representative position. The PRI Board is encouraging candidates: with governance skills and senior leadership experience; and with demonstrated leadership in responsible investment. In addition to the above, for the asset owner positions, the PRI Board is encouraging candidates from asset owner signatories (with their HQ) in North America and Australasia. The candidates will be announced at the SGM and for more information on the elections see [here](#).

The elections are overseen by the Governance committee.

OPEN AND ACCOUNTABLE

Consultations

As a signatory-based organisation, the PRI encourages all signatories to participate actively in its governance and strategic direction, and provide feedback on strategically important matters via formal consultations. The PRI's Articles require the PRI to formally consult with signatories before the adoption of its three-year strategic plan, making material changes to its governance structure, the Objects and/or Mission, the Principles, or the signatory fee structure.

During the year the PRI conducted one signatory consultation on the proposed 2021-24 strategic plan. Signatories were invited to provide feedback on the [strategic plan consultation paper](#), via webinars and an online survey. 577 signatories – 16% of the signatory base – participated, with respondents broadly representative of the wider signatory base in terms of signatory type, size, and geographic spread. 10% participation is the industry average for these types of consultations.

The respondents were broadly representative of the wider signatory base. The results were analysed by an independent organisation, Opinium Research. Responses have been analysed by the signatories taken as a whole, as well as by signatory category, assets under management, length of signatory status, and geographic region.

As part of the PRI's commitment to transparency, the PRI published:

- a [formal response from the Board](#) to the signatory feedback;
- a [summary of the feedback received from signatories](#); and
- the [full consultation responses](#).

For more on the strategy consultation and outcomes see the 'delivering on organisational purpose' section above, as well as the separate reports.

Formal consultations are just one means of engaging with PRI signatories. The PRI convenes numerous events and workshops. There are also a number of advisory committees, working groups and reference groups that overlap between regional networks, asset class specific work, work relevant to different signatory categories and ESG issues.

PRI Board as ambassadors

An important part of the board role is to be ambassadors for the PRI and responsible investment more broadly. Board members frequently meet with signatories and potential signatories in their PRI capacity. There is a 'Signatory and stakeholder interaction' agenda item at every board meeting for board members to provide their feedback on recent meetings and conversations with signatories and stakeholders.

Signatory General Meeting (SGM)

The PRI annual event is an important forum for dialogue between signatories and the board. At the 2021 SGM the PRI Board and Executive will:

- report on the implementation of the 2018-21 strategy;
- report on the work of the board and committees during the previous year;
- report the results of the annual review of the functioning of the board; and
- announce the 2021 PRI Board election candidates.

This year the PRI is also introducing two 'spotlight' agenda items in the SGM, on PRI's climate and stewardship work programmes. The intention is for these updates to be relevant for the global signatory base.

Signatories approved the [2020 Signatory General Meeting minutes](#) via an online vote alongside the Board election vote.

Board reports (April 2020 – March 2021)

After every board meeting a summary report is posted to the PRI website. These reports include the main agenda items, a summary of the board discussion and decisions, plus the planned agenda points for the next meeting.

PRI BOARD COMMITTEES

The board has five permanent supporting committees, and they are critical to the Board's effectiveness. They are forums for the board and Executive to explore strategic and governance issues in depth and from different perspectives. They can give more time to issues and the work done by committees can save time at board meetings, helping the board to make more effective use of its time. Every committee has an annual work plan. The agenda, papers and minutes from every committee meeting are sent to all board members via a board portal. A report from the committees, on for information items, is a standing item for every board meeting. Recommendations from committees, that require board approval, are separate agenda items at board meetings. Each committee has a publicly available terms of reference.

Below is a summary of the remits and work of the respective committees from April 2020 to March 2021.

FINANCE AUDIT AND RISK COMMITTEE

Members: Wendy Cromwell (chair), Eva Halvarsson, Tycho Sneyers, and Laetitia Tankwe.

The committee assures the Board of the veracity of the financial statements, the efficacy of risk management and the strength, the efficacy of compliance controls; and strength and appropriateness of control processes across the PRI.

KEY DISCUSSION ITEMS:

- **Three year funding plan.** The committee reviewed a number of scenarios for the PRI three year funding plan for the 2021-24 strategy. The scenarios included signatory growth projections and estimates for staff expenditure. The committee agreed, given the growth predictions, that future discussions at the board were required on organisational culture and design, digital strategy and plans to support signatories regionally.
- **2020/21 budget.** The committee reviewed the draft 2019/20 budget in advance of the board meeting and discussed the potential impact of potential signatory delistings, the risk to PRI in Person 2021, the planned recruitment rate and capacity to recruit and onboard new staff, economies of scale, and the inflation only fee rise. The committee agreed to recommend the budget for board approval.
- **Operational risks register.** Risks are grouped into five broad categories: governance, strategy, reputation, finance and projects or operations. The committee discussed a number of risks over the year: Covid-19 implications for strategy and operations; cybersecurity; Brexit implications, including strategy, human resources, and financials; legal, funding and governance issues of collaborative initiatives; and reputation risks to the PRI's credibility from lack of signatory accountability and actions of signatories that are contrary to the spirit of the Principles. The committee agreed to explore in more depth the higher risks identified with one risk per meeting and escalating to the board if required, as well as exploring a broader risk appetite discussion at the board.
- **Operational effectiveness review.** The committee discussed the board proposal for an externally led operational effectiveness review. The PRI is growing, and the board agreed that it needs assurance that internal controls and processes are in place, and the organisation was learning from and incorporating best operational practices. Following the review, the board would agree a programme of initiatives to improve organisational effectiveness over time.
- **Power of attorney.** The committee agreed to recommend to the board power of attorney for Fiona Reynolds, CEO, to sign documents on behalf of the PRI Association. The committee requested that every document or agreement signed under the power of attorney is reported to the committee.
- **PRI subsidiaries.** The committee receives an annual update on the PRI Association subsidiaries. All subsidiaries' bank accounts are monitored from the UK.
- **Covid-19 implications on PRI operations and finances.** The Executive prepared a number of scenarios for committee discussion, that considered changes to signatory recruitment, retention, signatories' assets under management, in person events, travel expenditure and PRI Academy income. The committee challenged the scenarios, asking the Executive to prepare one more scenario, to enable a better conversation at the board.
- **PRI in Person.** The committee had a number of discussions on evolving plans for PRI in Person 2020 and 2021. The committee had oversight of the key decision points, including schedules of event payments and sponsorship. Ultimately the committee had no choice but to recommend to the board to hold both events digitally due to the ongoing pandemic.
- **Statutory accounts.** The committee met with the auditors, independently from the Executive, to review the PRI Association and PRI Enterprises audited statutory accounts for the year ended 31 March 2020. The committee recommended that the board approve the accounts and letter of representation.
- **New auditor process.** The term of the current auditor, Buzzacott, who have been the PRI's auditors for ten years, is due to expire after the 2020/21 audit. The committee agreed that the PRI needed a change of auditor, to support the PRI as it grows in size and complexity, and to reflect good practice. The new auditor will be for board decision and signatory confirmation in September 2021.

- **Compliance.** The oversight of compliance, including tax, legal, human resources for PRI Association and also on investment issues, is within the remit of the committee. The Executive has a quarterly compliance meeting and reports on a quarterly basis to both the Finance, Audit and Risk committee and the Human Resources and Remuneration committee. The committee discussed: a number of complaints about signatories' actions under the serious violations of the spirit of the Principles policy; legal, governance and funding issues related to collaborative initiatives with the PRI and other organisations; and data breaches.

[Terms of reference](#)

GOVERNANCE COMMITTEE

Members: Angela Emslie (chair), Sharon Hendricks, Lise Kingo*, Sanda Ojiambo**, and Xander den Uyl.

The committee's purpose is to provide guidance to the Executive and make recommendations to the Board as necessary on the board and company's governance, including guidelines, policies, and practices; the PRI Board's effectiveness, including skills, diversity, and expertise; the PRI Board elections; and the PRI Code of Ethics and related ethical issues.

KEY DISCUSSION ITEMS:

- **2020 PRI Board elections oversight.** In 2020 there were two positions up for election: one asset owner and one investment manager. The committee considered several elements of diversity, including gender and geographic representation. The board had agreed to the committee's recommendation to have an exclusivity period for candidates from asset owners in emerging markets. Five asset owner and seven investment manager candidates campaigned for election.
- **2020 election review.** After every election the committee is responsible for reviewing the election process. The committee was satisfied with the 2020 election process and acknowledged that there has been a good increase in vote count over the past four years. The committee briefly discussed the tools used historically to encourage geographic diversity; 'soft' guidance for candidates and the electorate to consider as part of the election process; and the use of a more rigid 'exclusivity' period, mandating a specific geographic representation.

- **2021 PRI board annual election.** The [2021 PRI Board annual election](#) is for four asset owner and one investment manager representative position. The committee considered different elements including board continuity; committee turnover; geographical representation; skills and experience; and ethnic diversity. The committee agreed that geographic diversity amongst asset owners was the priority, followed by skills and experience. The board is relatively gender-balanced and candidates in recent years have had strong female representation. The committee recommended to the board to encourage asset owner candidates from North America and Australasia, as well as candidates with governance skills and senior leadership experience. (The committee also oversaw the [2021 mid-term election](#), due to the end of Hiro Mizuno's term on the board in March 2021.)
- **PRI Board evaluation.** The committee reviewed the results of the 2020 board evaluation. The results of the board self-evaluation were positive, and the board appears to have adapted well to the virtual environment. The committee noted that there was strong consensus that aspects of working over the past year, such as more frequent virtual meetings should be carried forward to the post-Covid environment in conjunction with important but fewer face to face meetings. The committee discussed the key elements from the evaluation for board discussion and possible board priorities for recommendation to the board.
- **Future board evaluations.** The committee discussed the potential options for the board's evaluation in 2021 and 2022. The committee agreed that the board had already taken some measures to adapt, such as more frequent shorter meetings and communications. Also, there are other measures planned such as in camera sessions for future board meetings. The committee proposed a self-evaluation in 2021 and external evaluation in 2022.

[Terms of reference](#)

* Lise Kingo left the PRI Board in June 2020.

** Sanda Ojiambo joined the Governance committee in February 2021.

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Members: Wendy Cromwell, Eva Halvarsson, and Renosi Mokate (chair).

The committee's purpose is to ensure that the human resources (HR) and remuneration arrangements support the strategic aims of the PRI Association and enable the recruitment, motivation and retention of staff while complying with the requirements of regulatory and governance bodies, satisfying the expectations of its members, and remaining consistent with the expectations of the wider target employee population. The committee is responsible for PRI chair review process.

KEY DISCUSSION ITEMS:

- **Human resources response to Covid-19 pandemic.** The Executive kept the committee informed of the various measures to support the PRI workforce, including a Covid-19 action plan, working group, I.T. response, guidance notes and support measures for staff.
- **Human resources strategy.** The committee reviewed the proposed three-year human resources strategy. The strategy included reflections on the growth and evolution of the PRI over the past three years, the current advantages, and challenges, as well as priorities for the next three years. These priorities are evolving the organisational design; diversity, equity, and inclusion; building on capabilities within the existing development framework; resourcing and talent management; a step change in learning and development; review of PRI reward structure; and maintaining a strong organisational culture as the organisation grows. The committee requested a stronger focus on globalisation and digitalisation, before recommending the strategy for board approval.
- **Employee engagement survey.** The employee engagement was measured at 78%, above the KPI target of 75%, and above the benchmark average for an organisation of our size. Overall, there has been progress made in line management and communication, that were identified in the last survey. The committee welcomed the results, considering the context of the Covid-19 pandemic, and discussed plans for two identified areas in the survey: learning and development and diversity, equity, and inclusion.
- **Diversity, equity, and inclusion.** The PRI appointed Business in the Community to undertake a review of the PRI's workplace diversity and inclusion practices, following an open tender. The project aims to get expert advice on best practices that the PRI can seek to implement to improve the diversity, equity, and inclusion practices. This includes a review of the PRI's global people management practices, including measurement and benchmarking; recruitment; culture; training and development; communication; and policies. The committee provided feedback on areas of particular importance for the review.
- **Post-Covid 19 ways of working.** The Executive has taken the opportunity to review and re-defined its approach to flexible working. The aim is to implement a new definition of flexible working for the PRI; embed new behaviours and ways of working; ensure the PRI's processes and policies, governance, and technology support a flexible way of working. The committee urged the Executive to proceed cautiously with the scale and pace of change.
- **Annual pay review.** The committee reviewed the annual pay review process for 2020 and recommended it for approval by the Board.
- **Chair annual review.** The committee recommended the review materials, future priorities, and contract for board discussion.
- **CEO annual review.** The committee recommended the review materials, future priorities, and remuneration for board discussion.
- **Key performance indicators.** The committee formally reviewed the HR related KPIs in May 2020. The KPIs are on staff engagement, staff turnover, gender ratio and age distribution. The committee were reassured to see there were no major issues to note.
- **Compliance report.** The committee also reviews the quarterly compliance report at every relevant meeting. (The compliance report is also reviewed by the Finance, Audit and Risk committee.)
- **Employment turnover, risk, compliance, and human resources related law.** The committee discusses these four issues as standing items, when relevant.
- **Chair days.** The committee receives a regular report on days worked for the PRI by the chair.

[Terms of reference](#)

POLICY COMMITTEE

Members: Lise Kingo, Sharon Hendricks, Hiro Mizuno, Laetitia Tankwe, Eric Usher, and Xander den Uyl (chair).

The committee's purpose is to guide the preparation of financial system, policy and 'drive meaningful data' related content for the board. This would include strategic guidance on the activities to realise a sustainable financial system (as set out in the PRI's mission) and oversight of the PRI's programme to drive meaningful data throughout markets. The role of the committee is to guide the Executive in the preparation of materials for the Board, reviewing planned papers and related materials, encompassing programme plans, and financial and resourcing plans.

KEY DISCUSSION ITEMS:

- **EU Renewed Sustainable Finance Strategy Consultation.** The themes of the consultation were: ambition and Pace; strengthening the foundations; increased opportunities; managing environmental and social risk. The Executive sought feedback from the committee on areas of focus for the PRI. The committee agreed that the PRI should focus on systemic issues; such as strengthening the foundations, long termism, shareholder rights, infrastructure, reporting and transparency, and regulatory frameworks.
- **Legal Framework for Impact.** The committee recommended the separation of legal analysis and policy implementation, and provided feedback on the level of ambition and use of terminology, such as impact, outcomes, and dual materiality.
- **PRI climate policy country roadmaps.** The committee provided feedback on the UK market recommendations, as well as plans, including capacity and knowledge, for future country based roadmaps in key markets.
- **Pension system review.** The Executive provided an overview of research into national retirement systems, including Australia, the UK, and the US. The research focus was on structural characteristics and the findings will inform the PRI's policy engagements and strategy development.
- **Issues-based policy activities.** The committee discussed the learnings from the work so far, including resources required, engaging signatory expertise in policy activities, the Global Policy Reference Group in financial regulation; and how to evaluate policy activities.

- **Driving meaningful data.** The committee reviewed the PRI's work programme, focused on encouraging a global corporate sustainability reporting system, investor data frameworks and the functioning of ESG data markets. The committee discussed current reporting initiatives, the geographic diversity of initiatives and approaches, the issue of double materiality, and lastly the role of the PRI.
- **Policy updates.** The committee received regular policy updates from different markets.

[Terms of reference](#)

SIGNATORY STATUS COMMITTEE

Members: Angela Emslie, Michael Jantzi, and Tycho Sneyers (chair)

The committee's purpose is to advise the Executive and make recommendations to the Board as necessary on signatory categorisation; signatory accountability - minimum standards; signatory accountability - integrity of the PRI initiative; and other any other issues around signatory status.

KEY DISCUSSION ITEMS:

- **Signatory accountability – 2020 minimum requirements.** The committee supported the board by overseeing the implementation of the PRI's minimum requirements, including measures to engage with signatories that had not met the minimum requirements. The committee discussed in particular the signatories that had met the minimum requirements, but not engaged with the Executive during the last two years over the minimum requirements. The committee agreed that engagement with the initiative was a critical part of being a signatory, a member of a membership organisation. However, the minimum requirement rules were not explicit enough, and the Executive has not communicated clearly enough that signatories could be delisted if they fail to engage with the PRI, as part of the minimum requirements process, while actually meeting the three minimum requirements. The committee recommended the 2020 minimum requirements delisting process to the board.
- **Signatory categorisation cases.** Throughout the year the committee considered signatory categorisation cases, whether potential signatories are asset owners, investment managers or service providers. The role of the committee is to make recommendations to the board on difficult and precedent setting categorisation issues, based on the Signatory Categorisation Guidelines.

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- **Signatory status – existing signatories.** During the year the committee discussed a number of complaints received by the PRI about signatories' actions, that certain signatories are not adhering to the spirit of the PRI or the Principles. As part of these discussions the committee reviewed the existing [Serious Violations of the Principles policy](#), and considered the scope, the criteria, the initiation, and categorisation of complaints, how to improve the process, the role of the PRI as 'judge', and the broader purpose and role of the PRI. During the year the committee reviewed six complaints. The committee made recommendations to the board based on the spirit of the PRI and the Principles, as set out in the current policy. The recommendations were that none of the complaints received warranted formal engagement or delisting at this time. For more information on the policy and process see the [PRI website](#).
 - **Signatory status – potential signatories.** The committee also considered the application of some organisations to become PRI signatories. The committee agreed that the intention is to maintain the 'big tent' spirit of the PRI, welcoming signatories at any stage of their responsible investment journey. However, to protect the integrity and reputation of the PRI and existing signatories, the PRI should explore criteria and a process to screen organisations that have significant potential reputational risk for the PRI. The committee argued that accepting members that could lead to reputational issues for the PRI was a clear potential risk that should be mitigated as far as possible.
 - **Signatory Terms and Conditions.** Membership of the PRI is becoming more complex. The committee agreed to explore the introduction of signatory terms and conditions, to clarify the terms of signatory status, making it more transparent for existing and prospective signatories.

[Terms of reference](#)

SIGNATORY VOTING

From 29 September to 26 November 2021, signatories will be invited to vote on various elements of PRI governance. The table below represents the voting opportunities available to each signatory category.

	Asset owners	Investment managers	Service providers
Vote for four asset owner representatives in the PRI Board election	✓		
Vote for one investment manager representative in the PRI Board election		✓	
Vote to confirm the appointment of the auditor	✓	✓	✓
Vote to receive the PRI Annual Report and Accounts¹	✓	✓	✓
Vote to approve the Signatory General Meeting minutes	✓	✓	✓

The board encourages signatories to participate actively in all areas of PRI governance. Please make your vote count. For more information on the 2021 elections and voting procedure see [here](#).

SIGNATORY RIGHTS

Signatory rights are enshrined in the Articles. Signatories have the right to:

- approve amendments to the Articles and Principles;
- nominate candidates for, and vote in, Board elections;
- confirm the appointment of the Chair;
- receive the annual accounts;
- confirm the appointment of the auditor;
- approve the minutes of an SGM;
- formal consultation;
- call for an extraordinary election of directors; and
- propose a non-binding resolution.

For more information on signatory rights see the PRI website [here](#).

¹ Vote to receive the [PRI Annual Report and Accounts](#). The PRI will lay before each Signatory General Meeting (SGM) the Company's latest annual accounts; any reports that the Company or its officers are required to make in respect of such accounts; and (unless the Company is at such time exempt from audit) the auditor's report on those accounts and reports. The Company will provide the Signatories with an opportunity to receive such reports and accounts by way of a vote carried by a simple majority of those voting in an Electronic Poll.

The PRI Executive is responsible for preparing the annual accounts. The Finance, Audit and Risk committee has oversight of the financial reporting and audit processes and regularly reports to the board. The audited PRI annual accounts are approved by the PRI Board and signed by the Chair. All PRI signatories have information rights and have the right to vote to receive the annual report and accounts. Signatories are not asked to approve the accounts. Signatories can ask questions on matters which are related to the accounts. The PRI Association is a company limited by guarantee and does not have a share capital. Since the PRI does not have shareholders, it does not require its accounts to be approved by the shareholders.

PRI BOARD ATTENDANCE

The expectation is that Directors will participate in every meeting of the Directors. The minimum number of planned meetings a Director is required to participate is set out in the [Directors' Terms of Reference](#). The expectation is that each Director appointed to a board committee will participate in every meeting of such board committee and at a minimum must participate in a majority of meetings of that committee in a calendar year.

JANUARY - DECEMBER 2020

	PRI Board Meetings	PRI Board committee meetings				
		Finance Audit and Risk	Governance	HR and Remuneration	Policy	Signatory status
Number of meetings	10	5	3	3	3	5
Wendy Cromwell	9/10	5/5		3/3		
Angela Emslie	9/10		3/3			5/5
Eva Halvarsson	9/10	5/5		3/3		
Sharon Hendricks	7/10		2/3		1/3	
Michael Jantzi	10/10				3/3	5/5
Lise Kingo*	2/2		0/2		0/1	
Hiro Mizuno	7/10				1/3	
Renosi Mokate	9/10			3/3		
Sanda Ojiambo**	2/4					
Martin Skancke	10/10					
Tycho Sneyers	10/10	5/5				5/5
Laetitia Tankwe	8/10	4/5			3/3	
Eric Usher	9/10				1/3	
Xander den Uyl	10/10		3/3		3/3	

* Lise Kingo left the PRI Board in June 2020

** Sanda Ojiambo joined the Governance committee in February 2021.

*** Hiro Mizuno left the PRI Board in March 2021.

JANUARY – MARCH 2021

	PRI Board Meetings	PRI Board committee meetings				
		Finance Audit and Risk	Governance	HR and Remuneration	Policy	Signatory status
Number of meetings	3	2	1	1	1	0
Wendy Cromwell	3/3	2/2		1/1		
Angela Emslie	3/3		1/1			
Eva Halvarsson	3/3	2/2		1/1		
Sharon Hendricks	3/3		1/1		1/1	
Michael Jantzi	3/3				1/1	
Hiro Mizuno***	3/3				0/1	
Renosi Mokate	3/3			1/1		
Sanda Ojiambo**	3/3		1/1			
Martin Skancke	3/3					
Tycho Sneyers	3/3	2/2				
Laetitia Tankwe	3/3	2/2			1/1	
Eric Usher	2/3				1/1	
Xander den Uyl	3/3		1/1		1/1	

* Lise Kingo left the PRI Board in June 2020

** Sanda Ojiambo joined the Governance committee in February 2021.

*** Hiro Mizuno left the PRI Board in March 2021.

The Principles for Responsible Investment (PRI)

The PRI works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

More information: www.unpri.org



The PRI is an investor initiative in partnership with **UNEP Finance Initiative** and the **UN Global Compact**.

United Nations Environment Programme Finance Initiative (UNEP FI)

UNEP FI is a unique partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI works closely with over 200 financial institutions that are signatories to the UNEP FI Statement on Sustainable Development, and a range of partner organisations, to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

More information: www.unepfi.org



United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals. The UN Global Compact is a leadership platform for the development, implementation and disclosure of responsible corporate practices. Launched in 2000, it is the largest corporate sustainability initiative in the world, with more than 8,800 companies and 4,000 non-business signatories based in over 160 countries, and more than 80 Local Networks.

More information: www.unglobalcompact.org

