

PRI Reporting Framework: FAQ

On this document you will find answers to common questions signatories have about the new PRI Reporting Framework.

Please direct any additional questions to reporting@unpri.org.

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Reporting

Reporting basics

Q: Do I have to report?

Completing the Reporting Framework is one of the mandatory requirements for all asset owner and investment manager signatories (following a one-year [grace period](#) for new signatories). Reporting falls under [Principle 6](#) and is one of the commitments signatories agree to when signing:

Principle 6: We will each report on our activities and progress towards implementing the Principles.

For more information read the [Signatories Process, Requirements and Outputs document](#)

Q: Will everything I report be made public?

No. The framework is made up of both mandatory and voluntary indicators, and the status and purpose of each indicator is clearly marked within each module. Signatories only have to complete the modules and indicators that are relevant to their organisation and asset allocation mix, and they only have to complete indicators that are 'mandatory' within each module. Not all indicators that are 'mandatory' are 'mandatory to disclose'. Therefore, only a subset of responses will be published in the individual RI Transparency Report for each signatory on the PRI website.

Indicators that are 'mandatory to disclose' represent a baseline of disclosure required from signatories about their responsible investment activities. The information collected in these indicators has been judged to be not commercially sensitive nor to require excessive effort to collect.

Signatories may also choose to include their responses to voluntary indicators in their RI Transparency Report if they wish. Indicators that are voluntary are included in the framework for different reasons: they can be alternative or advanced practices that signatories would like to report; they may be included for assessment or 'peering' purposes, but considered sensitive to disclose; or they may be used to determine the appropriate indicators for each signatory. Every indicator's purpose, key definitions and explanatory notes to help signatories complete them can be found within the framework and Online Reporting Tool. For more information, please see the [Signatories Process, Requirements and Output document](#)

Q: When can I report and which period should I report on?

The [full framework](#), including all of the indicators, was released in October 2013. The reporting period is open for six months, meaning the first reporting cycle of the new Reporting Framework will last from October 2013 to March 2014. Signatories can report at any time during this period and choose which 12-month period they would like to report on. Details of timing and examples

can be found on the [reporting process page](#). For more information read the document [Signatories process, requirements and outputs](#).

Q: How do I report?

The Reporting Framework can only be completed and submitted through the Online Reporting Tool. This tool was specifically designed to guide signatories through the PRI reporting framework and tailor it for each organisation based on information completed in specific 'gateway' indicators.

All investment manager and asset owner signatories were sent an email including a company code and registration link in order to access the Online Reporting Tool. If you have not received this email, please contact reporting@unpri.org immediately. More information on the Online Reporting Tool can be found within the tool itself in the [FAQs section](#).

Q: Where can I find the revised Reporting Framework modules?

The [full PRI Reporting Framework](#) was released in October 2013. A snapshot summary of the reporting framework is available here.

In October 2013, signatories received an individual login code for the Online Reporting Tool. After completing the first module, Organisational Overview, you can see which other modules you will be required to complete.

Q: Do I need to report for all assets under management?

Your responses should include all your assets under management (AUM). This includes the AUM of all your asset management subsidiaries if you own more than 50% of them, except if your subsidiaries already report to the PRI separately and your organisation prefers not to consolidate these responses.

In general, you will only be required to complete a specific asset class module if your assets in that specific class account for 10% or more of your total AUM. Signatories may voluntarily report on asset classes that account for less than 10% of their total AUM. If you choose to do so, you will have to complete all of the indicators labelled 'mandatory' and your RI Transparency Report will include your responses to those indicators labelled 'mandatory to disclose' as well as those that are 'voluntary to disclose' that you agree to publish.

Q: How long does it take to complete the framework?

This depends on a number of factors, including your business structure and size, asset mix and the number of voluntary indicators you wish to complete. You are required to complete all indicators that are 'mandatory', which account for approximately half of the framework, though you may report on a range of voluntary indicators to make your reporting more comprehensive. The Online Reporting Tool will allow you to select whether you would like to be presented with only mandatory indicators at the outset of the reporting process.

The diversity of your asset mix will determine the number of modules you will be required to complete. For asset classes where you hold more than 10% of your assets, you will be required to

complete an additional module tailored to that asset class. The majority of signatories will have to complete between one and three additional modules (asset class, indirect or inclusive finance) in addition to the three core modules (Organisational Overview, Overarching Approach and Closing), totalling between four and six modules. On average, small funds will complete less modules.

The information flow and data tracking systems you have in place will also influence the time it takes to report. If this is the first time you are collecting this data, the first reporting cycle will take more time. However, it is important to note that after you have completed the framework once, in future years completing it will be less time-consuming as information from one reporting cycle can be prefilled in the next.

Signatories that participated in the pilot indicated that it took one full-time member of staff in a large investment organisation (i.e. those with AUM of more than \$US 1 billion) approximately 5.5 days, on average, to collect, aggregate and submit information. Smaller organisations took approximately 2 days, on average, to complete it. (These figures have been adjusted to reflect the reduction in the total number of indicators since the pilot). However, in some instances large and complex investors did indicate that it took them up to a month to report.

Q: The Fixed Income and Infrastructure modules are being piloted this year. Do I need to complete them?

The Fixed Income and Infrastructure modules are voluntary for all signatories to complete during the 2013/14 reporting period. However, the PRI encourages all signatories that have significant holdings in either of these asset classes, or can demonstrate advanced responsible investment activities, to complete them as the information they report will contribute to the development of the final set of indicators in each module when they are finalised for the 2014/15 reporting period.

If you decide to complete these voluntary modules, you will have to complete all mandatory indicators and the responses to indicators marked 'mandatory to disclose' will be included in your [RI Transparency Report](#).

Q: Can I report for two years to cover the gap year between the pilot and the new reporting cycle?

We have been offering the option to report an extra time to cover the gap year between the pilot (which reported on 2012 calendar year) and the new reporting cycle (where many signatories will report on the 2014 calendar year). Very few signatories expressed interest in this option; therefore this will not be available at launch. Later this year the option to complete an extra report on your 2013 data may be made available. If you are interested in this possibility, please email reporting@unpri.org.

Q. How does the October 2013 launch impact the one-year grace period policy for reporting by new signatories?

The PRI offers new signatories a one-year grace period to allow them to familiarise themselves with the reporting and assessment process in their first year before having to submit their responses on a mandatory basis in subsequent years.

Signatories that signed the PRI after 24 May 2012 have the option to participate in the 2013/2014 reporting cycle on a voluntary basis, with reporting being mandatory during the 2014/2015 reporting period.

The PRI encourages new signatories to report in their first year and use this process as a learning experience. Many signatories find this provides a foundation for future activity to support their implementation of the Principles. If signatories complete the Framework during their grace year, they can decide whether to publish their RI Transparency Report on the PRI website.

Q: Is the information reported by signatories verified?

The information presented in the RI Transparency Report is reported directly by signatories. This information is not audited by the PRI Secretariat or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

The Online Reporting Tool will carry out cross-checks on reported information to ensure it is accurate. The PRI also encourages signatories to have their reports independently assured and will carry out further research on signatory assurance of the Reporting Framework in 2014.

Reporting Outputs

What are the key outputs of the new framework and how do they support the objectives?

The four outputs for signatories are aligned with these objectives and are designed to reinforce accountability and transparency and place meaningful information about responsible investment activities in the hands of clients, beneficiaries and other stakeholders that are increasingly requesting it.

They include the PRI's **Report on Progress**, individual signatory **RI Transparency Reports**, confidential signatory **Assessment Reports** and **Data Query and Analysis Tools** (to be developed in 2014). With new asset class modules and indicators for direct and indirect implementation, the framework has been explicitly structured to capture the progress of signatories on RI on a more granular and systematic basis than ever before. This will enhance the credibility of signatories' activities and the PRI as a whole. For more information see [the reporting outputs page](#).

Q: What will be included in the RI Transparency Report?

After you complete the reporting process, you will receive an RI Transparency Report that contains your responses to all indicators that are mandatory to disclose, plus your responses to any voluntary indicator that you have chosen to disclose. These reports will also be published on the PRI website within a month of submission.

For more information read the [Signatories Process, Requirements and Output document](#)

Q: How do the RI Transparency Reports differ from the RI Reports that were piloted in December 2012?

The PRI piloted RI Reports with signatories between December 2012 and January 2013 and consulted with signatories on their structure, design, content and usability. Signatories raised concerns that the redesign of their content resulted in some reported information being taken out of context. To address this, new RI Transparency Reports will present reported information as it has been inputted in the Online Reporting Tool, without paraphrasing or graphics, and responses to indicators will display all possible answer options.

For more information read the [Signatories Process, Requirements and Output document](#)

Q: Will I be able to make changes to my RI Transparency Report?

Before submitting your responses to the Reporting Framework, you will have an opportunity to download and review your RI Transparency Report, and distribute it to colleagues for any final checks or approvals. You can return to the tool and adjust your responses where necessary. Once your responses have been submitted as final, you are unable to make any further changes.

Q: What is the difference between the RI Transparency Report and the Assessment Report and when will each be made available?

The RI Transparency Report contains your reported information exactly as you entered it. This report only includes your responses to mandatory indicators and additional voluntary indicators that you have selected to disclose. It will be available for you to download before submitting your responses. Once your final responses to the Framework have been submitted, your RI Transparency Report will be published on the signatory page of the PRI website within a month. A sample RI Transparency report can be found [here](#).

The Assessment Report will remain confidential between the signatory and the PRI at all times, and will demonstrate how an organisation has progressed in its implementation of the Principles over time and relative to peer groups across asset classes. A signatory will only see the scores of their peer groups in aggregate and the PRI will take all reasonable steps to ensure the identity of individual signatories cannot be inferred. Analysis of assessment results will use a minimum sample size of 8 signatories. More information about the proposed assessment methodology can be found [here](#). A sample Assessment Report can also be found [here](#).

Signatories will receive their first Assessment Report in late 2014. The methodology and assessment approach is still being developed and will be piloted over the next two reporting cycles (2013/14 and 2014/15). For more information read the document [Signatories process, requirements and outputs](#).

Q: What are the Data Query and Analysis Tools?

In addition to the RI Transparency Reports, the PRI is exploring new ways to enable signatories and other stakeholders to access the public information reported by signatories in a more flexible way. It is also considering other ways for signatories to share additional information between themselves confidentially. New data query and analysis tools will be piloted during the next reporting cycle in 2014/15.

Q: How will the PRI use signatory data?

The PRI will use the dataset of signatory information to:

- Build standardised outputs for signatories
- Identify best practice by signatories to identify and – with signatory approval only – publish these as examples in the PRI Report on Progress and other PRI publications
- Create reports based on information provided by a subset of signatories (e.g. a report on RI activity within a specific country, asset class, or type of investor, etc.)
- Analyse the strengths and weaknesses of individual signatories to design future services for signatories.

The PRI will only disclose information that signatories have agreed to publish. Any analysis based on non-public information will be presented on an anonymised, aggregated basis. There is no restriction on who can access the information signatories agree to disclose.

Online Reporting Tool

Q: What is the Online Reporting Tool?

The Online Reporting Tool enables you to submit your responses to the mandatory and voluntary indicators and makes use of advanced logic and 'gateway' indicators to determine which modules, sections and indicators are relevant for your organisation to report. Gateway indicators are clearly labelled as such within the indicator.

Q: How do I sign in to the online reporting tool?

In October 2013 signatories received an email with a unique company code and a link to the Online Reporting Tool. If you have not received this email invitation, please contact us immediately at reporting@unpri.org.

When first accessing the Online Reporting Tool, signatories will be prompted to register as a new user and will be asked to provide personal details, create a password, and submit the provided company code.

After registration, a confirmation email containing an activation link will be sent to the email address provided. Once activated, it will be possible to sign in to the Online Reporting Tool using the email address and the password chosen at registration.

Q: Can several people in the organisation log in to the online reporting tool at the same time?

Yes, multiple people can log into the tool and work on different parts of the framework at the same time. However, it is important to know how the Online Reporting Tool works in order to understand any issues which arise from having multiple people accessing it at the same time.

We recommend that before multiple people log in to the system, you first complete the *Organisational Overview* module (which determines which subsequent modules are relevant for your organisation to complete) and complete all 'gateway' indicators in the subsequent modules (determining which indicators within each module are relevant for your organisation). This will ensure that the online tool presents all the indicators you need to complete.

Once the *Organisational Overview* module and all gateway indicators within each module have been completed, you can distribute the indicators to colleagues by giving them access to the online tool.

Q: Can I access the online reporting tool from every browser?

Most browsers are supported, including Firefox, Chrome, and Internet Explorer version 8-10. Full functionality for old versions (i.e. Internet Explorer 7 or lower) cannot be guaranteed.

Can reported information be saved within the Online Reporting Tool?

Yes. After completing each indicator, you will have the option to hit a 'save' button before proceeding to the next indicator, navigating to another module or logging off from the online tool.

The development of the new Reporting Framework

Q: How has the Reporting Framework been developed?

The PRI Advisory Council agreed in May 2011 to develop a new Reporting Framework for signatories. The PRI set up a process in 2011, led by the Reporting Technical Committee and with input from asset class and region-specific committees, to develop a new Reporting Framework. A consultation was held on the first draft of the new Reporting Framework in late 2012. Based on significant input (with over 260 signatories providing feedback), the Framework was adjusted and piloted in the summer of 2012 with over 360 signatories (around 40% of eligible signatories) participating.

The new framework was well received by most signatories, with 90% of respondents stating it captures their responsible investment practices to a large or moderate extent and 70% finding it to be an improvement from previous years. However there were also concerns. The summary of the feedback and suggested way forward was shared with signatories in October 2012 in: Feedback and Next Steps. In May 2013, additional information was released to outline changes made to the framework since October. A new document summarising Governance and development of the PRI reporting and assessment process was released October 2013.

A separate process has been underway to develop and refine the new assessment methodology to support the framework, led by the Assessment Technical Committee, which has also overseen the latest enhancements to the framework that were made as a result of the pilot.

The PRI Advisory Council and PRI Association Board have also been actively involved in overseeing its development and discussions on the new framework have taken place at every Board and Council meeting since May 2011.

Q. How have signatories been involved?

The redevelopment of the reporting and assessment process has seen the PRI undertake the most extensive consultation in its history and signatories have been actively involved from the outset in its design, in the governance bodies and committees that have overseen its development, and to road test it as part of the 2012 pilot. It was signatories that highlighted the need for a more robust and meaningful reporting framework in the first place.

More information can be found in the [Governance and development of the PRI reporting an assessment process](#) document.

Q: Can I still provide feedback on the framework?

The indicators that make up the framework have now been finalised and will largely remain stable for several years, to allow for year-on-year comparison and to minimise the reporting effort for signatories. The [assessment methodology](#) and reports are being piloted for the next two reporting cycles (2013/14 and 2014/15) and there will be multiple opportunities for signatories to provide feedback over this period.

Q. What are the main objectives of the new Reporting Framework and how have these been embedded in its design?

There are three key objectives which together seek to increase the **accountability of the PRI Initiative** as a whole, provide a **standardised transparency tool for signatories** to demonstrate their implementation of the Principles, and enable the assessment of their progress and capabilities, facilitating **learning and development**.



These have been embedded in the design of the new framework in several ways, including new mandatory public disclosure of signatory responses, the shift from self-assessment to self-reporting of those responses, and a combination of mandatory, voluntary, closed and open-ended indicators that allows signatories at different stages of implementation and utilising different approaches to evidence their progress.

For more information see the [Overview and Guidance to PRI Reporting Framework 2013-14](#).

Q. What was the response to the 2012 pilot and how has the PRI incorporated this feedback into the development of the final framework?

Given participation was voluntary in the 2012 pilot, the response rate was strong – more than 40% of eligible signatories either completed the pilot or provided feedback. Feedback indicates the new framework was well received by most signatories, with 90% of respondents stating it captures their responsible investment practices to a large or moderate extent and 70% finding it to be an improvement from previous years. However, 20% of respondents felt the new framework was not as good as in previous years, and 70% found it took more time to complete.

Key areas of concern were based on:

- The effort required to gather and report data for each indicator
- The prescriptiveness of the proposed approach
- The timing and duration of the reporting period
- The mandatory disclosure requirement for some indicators
- The structure and content of some modules, including the rationale for inclusion of each indicator and their definition.

In total, more than 1,000 individual items of feedback and other indicator-specific suggestions were received during the pilot, and these were reviewed and incorporated into the development of the final framework by signatories working in a number of technical committees and working groups, supported by the PRI. An outline of how this feedback will be incorporated into the framework was provided in a [document](#) sent to all signatories in October 2012.

The PRI Board, Council and the various technical committees that have been involved in developing the new Reporting Framework strongly endorse the way forward and the enhancements that have been introduced. These revisions have been implemented without altering the overarching approach of the new framework or compromising its original objectives, and provide the PRI's diverse signatory base with greater flexibility to report their responsible investment activities in ways that best reflect each organisation's unique approach. For more information see the [Development and Governance of PRI Reporting and Assessment Sep 2013](#).

Assessment

Assessment basics

Q: When will I receive my Assessment Report?

You will receive your confidential Assessment Report by late 2014. This ensures that the PRI can carry out important analysis of the reported information and thorough testing of the [assessment methodology](#) following the deadline of submissions in March 2014.

Q: Will I be able to make my assessment report public if I choose to do so myself?

Due to the pilot nature of the assessment methodology and assessment report in the 2013/14 reporting cycle, it will not be possible to publicly publish your assessment report. However, in later years, it may be possible to publish this report as long as is accompanied by your RI Transparency Report.

Q: Will the assessment add to the reporting effort?

To score in the highest performance band (A) that have been proposed for each module in the assessment methodology, signatories will need to complete and perform well on both mandatory “core assessed” indicators and a selection of voluntary “additional assessed” indicators within each module. As such, assessment may add to the reporting effort if a signatory is aiming for the highest performance band. It will be up to signatories to select which additional voluntary indicators are most relevant for their responsible investment approach.

Signatories can also decide to only complete the mandatory indicators. However, this approach will preclude signatories from scoring beyond the second-highest performance band (B). For more information, please refer to the pilot [assessment methodology](#).

Q: How does the PRI ensure the reported information is accurate?

The new Framework has been developed to move from "self-assessment" to "self-reporting" by signatories. Signatories will no longer be asked whether their organisation does a particular activity to a 'small', 'moderate' or 'large' extent, but will be asked to report objective information about their activities and processes. An important subset of this information will be published on the PRI website in new RI Transparency Reports for each signatory.

Several measures have been put in place to support signatories provide information in a consistent and accurate way, including through explanatory notes and definitions within most indicators to reduce the scope for misinterpretation. The Online Reporting Tool will also carry out cross-checks on reported information to ensure it is accurate. Moreover, given the introduction of minimum disclosure requirements, public accountability is expected to increase the quality of information. Finally, the PRI encourages signatories to have their reports independently assured.

Q: Can I opt-out of receiving my assessment report?

It will be possible to opt-out of receiving your assessment report. This is because in some countries, Freedom of Information laws require that this report may have to be made public. Even when you opt-out your 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, and for the Report on Progress.

Q: I am currently in my grace period/preparation year. Will I still receive an assessment report?

Yes. If you complete the reporting framework you will receive your confidential assessment report as long as you have not chosen to opt-out of receiving it. Even if you choose not to make your RI Transparency Report public you will still be eligible to receive your assessment report.

Assessment methodology

Q: Why is the assessment methodology being piloted in 2013/14 and 2014/15?

The 2013/14 reporting cycle is the first full year of mandatory reporting under the new Framework and the development of the new [assessment methodology](#) was designed to follow one year behind its development. The PRI Advisory Council acknowledges that there are many complex and sensitive issues surrounding the new assessment methodology and individual Assessment Reports and it was therefore agreed that these will be piloted over a two year period to provide more time to assess the issues and ensure they have been adequately addressed.

Both the methodology and the number and selection of indicators that will be assessed will therefore be subject to change based on analysis during this two year period..

Feedback from the coming reporting cycle will be used to refine the assessment methodology, before further trials in 2014/15.

Q: How can I provide feedback on the assessment methodology/reports?

The assessment methodology is being developed one year behind the Reporting Framework and as such all signatories can still input into its development. There will be multiple opportunities for signatories to provide feedback on the methodology and reports before they are finalised in 2015/16. This includes signatories being able to leave feedback directly through the Online Reporting Tool as they are completing their responses in 2013/14 and providing feedback on their individual assessment reports in late 2014. The Secretariat will integrate this feedback from signatories and use it to refine the assessment methodology for 2014/15 reporting cycle.

Q: When will the full assessment methodology be released?

A high level overview of the proposed [assessment methodology](#) is available on the PRI website.

Whether a particular indicator will be assessed is clearly identified in the 'purpose' section of the indicator when you are entering your responses to the Reporting Framework. However, the assessment methodology is not final and will be subject to further changes as the pilot progresses over the next two reporting cycles.

A full version of the assessment methodology showing exactly how each indicator was assessed and how these scores were aggregated to give a module score will be provided in late 2014 to accompany the Assessment Reports.

Q: Will the assessment be based on both mandatory and voluntary indicators?

Yes. A signatory's module score will be based on their responses to both mandatory and voluntary indicators. Signatories will be able to use different combinations of 'additional assessed' indicators (typically voluntary to report) to add to their overall score, and no single pathway will need to be followed in order to reach a particular band. Signatories can respond to the voluntary indicators that are relevant to their organisation and their implementation of responsible investment.

Q: What is the difference between 'core assessed' and 'additional assessed' indicators?

Indicators that are mandatory to report are included as part of the 'core assessment' process and will make up the majority of the score. However, if you only complete these indicators, you will only be able to achieve a score in the first three of four performance bands.

'Additional assessed' indicators can add to your score at any level and scoring on several 'additional assessed' indicators is required to achieve the highest performance band. By reporting, and scoring, on only a selection of these 'additional assessed' indicators, signatories can improve their score and potentially advance to the highest band.

Q: What are the four bands of assessment for each module?

The four performance bands for each module are as follows:

Module Score (%)	Performance Band
>75%	'A'
51-75%	'B'
26-50%	'C'
0-25%	'D'

Q: Will my score still be peered against other organisations?

Yes, your assessment result for each module will be presented against several peer groups. Peer groups will be based on type of signatory (investment manager / asset owner), their region, AUM, as well as a selection of module-specific peer groups. At the indicator level, you will be assessed against other signatories that complete that particular indicator. A signatory will only see the scores of their peer groups in aggregate and the PRI will take all reasonable steps to ensure the identity of individual signatories cannot be inferred. Analysis of assessment results will use a minimum sample size of eight signatories.

The development of the new assessment methodology

Q: How have signatories been involved in developing the new assessment methodology?

The new assessment methodology has been developed by the [Assessment Technical Committee](#) (ATC), with significant input from signatories and other stakeholders. The PRI has received input through:

- A public consultation throughout 2011 on the new framework,
- Six in-person meetings and many more exchanges with the Assessment Technical Committee in 2012/13
- A public consultation in mid-2012 on assessment outputs
- Feedback received during the Reporting Framework pilot in 2012; and
- Early tests of the proposed methodology with approximately 50 signatories who opted in to participate following the 2012 pilot.

In the recent consultation on assessment, 92% of respondents supported the concept of assessment, primarily as a learning and development tool.

Q. How has the ATC been involved in the development of the methodology?

[The Assessment Technical Committee \(ATC\)](#) is comprised of 15 representatives, selected based on their professional credentials and experience in responsible investment reporting and assessment. It is represented by asset owner, investment manager and service provider signatories with a diversity of geographies and investment approaches. The ATC has supported the PRI throughout 2012/13 by participating in a series of meetings and calls, and by reviewing various drafts of both the framework and the assessment methodology. The PRI has also worked with an external consultant (Broadwater Advisory Services Ltd.) throughout the development of the methodology.