REQUEST FOR PROPOSAL – RESPONSIBLE POLITICAL ENGAGEMENT

ABOUT PRI

The Principles for Responsible Investment (PRI) is a membership-based organisation that works with our international network of institutional investor signatories to put the six Principles for Responsible Investment into practice. The PRI works to understand the investment implications of environmental, social and governance (ESG) factors and to support our signatories in incorporating these factors in their investment and ownership decisions. The six Principles were developed by investors and supported by the UN, and now have more than 4000 signatories from over 60 countries.

OVERVIEW

The PRI is commissioning research to investigate investors’ approach to their investee companies’ political engagement practices. The research will examine how investees’ political engagement (PE) is being included in stewardship practices by investors – in terms of identification and assessment of current PE activities, specific expectations on PE, voting and shareholder resolutions on PE etc., and will support PRI’s work in developing guidance for investors.

BACKGROUND

Political engagement refers to the direct or indirect contribution and participation of stakeholders in the political process to shape laws, regulations, and policies that affect their business objectives, broader operating environment, or societal goals. Companies, like other political actors, have a legitimate business interest in shaping laws and policies that affect them. However, the outsized economic and political power of large companies has raised concerns that other voices in society may be under-represented in public policy debates.

Several organisations have undertaken research, developed principles on responsible political engagement and provided guidance for companies, investors, and governments. The PRI has also been working with investors on corporate climate lobbying for several years. We coordinated a collaborative engagement and published a public statement of investor expectations. More

1 It is worth noting here that political engagement is sometimes used interchangeably with the terms lobbying or political spending in academic and practitioner literature. We define political engagement as an umbrella term that encompasses various channels of influence – including but not limited to direct and third-party lobbying, social media influence, direct and indirect political contributions, revolving doors etc.

2 For e.g. see https://d306pr3pise04h.cloudfront.net/docs/news_events%2F8.1%2Fpri_final.pdf and https://www.icgn.org/sites/default/files/ICGN%20Political%20Lobbying%20%26%20Donations%202017.pdf

3 See here for further details and results of the engagement: https://www.unpri.org/climate-change/the-pri-coordinated-collaborative-engagement-on-climate-lobbying/-/3180.article
recently, along with partner organisations, we have been supporting investor members of CA100+ to engage companies on the issue including through provision of research via partnerships with InfluenceMap and the Transition Pathway Initiative.

The PRI will also soon publish a paper on the investor case for responsible political engagement, setting out PRI’s views on what entails responsible corporate political engagement. The paper will present a case for why investors should exercise strong oversight of companies’ political engagement to ensure it remains aligned with their long-term interests, as well as contributing to informed public policymaking for a sustainable economy and society.

In continuing this work, the PRI will develop further stewardship guidance for investors on the topic. The objective of the present project is to inform PRI’s work on the development of this guidance.

PROJECT OBJECTIVES

Based on research and interviews, contribute to a stewardship framework for investors on corporate political engagement.

PROJECT SCOPE

The consultant is expected to undertake the following activities:

1. Interviews

   ■ Work with the PRI to finalise the list of interviewees (asset owners, asset managers and other relevant organisations such as civil society, industry associations, lobbyists, and other experts) for this project.

   ■ Conduct interviews with selected stakeholders to explore how investors are considering political engagement activities in their stewardship activities. The interviews will explore the following aspects:

      a. How do investors approach political engagement activities of investee companies?
      b. What are the key barriers/challenges for investors in addressing corporate political engagement activities of companies?
      c. What types of data points/frameworks are being used by investors to assess corporate political engagement activities?
      d. What does a robust stewardship approach to corporate political engagement look like?
      e. What questions should be raised with companies in an engagement dialogue?
      f. How do investors vote on corporate political engagement matters?
      g. Have investors engaged with policymakers or regulators on lobbying rules or other regulations on political engagement?
      h. Have investors filed shareholder resolutions on political engagement matters or voted in supported of it, and what were the results?
2. **Summary report**
   - The consultant will provide a summary report with recommendations to the PRI. The report will include:
     a. The state of play of investors’ approach to their investee companies’ political engagement practices.
     b. Examples of tools and resources that investors have been using to assess political engagement practices.
     c. Questions that investors have been raising in investor-company dialogues and dialogues with policy makers, issues that they have voted on, in relation to political engagement.
     d. Examples of good practice/case studies.
     e. Recommendations for investors.

**DELIVERABLES**

Research report for internal use containing findings and recommendations covering the questions outlined above and any other relevant findings. A short article co-authored with the PRI to be published on PRI’s website.

**WHO SHOULD APPLY?**

The PRI is inviting proposals from consultants, lawyers and academics or consortiums that can demonstrate experience in research and analysis on lobbying, political contributions, and other forms of political engagement activities.

**BUDGET AND TIMELINES**

A budget of a maximum of GBP 24,000.00 will be allocated to this project.

- We will aim to select the candidate/organisation by 18 December 2021.
- Deliverables to be provided to the PRI by 31 March 2022.

**HOW TO SUBMIT A PROPOSAL?**

Please send your proposal to corporate.governance@unpri.org by **Close of Business GMT on 13 December 2021.**

The proposal should include:

- Availability for the requested period / ability to achieve deadlines.
- A summary of relevant competencies, professional or academic background.
- Reference to track record of key academic work, studies or other projects that may be relevant to this project as well as the data sources you would propose to use.
- Knowledge of and experience in working with institutional investors on stewardship.
A summary of the approach that the researcher will take in developing a methodology and any suggestions for deviations from the scope outlined in the RfP.

QUERIES
If you have any queries on the requests outlined above, please contact Betina Vaz Boni or Vaishnavi Ravishankar.