

# ASSET OWNER SURVEY

March 2018



# PRI MISSION AND PRINCIPLES

## THE SIX PRINCIPLES

### PREAMBLE TO THE PRINCIPLES

As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time). We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

- 1** We will incorporate ESG issues into investment analysis and decision-making processes.
- 2** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4** We will promote acceptance and implementation of the Principles within the investment industry.
- 5** We will work together to enhance our effectiveness in implementing the Principles.
- 6** We will each report on our activities and progress towards implementing the Principles.



### PRI'S MISSION

We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The PRI will work to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation.

# INTRODUCTION

Asset owners set the direction of markets: the mandates they award to managers determine the objectives that the world's biggest pools of money are put to. To fulfil their duties to beneficiaries in the 2020s and beyond, asset owners will need robust approaches to investment that acknowledge the effects their investments have on the real economy and the societies in which their beneficiaries live.

Empowering asset owners remains key to the future success of the PRI and responsible investment. Therefore, at the start of 2018 the PRI is consulting with asset owners on their strategic priorities and how the PRI can help to empower them.

Of course 'asset owners' are a diverse group: more than 350 organisations, from 33 countries, with US\$19 trillion of AUM have signed up to the Principles for Responsible Investment. These organisations range from very small foundations to the largest pension fund in the world; from organisations that have been with the PRI from the outset to those just joining the journey now; from completely outsourced to in-house investment processes and expertise. In truth, to empower our asset owner signatories the PRI will require a number of tailored strategies.

The PRI will be consulting asset owners via this short survey and a series of asset owner roundtables. The survey is a primer for our face-to-face conversations. We are asking for your perspectives on, and prioritisation of:

- 1. the PRI Blueprint objectives, including empowering asset owners;**
- 2. environmental, social and governance issues;**
- 3. how effective the PRI is in supporting you;**
- 4. the value of ongoing asset owner focused resources.**

Your survey responses will kick-start the roundtable discussions.



**Fiona Reynolds**  
Managing Director, PRI

I look forward to our forthcoming discussions on how the PRI can empower asset owners and collectively drive responsible investment forward.

## SURVEY

The confidential survey will be live until 29 June. The survey is a primer to asset owner roundtables that the PRI will be coordinating over the next four months. Please share your views in the survey to enhance and tailor the in person conversations that will follow. The survey questions are set out in the following pages. To complete the online survey [click here](#).

## ROUNDTABLE EVENTS

See the [PRI events page](#) for the forthcoming asset owner roundtables

# 1.

# PRI BLUEPRINT OBJECTIVES

In 2017 the PRI published its [Blueprint](#) for the next ten years of responsible investment. The nine Blueprint objectives are grouped into three areas of impact, 'Responsible investors', 'Sustainable markets' and 'A prosperous world for all'. The PRI wants to hear from your organisation on: objective 1, 'Empowering asset owners'; and your plans to prioritise the remaining eight objectives.

## RESPONSIBLE INVESTORS

We will strengthen, deepen and expand our core work: to lead responsible investors in their pursuit of long-term value and to enhance alignment throughout the investment chain.

- **EMPOWER ASSET OWNERS**
- **SUPPORT INVESTORS INCORPORATING ESG ISSUES**
- **FOSTER A COMMUNITY OF ACTIVE OWNERS**
- **SHOWCASE LEADERSHIP AND INCREASE ACCOUNTABILITY**
- **CONVENE AND EDUCATE RESPONSIBLE INVESTORS**

## SUSTAINABLE MARKETS

We will address unsustainable aspects of the markets that investors operate in, to achieve the economically efficient, sustainable global financial system that responsible investors and beneficiaries need.

- **CHALLENGE BARRIERS TO A SUSTAINABLE FINANCIAL SYSTEM**
- **DRIVE MEANINGFUL DATA THROUGHOUT MARKETS**

## A PROSPEROUS WORLD FOR ALL

We will enable signatories to improve the real world – now and in the future – by encouraging investments that contribute to prosperous and inclusive societies for current and future generations.

- **CHAMPION CLIMATE ACTION**
- **ENABLE REAL-WORLD IMPACT ALIGNED WITH THE SDGs**

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**Role:**

**Organisation:**

**Signatory assets under management (US\$ bn):**

**Region:**

**Objective 1: Empower asset owners. What are the top three responsible investment issues facing your organisation and how can the PRI help to empower you to address them?**

A) Priority issue and how can the PRI help to empower you.

B) Priority issue and how can the PRI help to empower you.

C) Priority issue and how can the PRI help to empower you.



**How aligned are the PRI Blueprint objectives with your priorities and how can the PRI help to empower you to address these issues?**

**1.2 Objective 2: Support investors incorporating ESG issues.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<hr/>		
Comment		
<input type="text"/>		

**1.3 Objective 3: Foster a community of active owners.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<hr/>		
Comment		
<input type="text"/>		

**1.4 Objective 4: Showcase leadership and increase accountability.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<hr/>		
Comment		
<input type="text"/>		

**1.5 Objective 5: Convene and educate responsible investors.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<hr/>		
Comment		
<input type="text"/>		

**1.6 Objective 6: Challenge barriers to a sustainable financial system.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**1.7 Objective 7: Drive meaningful data throughout markets,** for example improved corporate or investor reporting.

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**1.8 Objective 8: Champion climate action.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**1.9 Objective 9: Enable (or measure) real-world impact aligned with the Sustainable Development Goals.**

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

# 2.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES

## 2.1 Which environmental issues are a priority for your organisation? (Maximum 3 responses)

- Biodiversity
- Circular economy
- Cleantech
- Climate
- Renewable energy

- Water
- Other

## 2.1 Which social issues are a priority for your organisation? (Maximum 3 responses)

- Diversity
- Health and well-being
- Human rights
- Inequality
- 'Just transition'
- Modern slavery and child labour

- Migration
- Right to organise and collective bargaining
- Supply chain risks
- Others

## 2.1 Which governance issues are a priority for your organisation? (Maximum 3 responses)

- Anti-corruption
- Board skills
- Corporate tax responsibility
- Cyber security
- Gender diversity

- Remuneration
- Voting rights
- Others



# 3.

# PRI ACTIVITIES

We want to hear how effective you think the PRI's various activities are at helping you to address your responsible investment challenges.

**3.1 Investment practices.** PRI investment practices guidance documents and tools on how to incorporate responsible investment into different asset classes are useful for me for embedding responsible investment within my organisation.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**3.2 Thematic ESG expertise.** PRI research and guidance on ESG issues helps me / my organisation to incorporate ESG issues into investment decision-making.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**3.3 Collaboration platform.** The collaboration platform is effective for collaborating with peer organisations on topical ESG issues.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**3.4 Reporting and assessment.** Transparency reports help my organisation to effectively communicate with beneficiaries and stakeholder on my organisations' responsible investment practices and impacts.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Comment

**3.5 Data portal tool.** The PRI Data Portal is a useful resource to help me select / monitor / engage with investment managers.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Comment

**3.6 Policy.** The PRI policy work is helping to challenge barriers to a sustainable financial system.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Comment

**3.7 PRI convening power.** The PRI helps me to learn from my peers.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**3.8 PRI Academy.** The online PRI Academy is a useful responsible investment educational tool.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

**3.9 PRI communications.** The PRI effectively communicates with me on responsible investment issues and resources.

Very effective	Effective	Could be better	Not utilised
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

# 4.

# VALUE OF ASSET OWNER FOCUSED WORK

The PRI's asset owner focused programme informs, guides and supports asset owners, on responsible investment. It aims to empower asset owners to effectively direct investment managers, consultants and other investment stakeholders through engagement and contractual arrangements to realise their promises to their beneficiaries.

We would like to hear from you about the value of current and planned projects from our asset owner focused work:

**4.1 Investment strategies:** guidance on how to develop robust responsible investment strategies. (Due for release in Q1 2018/19)

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comment		
<input type="text"/>		

**4.2 Manager Selection:** guidance on how to integrating ESG criteria into manager selection processes. (Due for release in Q1 2018/19)

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comment		
<input type="text"/>		

**4.3 Passive investments:** a discussion paper on what are the current challenges in passive investment to integrate ESG, and what might be best practices in the market. (Due for release in Q1 2018/19)

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comment		
<input type="text"/>		

**4.4 Asset allocation:** guidance on addressing the incorporation of ESG factors and the SDGs in scenario analysis and asset allocation. (Due for release in Q3 2018/19)

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Comment

**4.5 Fund trustee capacity:** empowering trustees on responsible investment issues, including new training programmes and tools.

High	Medium	Low
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Comment

# FURTHER DETAILS

Documents referred to:

- [PRI Blueprint for Responsible Investment](#)
- [PRI 2018-21 strategy](#)

## CONTACT

For more information about the consultation process please contact: [info@unpri.org](mailto:info@unpri.org)

For more information on the current asset owner focused work please contact: [Catherine Chen](#), Senior Manager, Asset Owners.

## The Principles for Responsible Investment (PRI) Initiative

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](http://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](http://www.unepfi.org)



### UN 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](http://www.unglobalcompact.org)

