REQUEST FOR PROPOSALS

NET ZERO MULTI ASSET PORTFOLIOS – MAPPING EXERCISE

BACKGROUND

The PRI is the world’s leading proponent of responsible investment. It works:

- to understand the investment implications of environmental, social and governance (ESG) factors;
- to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

The PRI is truly independent. It encourages investors to use responsible investment to enhance returns and better manage risks but does not operate for its own profit; it engages with global policy makers but is not associated with any government; it is supported by, but not part of, the United Nations. It manages a unique annual signatory reporting cycle which provides a wealth of data on RI policy and practices at our global signatory base.

2021 saw climate action and commitments among asset owners and asset managers step up several gears – driven by COP 26, a change in US Government, an acceleration in ESG fund growth and rapid growth in industry collaborations such as the Net Zero Asset Owners Alliance. 2021 was a year when commitments by the asset management industry and asset owner community extended from a small minority.
Much work has been undertaken or developed by organisations such as IIGCC, UNEP FI and other industry and NGO collaborations. The service and data industry is also actively stepping up efforts to help asset managers and asset owners to develop mechanisms to meet climate commitments.

However, implementing a climate commitment such as Net Zero or Paris Alignment across a portfolio or an organisation is not straightforward with multiple issues and challenges. Through this piece of work PRI is not attempting to replicate existing programmes or initiatives but focus on 1 specific aspect of this challenge by identifying and mapping some of the key issues and questions relating to how asset owners or asset managers might approach climate commitments within multi asset portfolios.

PROJECT AIMS

To this end, we are intending to appoint a consultant to work with PRI to undertake three separate but connected exercises:

- Map current practice on developing a process on implementing net zero in multi asset portfolios and highlight differences between strategies / data / solutions between asset classes and providing straightforward overview of approaches which is comprehensible to PRI’s broad signatory base;

- Identify key issues or challenges relating to implementing net zero commitments in a multi asset strategies or portfolio;

- List and outline key questions which asset managers need to consider or asset owners need to ‘ask’ when considering implementing strategies to meet net zero commitments in multi asset portfolios.

ACTIVITIES AND EXPECTATIONS

We would expect this process would involve (minimum 20) interviews with signatories, service providers, PRI experts and other experts such as academics. We have a number of these contacts already but the consultant would also be expected to draw from their own network of individuals and organisations. We would also expect this might involve a review of current practice from the public arena / information.

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1 For examples the Asset Owner Alliance, Net Zero Asset Manager Alliance and the Investor Agenda process eg. AOA Target Setting Protocol v2
2 This might include some practical examples / case studies of asset managers / asset owners approaches.
The successful consultant would work closely with internal individuals on the Investment Practices, Signatory Relations and climate teams to deliver this project but report directly to the Director of Investment Practices.

It would be anticipated a final report would extend to approximately 20 - 25 pages. The structure of the summary report and final materials will be provided by PRI. The final report will be edited by PRI’s internal editing and Comms team. The report structure might cover the three topics outlined above. The final approval of the document / report will be with PRI.

The report would be publicised among our signatory base in Summer 2022. It may also be used as the basis for a podcast with the consultant or / and a webinar event. We would expect it, or a shortened version to be a public document or report.

We have estimated the three elements of the project will each take approximately 24-30 days in total. This can be discussed with the shortlisted consultant. We would also be open to discussing co-branding the report in some way.

**Requirements and Timings**

The key skills required will include:

- Background knowledge to the key global commitments around net zero made by asset managers and experience / knowledge of implementing climate commitments,
- A record in delivering concise written work:
- An ability to filter and analyse large amounts of both qualitative data
- Be able to provide a competed final report draft by early summer 2022

The project will run from February 2022 until June 2022. Below are proposed timings for the project (dates tbc), to be agreed with the selected consultant:

<table>
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<tr>
<th>Activity</th>
<th>Timing</th>
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<tr>
<td>Deadline for RFP responses</td>
<td>8th February</td>
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<tr>
<td>Consultant interviews</td>
<td>8-11th February</td>
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<td>Project start date</td>
<td>Mid-February. Kick off meeting 21st – 23rd Feb</td>
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<tr>
<td>Weekly call with Data and Investment practices team (*to confirmed)</td>
<td>March 2022 – till project completion</td>
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<td>Delivery report draft for internal editing</td>
<td>27th May 2022</td>
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HOW TO SUBMIT A PROPOSAL

Please send your proposal via email to toby.belsom@unpri.org & by 8th February 2021. Feel free to contact us for any questions regarding the project or the requests outlined in this document.

Proposals must include:

I. Details should be provided of evidence to fulfil the key skills outlined in this RFP;
II. Knowledge of and experience in working with institutional investors.
III. A brief biography of individuals
IV. Proposals should not extend over 5 pages

OTHER INFORMATION - CURRENT PRI CASE STUDIES ON PARIS ALIGNED PORTFOLIOS

- AXA – SAA case study
- Tabula – ESG integration case study: Paris aligned bond ETF
- Robecco – ESG integration case study: Paris aligned fixed income strategy
- Neuberger Berman – ESG integration case study: multi asset
- Cushon – ESG integration case study: engaging savers on net zero
- AP2 – ESG integration case study: Paris aligned benchmarks
- AOA and NZAM progress reports