REQUEST FOR PROPOSALS: PRI BOARD EXTERNAL ASSESSMENT

The PRI Association is inviting Requests for Proposals from individuals or organisations qualified and interested in conducting an external review of the functioning of the PRI Association Board ('the Board').

AIM
The PRI Articles prescribe that the Board undertake annual reviews and periodic independent reviews of the Board:

Annual Board Reviews
16.1 The Directors must carry out their own annual review of the functioning of the Board. The Chair must report the results of such annual review to the next SGM following such review.

Periodic Independent Reviews of the Board
16.2 The Directors must also instruct an independent expert to conduct, and report in writing on, an independent review of the functioning of the Board:
16.2.1 no sooner than two (2) years nor more than four (4) years after the date of adoption of these Articles; and subsequently
16.2.2 no sooner than two (2) years nor more than four (4) years after the date of each independent expert’s written report of a review conducted in accordance with this Article, and the Chair must report the results of such independent expert’s review to the next SGM following such review.

The aim is to undertake an appropriate assessment of the Board’s effectiveness, to facilitate reflection on current performance, to improve performance, and to contribute to a board discussion on the profile of the next Chair of the Board.

The assessment will be conducted via an online survey and 1-1 conversations. The key output will be a report to the PRI Board for the planned June/July 2022 meeting. A summary of the review will be reported to PRI signatories as part of the 2022 Signatory General Meeting papers, within the PRI Annual Report.
BACKGROUND
The PRI Association is governed by the PRI Association Board (the Board) as set out in the Articles of Association of PRI Association. 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.

The Board is composed of:

■ one independent Chair (confirmed by a signatory vote);
■ ten Directors:
  ■ seven elected by asset owner signatories;
  ■ two elected by investment manager signatories;
  ■ one elected by service provider signatories; and
■ two permanent UN advisors who are representatives from the PRI’s founding UN partners: UN Global Compact and UNEP Finance Initiative.

In 2021 the board met eleven times virtually. Board members are not remunerated for their role on the Board, with the exception of the Chair. Six Board sub-committees support the work of the Board.

The current PRI governance structure was established on 1 April 2015, following a comprehensive, independent 18-month governance review that included extensive signatory consultation, paving the way for a simpler, more transparent and accountable governance structure.

DEADLINE FOR SUBMISSION
The deadline for submissions is 17:00 GMT, 11 March 2022.

It is envisaged that the independent individual or organisation will be appointed in late March, after a selection of interviews with the PRI Executive during the week of 21 – 25 March.

TIMELINE AND DELIVERABLES
4 – 15 April Online survey, facilitated by the PRI Executive. (See Appendix 1 for context)

Mid-April – mid-May Analysis of the online survey results to inform subjects to explore in the one-to-one interviews.

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1 Articles of Association of PRI Association
2 For more information on the PRI’s governance and the role of the Board see https://www.unpri.org/about-us/governance
One-to-one interviews with the Chair, elected directors, permanent UN advisors and the Executive. This will entail fifteen 60-minute conversations either in person or via video conference.

Late May

Presentation of a draft report to the Governance committee. The report is to include an assessment of the functioning of the Board and recommendations for future improvement.

June / July 2022

Final report to the Board. The report will inform the Board discussion to be facilitated by the Governance committee chair. (The independent individual or organisation will not be required to present the final report.)

KEY QUESTIONS

Please provide answers to the following questions, limiting your response to each question to 500 words. You may provide supporting documents in an Appendix.

1. What expertise does your organisation have in conducting external Board reviews, especially for not-for-profit Boards?
2. What knowledge and expertise does your organisation have on (not-for-profit) governance models?
3. Please give examples of your organisation’s report writing skills.
4. What is the total fee that your organisation proposes for the external Board review? In addition, please provide a breakdown of fee per phase of the project (survey analysis and interviews; draft report to the committee; final report).
5. Please indicate the experience and expertise of the individual(s) that will conduct the external Board review.

SELECTION CRITERIA

The applicants will be judged on expertise, writing skills and value for money.

CONTACT

For any further clarifications and to submit proposals, please email Christopher.sperling@unpri.org.
APPENDIX 1

The proposed online survey is based on the 2020 Board self-assessment. The continuity will aid year on year comparability. There will be an opportunity for the external consultant to comment and possibly add further questions to the survey.

1. EFFECTIVENESS OF THE BOARD AGAINST BOARD GOALS AND ROLE
   (Multiple choice)³

   Role of the board and directors
   1.1 Strategic leadership to the Executive on emerging issues around implementation of the Principles and responsible investment.
   1.2 Strategic direction to the Executive on the implementation of the work programme.
   1.3 Use of mission / strategic objectives in strategic decision-making.
   1.4 Oversight of the implementation of strategic priorities.
   1.5 Monitoring of the Executive’s performance against the strategy, including the organisational metrics.
   1.6 Ensuring that there are the appropriate people and resources in place to implement the strategy.
   1.7 Appropriate involvement / oversight of financial planning and budget reviews.
   1.8 Oversight of effective procedures for monitoring and control of operations including internal procedures for audit, risk and regulatory compliance.
   1.9 Oversight of the constructive relationship between the Executive and Signatories.
   1.10 Direction and oversight of strategic collaborations with partner organisations.
   1.11 Oversight of the PRI’s governance, including upholding signatories’ rights detailed in the PRI’s Articles, Rules and Policies.
   1.12 Board member understanding of how their role (value-adding and oversight) differs from the role of the Executive.
   1.13 Other comments on role of Board and Directors.

   Board (external relationships)
   1.14 Constructive board relationship with UN partners.
   1.15 Board guidance and assistance with asset owner recruitment.
   1.16 Ambassadors for the Principles and the PRI Initiative to current and potential signatories.
   1.17 Ambassadors for the Principles and the PRI Initiative to wider stakeholders.
   1.18 Effective communication with signatories and stakeholders on the work undertaken by the organisation and the Board.
   1.19 Other comments on Board (external) relationships.

   Board composition and skills
   1.20 Board members bring valuable skills and experience to the PRI.
   1.21 Geographic diversity of Board membership.
   1.22 Board members bring regional knowledge and perspectives to Board discussions.
   1.23 The Board effectively harnesses the skills, qualities and resources of its members.
   1.24 Other comments on Board composition and skills.

³ Scale: 1=non-existent; 2=poor; 3=ok; 4=average; 5=good; 6=distinctive
Board functioning and dynamics
1.25 Positive relationship between the Board and CEO / key staff.
1.26 Constructive challenge of the Executive by the Board when appropriate.
1.27 Board members work well together (including being constructive, using good communication, listening, acknowledging, debating and decision-making practices).
1.28 Engaged and committed Board members.
1.29 The length of board meetings is adequate.
1.30 The Board meets an adequate number of times.
1.31 The Board dedicates the right level of importance and time on the different agenda items.
1.32 Relationships between Board members are good, the Board functions in a collegial way.
1.33 Board discussions are open and allow the expression of contrary opinions.
1.34 Other comments on Board functioning and dynamics.

Board processes and support
1.35 Board papers are on time, clear and have a sufficient level of information for Board discussion and effective decision-making.
1.36 The Board follows effectively the implementation of its decisions.
1.37 New Board members receive an adequate induction to PRI.
1.38 PRI offers appropriate continuous education and further skills development to Board members.
1.39 Overall, the administrative/secretariat support that the Board receives is adequate.
1.40 Other comments Board processes and support.

Board committees
1.41 Board committees facilitate Board discussion and effective decision-making.
1.42 Overall, the Finance, Audit and Risk Committee is effective in
1.43 supporting the Board and informing it of its work.
1.44 Overall, the Human Resources and Remuneration Committee is effective in supporting the Board and informing it of its work.
1.45 Overall, the Policy Committee is effective in supporting the Board and informing it of its work.
1.46 Overall, the Signatory Status Committee is effective in supporting the Board and informing it of its work.
1.47 Overall, the Governance Committee is effective in supporting the Board and informing it of its work.
1.48 The work of the board committees is well co-ordinated and in relation with the board annual agenda.
1.49 There is an appropriate balance of discussion and decision-making at and between the committee and board levels.
1.50 Other comments on Board committees.

2. OPEN QUESTIONS
   (Narrative)
2.1 What are the three major strengths of the PRI Board?
2.2 What are three suggestions to increase the effectiveness of the PRI Board?
2.3 What matters should the PRI Board devote more attention to in 2020?
2.4 Suggestions for Board specific training?
2.5 General comments.

3. SELF-REFLECTION ON PERFORMANCE
   (Narrative and multiple choice)
3.1 How effective was my contribution to the PRI Board over the past year? (scale 1-6)
3.2 Why? (narrative)
3.3 How could I improve my contribution to the PRI Board? (narrative)