

PRI REPORTING FRAMEWORK 2017

Closing Module

November 2016

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# Understanding this document

In addition to the detailed indicator text and selection options, in each module of the PRI Reporting Framework you can find information that will help you to identify which indicators are relevant for your organisation.

**Top bar**

Key information about each indicator is highlighted in the top bar, including the indicator status (mandatory or voluntary), the purpose of the indicator, and which PRI Principle it relates to.

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|  | Indicator status | Purpose | Principle |
| xxx 01 | MANDATORY | CORE ASSESSED | PRI 2 |

**Indicator status**

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| MANDATORY | Mandatory indicators reflect core practices. These responses will be made public and must be completed to submit the framework. |
| MANDATORY TO REPORT  VOLUNTARY TO DISCLOSE | Some indicators are mandatory to complete, but voluntary to disclose. These indicators may determine which subsequent indicators are applicable or are used for peering, but may also contain commercially sensitive information. |
| VOLUNTARY | Voluntary indicators reflect alternative or advanced practices. These indicators are voluntary to report and disclose. |

**Purpose**

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| Gateway |  | The responses to this indicator ‘unlock’ other indicators within a module if they are relevant for your organisation. Please refer to the logic box for more information. |
| Peering |  | These indicators are used to determine your peer groups for assessment purposes. |
| Core assessed |  | These indicators form the core of the assessment, and represent the majority of your final assessment score. |
| Additional assessed |  | These indicators represent more advanced or alternative practices and contribute to a smaller part of your score. |
| Descriptive |  | These are open-ended narrative indicators, allowing you to describe your activities. |

**Underneath the indicator**

Underneath the indicator, you can find the explanatory notes and definitions that contain important information on interpreting and completing the indicators. Read the logic box to make sure an indicator is applicable to you.

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| xxx 01 | **EXPLANATORY NOTES** |
| **xxx 01.1** | This provides guidance on how to interpret the sub-indicators, including examples of what could be reported. |
| **xxx 01.2** |
| **LOGIC** | |
| **xxx 01** | This explains when this indicator is applicable and/or if it has an impact on subsequent indicators. If there is no logic box, the indicator is always applicable, and does not affect other indicators. |
| **ASSESSMENT** | |
| **xxx 01** | This provides a brief overview of the pilot assessment approach for this indicator. |
|  |  |
| xxx 01 | **DEFINITIONS** |
| **xxx 01** | Definitions of specific terms that are used in the indicator are defined here. |

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# Pathways through the module

**CM 01**: Indicate what data verification processes, if any, your report has undergone

**CM 06:** Submit your responses

**CM 03:** Suggestions or comments on the Reporting and Assessment process

**CM 02**: To what extent has the Reporting Framework captured your implementation of the Principles

**CM 05:** Final review before submission

**CM 04:** Reporting & Assessment contact

# Preface

This module invites you to provide feedback on the PRI reporting framework and gives you the opportunity to review the information you have reported before you submit.

**Summary of updates**

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| Indicator | Update |
| CM 01 | This is a new indicator. The rest of the module has not been amended and so appears after this indicator. |

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| SECTION |
| Assurance |

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|  | Indicator status | Purpose | Principle |
| CM 01 | MANDARTORY | ADDITIONALLY ASSESSED | GENERAL |

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| **CM 01** | INDICATOR | | | | | | | | | | | | | |
| **CM 01.1** | Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone: | | | | | | | | | | | | | |
|  | ❑ Independent assurance by a third party over selected responses from this year’s PRI Transparency Report  ❑ Independent assurance by a third party over data points from other sources that have subsequently been used in your PRI responses this year  ❑ Independent process assurance by a third party (specific to assurance of RI processes that have been reported to the PRI this year)  ❑ Internal process assurance conducted by internal auditors (specific to assurance of RI processes that have been reported to the PRI this year)  ❑ Internal verification/review of responses before submission to the PRI (e.g. by the CEO or the board)  🔾 Whole PRI Transparency Report has been internally verified  🔾 Selected data has been internally verified  ❑ Other, specify\_\_\_\_\_\_\_  ❑ None of the above | | | | | | | | | | | | | |
| **CM 01.2** | We plan to assure this year’s PRI Transparency report | | | | | | | | | | | | | |
| 🔾 Whole PRI Transparency Report will be assured  🔾 Selected data will be assured  🔾 We do not plan to assure this year's PRI Transparency report | | | | | | | | | | | | | |
| **CM 01.3** | We undertook independent assurance by a third party on last year’s PRI Transparency Report | | | | | | | | | | | | | |
| 🔾 Whole PRI Transparency Report was assured last year  🔾 Selected data was assured in last year’s PRI Transparency Report  🔾 We did not assure last year's PRI Transparency report | | | | | | | | | | | | | |
| **CM 01.4** | We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report: | | | | | | | | | | | | | |
|  | ❑ We adhere to an RI certification or labelling scheme  ❑ We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year’s PRI Transparency Report  ❑ ESG audit of holdings  ❑ Other, specify\_\_\_\_\_\_\_  ❑ None of the above | | | | | | | | | | | | | |
| **CM 01.5** | Independent assurance by a third party over selected responses from this year’s PRI Transparency Report | | | | | | | | | | | | | |
| **What data has been assured** | **Corresponding Indicator number** | | | **Who has conducted the assurance** | | **Assurance standard used** | | **Level of assurance sought** | | | | **Link to auditor’s report** | |
|  |  | | |  | |  | |  | | | |  | |
| **CM 01.6** | Independent assurance by a third party over data points from other sources that have subsequently been used in your PRI responses this year | | | | | | | | | | | | | |
| **What data has been assured** | **Corresponding Indicator number** | | | **Who has conducted the assurance** | | **Assurance standard used** | **Level of assurance sought** | | **Link to original data source (if pubic)** | | | | **Link to auditor’s report** |
|  |  | | |  | |  |  | |  | | | |  |
| **CM 01.7** | Independent process assurance by a third party (specific to assurance of RI processes that have been reported to the PRI this year) | | | | | | | | | | | | | |
| **What RI processes have been assured** | **Corresponding Indicator number** | | | **Who has conducted the assurance** | | **When was the process assurance undertaken (year/month)** | **Assurance standard used** | | | **Level of assurance sought** | | | **Describe the outcomes of this process** |
|  |  | | |  | |  |  | | |  | | |  |
| **CM 01.8** | CM\_01.8 Internal process assurance conducted by internal auditors (specific to assurance of RI processes that have been reported to the PRI this year) | | | | | | | | | | | | | |
| **What RI processes have been assured** | **Corresponding Indicator number** | | | | **When was the process assurance undertaken (year/month)** | | | **Assurance standard used** | | | | **Describe the outcomes of this process** | |
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| **CM 01.9** | Whole PRI Transparency Report has been internally verified | | | | | | | | | | | | | |
| Who has conducted the verification | | | | | | | | | | | | | |
| ❑ CEO or other Chief-Level staff | | | | | | | | | | | | | |
| ❑ The Board | | | | | | | | | | | | | |
| ❑Investment Committee | | | | | | | | | | | | | |
| ❑ Compliance Function | | | | | | | | | | | | | |
| ❑ RI/ESG Team | | | | | | | | | | | | | |
| ❑ Investment Teams | | | | | | | | | | | | | |
| ❑ Legal Department | | | | | | | | | | | | | |
| ❑ Other (specify)\_\_\_\_\_\_\_ | | | | | | | | | | | | | |
| **CM 01.10** | Selected data has been internally verified | | | | | | | | | | | | | |
| **Who has conducted the verification** | | | | **What data has been verified** | | | **Corresponding Indicator number** | | | | | | |
| ❑CEO or other Chief-Level staff | | | |  | | |  | | | | | | |
| ❑ The Board | | | |  | | |  | | | | | | |
| ❑ Investment Committee | | | |  | | |  | | | | | | |
| ❑ Compliance Function | | | |  | | |  | | | | | | |
| ❑ RI/ESG Team | | | |  | | |  | | | | | | |
| ❑ Investment Teams | | | |  | | |  | | | | | | |
| ❑ Legal Department | | | |  | | |  | | | | | | |
| ❑ Other (specify)\_\_\_\_\_\_\_ | | | |  | | |  | | | | | | |
| **CM 01.11** | Whole PRI Transparency Report will be assured | | | | | | | | | | | | | |
| **Expected date the assurance will be complete** | | | **Who will conduct the assurance** | | | **Assurance standard to be used** | | | | **Level of assurance sought** | | | |
|  | | |  | | |  | | | |  | | | |
| **CM 01.12** | Selected data will be assured | | | | | | | | | | | | | |
| **Expected date the assurance will be complete** | **What data will be assured** | | | **Corresponding Indicator number** | | **Who will conduct the assurance** | | **Assurance standard to be used** | | | **Level of assurance sought** | | |
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| **CM 01.13** | Whole PRI Transparency Report was assured last year | | | | | | | | | | | | | |
| **Who has conducted the assurance** | | **Assurance standard used** | | | | **Level of assurance sought** | | | | **Link to auditor’s report** | | | |
|  | |  | | | |  | | | |  | | | |
| **CM 01.14** | Selected data was assured in last year’s PRI Transparency Report | | | | | | | | | | | | | |
| **What data has been assured** | **Corresponding Indicator number** | | | **Who has conducted the assurance** | | **Assurance standard used** | | **Level of assurance sought** | | | **Link to auditor’s report** | | |
|  |  | | |  | |  | |  | | |  | | |
| **CM 01.15** | We adhere to an RI certification or labelling scheme | | | | | | | | | | | | | |
| **Which scheme?** | | | | | | **% of total AUM the scheme applies** | | | | | | | |
|  | | | | | |  | | | | | | | |
| **CM 01.16** | We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year’s PRI Transparency Report | | | | | | | | | | | | | |
| **Link to sustainability/RI/integrated report** | | | | **Link to auditor’s report** | | | | | | | | | |
|  | | | |  | | | | | | | | | |
| **CM 01.17** | External/third party ESG audit of holdings | | | | | | | | | | | | | |
| **Description of process (including what data has been assured)** | | | | | | | | | | | | | |
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| **CM 01.18** | Additional Information  [OPTIONAL] | | | | | | | | | | | | | |
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| **CM 01** | **EXPLANATORY NOTES** |
| **CM 01.1** | Please select respective answer option if respective party reviewed, validated and/or assured your reported information. This is specific to information reported to the PRI and therefore used in PRI Transparency Reports for **this reporting year**.  Please select ‘Independent assurance by a third party over data points from other sources that have subsequently been used in your PRI responses this year.’ if you have taken assured data from other sources (for example a CSR report or Integrated Report) and included these data points in your PRI response this year.  For more information on the types of assurance options reported by PRI signatories and how these options relate to reported data within PRI Transparency Reports, please see PRIs position paper on [PRI signatories and assurance](https://www.unpri.org/download_report/20527) |
| **CM 01.2** | Please select respective answer option if you plan to undertake independent assurance by a third party which is specific to this year’s PRI Transparency Report. |
| **CM 01.3** | Please select respective answer option if you undertook independent assurance by a third party which was specific to last year’s PRI Transparency Report. |
| **CM 01.4** | Please select respective answer option if you undertake confidence building measures that are unspecific to the data reported to the PRI this year but are nonetheless useful for building stakeholder confidence in your RI activities.  For example, if your organisation adheres to a fund certification or labelling scheme, this would have no relevance to assurance and verification of the responses you have provided to the PRI (unless this has been reported to the PRI). However, it does build stakeholder confidence in your RI activities more generally.  Similarly, if your organisation has had a **whole public report** assured such as a CSR or Integrated Report and you have included extracts of this report in your PRI Transparency Report - this would seek to build confidence in your RI activities but would not specifically relate to the data within the PRI Transparency Report as it would be unclear which aspects of the public report have been assured. |
| **CM 01.18** | This could include a discussion of the scope; your reasons for choosing the particular assurance/verification measure; feedback you have had from stakeholders on your assurance/verification activities; the benefits of undertaking these activities to your organisation; key findings and recommendations following the assurance/verification activity and how your organisation has implemented or plan to implement these recommendations. |
| **LOGIC** | |
| **CM 01** | [01.5] will be applicable if ‘Independent assurance by a third party over selected responses from this year’s PRI Transparency Report’ is reported in [01.1]  [01.6] will be applicable if ‘Independent assurance by a third party over data points from other sources that have subsequently been used in your PRI responses this year.’ is reported in [01.1]  [01.7] will be applicable if ‘Independent process assurance by a third party (specific to assurance of RI processes that have been reported to the PRI this year)’ is reported in [01.1]  [01.8] will be applicable if ‘Internal process assurance conducted by internal auditors (specific to assurance of RI processes that have been reported to the PRI this year)’ is reported in [01.1]  [01.9] will be applicable if ‘Whole PRI Transparency Report has been internally verified’ is reported in [01.1]  [01.10] will be applicable if ‘Selected data has been internally verified’ is reported in [01.1]  [01.11] will be applicable if ‘Whole PRI Transparency Report will be assured’ is reported in [01.2]  [01.12] will be applicable if ‘Selected data will be assured’ is reported in [01.2]  [01.13] will be applicable if ‘Whole PRI Transparency Report was assured last year’ is reported in [01.3]  [01.14] will be applicable if ‘Selected data was assured in last year’s PRI Transparency Report’ is reported in [01.3]  [01.15] will be applicable if ‘We adhere to an RI certification or labelling scheme’ is reported in [01.4]  [01.16] will be applicable if ‘We carry out independent/third party assurance over a whole public report (such as a sustainability report) e01tracts of which are included in this year’s PRI Transparency Report’ is reported in [01.4]  [01.17] will be applicable if ‘E01ternal/third party ESG audit of holdings’ is reported in [01.4] |
| **EXAMPLE** | |
| Selected data on staff training was assured as part of a CSR report. This data point from the CSR report has been included in the response to the PRI Reporting Framework.  Internal process assurance was undertaken in January 2016 on the processes in place for identifying and prioritising engagement activities.  **Selections in CM 01.1**  ❑ Independent assurance by a third party over data points from other sources that have subsequently been used in your PRI responses this year  ❑ Internal process assurance conducted by internal auditors (specific to assurance of RI processes that have been reported to the PRI this year)  **Relevant sub-indicator CM 01.6:**   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **What data has been assured** | **Corresponding Indicator number** | **Who has conducted the assurance** | **Assurance standard used** | **Level of assurance sought** | **Link to original data source** | **Link to auditor’s report** | | Staff training on RI | SG 07 | KMPG | AA1000 | Limited | www.x.com | www.y.com |   **Relevant sub-indicator CM 01.8:**   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **What RI processes have been assured** | **Corresponding Indicator number** | **When was the process assurance undertaken (year/month)** | **Assurance standard used** | **Describe the outcomes of this process** | | Process for identifying and prioritising engagements | LEA 03 | January 2016 | The IIA's International Standards for the Professional Practice of Internal Auditing (Standards) | It was identified that we could have stronger processes in place for monitoring the outcomes of the engagements. In 2016 we will be implementing a new process to capture this information | | |

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| CM 01 | **ASSESSMENT** | | |
| **CM 01** | The response to indicator CM 01 is assessed as part of your score for the Strategy and Governance module.  There is no module score for the Closing Module. | | |
|  | **Indicator scoring methodology** | | |
|  | **Selected response** | **Level score** | **Further Details** |
|  | **“**None of the above” or “Other” selected in CM 01.1 | 🞈 |  |
|  | One option selected from CM 01.1 | ★★ |  |
|  | Two options selected from CM 01.1 | ★★★ |  |

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| **CM 01** | **DEFINITIONS** |
| **Independent assurance by a third party** | Assurance engagements conducted by independent third parties, following an assurance standard and resulting in a public conclusion over the reliability of the data reported. |
| **Internal verification/review** | Senior staff, the board, a particular department within the organisation or a working group have reviewed certain/all PRI responses before they are submitted. |
| **Independent process assurance by a third party** | Typically takes two forms:   * Audits conducted by independent third parties, following an assurance standard which are designed to give management confidence that sufficient controls are in place to ensure responsible investment policies are followed (no statement is made over data quality, and usually no public statement is made). * Audits conducted by independent third parties which are designed to give confidence to clients in outsourced services, such as investment management (no statement is made over data quality, and usually no public statement is made). |
| **Internal process assurance** | Assurance conducted by an internal auditor to an appropriate assurance standard (e.g. The International Standards for the internal audit profession from the Global Institute of Internal Auditors).  Designed to give independent (in that the auditor is removed from the process) assurance that an organisation's risk management, governance and internal control processes are operating effectively. It is fundamentally concerned with evaluating an organisation’s management of risk. For example, an internal auditor will assess the quality of risk management processes, systems of internal control and corporate governance processes and report to the management/the board. For more information, see [www.iia.org.uk](http://www.iia.org.uk). |
| **RI Certification or labelling scheme** | Organisation or fund level labels or certifications, such as the Luxembourg Fund Labelling Agency (LuxFLAG), or those provided by sustainability initiatives. |
| **Independent/third party assurance over a public report** | Evidence of a third party assurance engagement, where a public conclusion was made over the reliability of another form of RI reporting (excluding PRI Transparency Reports), typically a CSR, RI, Sustainability or Integrated Report. |
| **External/third party ESG audit of holdings** | Investors that seek to understand the ESG characteristics of the companies they are holding and undertake assurance. Typically, the assurance is over the investors own processes for collecting, calculating and/or presenting data. |
| **Level of Assurance Sought** | There are often two different types of assurance engagement. For example, ISAE3000 uses ‘limited assurance’ and ‘reasonable assurance’ and AA1000 uses ‘high’ and ‘moderate’ levels of assurance. |
| **What PRI does NOT consider relevant** | |
| **Third party assistance in the preparation of data** | A consultant helped to compile the reporting (audit standards typically preclude the preparer of any report from auditing it, as they are no longer independent). |
| **Receipt of data from a third party** | Some or all of the data had been received from a third party (e.g. a voting provider). |

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| SECTION |
| Feedback |

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|  | Indicator status | Purpose | Principle |
| CM 02 | VOLUNTARY TO REPORT  NOT DISCLOSED | DESCRIPTIVE | GENERAL |

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| CM 02 | INDICATOR | | | | |
| **CM 02.1** | Indicate to what extent the PRI reporting framework captures your implementation of the Principles. | | | | |
|  |  | **To a large extent** | **To a moderate extent** | **To a small extent** | **Not at all** |
| Select the most appropriate | 🔾 | 🔾 | 🔾 | 🔾 |
| **CM 02.2** | Additional information.  [Optional] | | | | |
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|  | Indicator status | Purpose | Principle |
| CM 03 | VOLUNTARY TO REPORT  NOT DISCLOSED | DESCRIPTIVE | GENERAL |

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| CM 03 | INDICATOR |
| **CM 03.1** | If you have any additional suggestions or comments on the Reporting and Assessment process, share them here.  [Optional] |
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| CM 03 | **EXPLANATORY NOTES** |
| **CM 03** | Your response will support efforts to improve the PRI reporting and assessment process. |

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| SECTION |
| Contact details |

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|  | Indicator status | Purpose | Principle |
| CM 04 | MANDATORY TO REPORT  NOT DISCLOSED | DESCRIPTIVE | GENERAL |

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| CM 04 | INDICATOR | | | |
| **CM 04.1** | Provide a primary and secondary contact person. | | | |
|  |  | **First name** | **Surname** | **Email address** |
| Primary contact |  |  |  |
| Secondary contact  [Optional] |  |  |  |
| Contact for Data Portal |  |  |  |

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| CM 04 | **EXPLANATORY NOTES** |
| **CM 04** | These people will be contacted in case of any queries around the reported information and will receive all follow up information about the Reporting and Assessment process. |

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| **CM 04** | **DEFINITIONS** |
| **Data Portal** | The Data Portal is a centralised web-based platform that will allow signatories to view their own reports, request access to view other signatories' private transparency and assessment reports and vice-versa give access. It will also allow users to export public responses and create lists to easily retrieve reports matching their filters. When the Data Portal goes live in Q1 of 2017, the primary contact will have overarching responsibility of the granting process among users of his/her organisation. |

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| SECTION |
| Final review and submission |

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|  | Indicator status | Purpose | Principle |
| CM 05 | MANDATORY TO REPORT  NOT DISCLOSED | DESCRIPTIVE | GENERAL |

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| CM 05 | **INDICATOR** | |
| **CM 05.1** | Thank you for completing the PRI reporting framework.  Click the link below to review how your reported information will be presented in your RI Transparency Report. The RI Transparency Report will be publicly disclosed.  If you have responded incorrectly to any indicators, please return to these indicators in the Online Reporting Tool and adjust accordingly.  **[REVIEW YOUR RI TRANSPARENCY REPORT]** | |
| **CM 05.2** | Indicate whether you give PRI permission to publish any information you have marked as public, as well as the mandatory to disclose indicators.  Once your report is submitted, you will not be able to modify your responses and information you have marked as public will automatically be published on the PRI website. | |
| ❑ I give the PRI permission to publish any information I have marked as public (June 2017). |  |
| ❑ I do not give the PRI permissions to publish it (only applicable if you are in your preparation year). | |

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| CM 05 | **EXPLANATORY NOTES** |
| **LOGIC** | |
| **CM 05.2** | You will see the option not to publish your responses if you are completing the reporting as part of your preparation year (i.e. your first year as PRI signatory). |
| **ASSESSMENT** | |
| **CM 05** | Signatories will be able to opt-out of receiving their assessment report. Even when you opt-out of receiving your report, the responses will still be assessed and these scores will still be used in an aggregated, confidential form to enable peer comparison for other signatories who have requested an assessment report. |