



Principles for  
Responsible  
Investment

An investor initiative in partnership with  
UNEP Finance Initiative and UN Global Compact

# A BLUEPRINT FOR RESPONSIBLE INVESTMENT

RESPONSIBLE INVESTORS

SUSTAINABLE MARKETS

A PROSPEROUS WORLD FOR ALL

[www.blueprint.unpri.org](http://www.blueprint.unpri.org)

@PRI\_News – #PRIBlueprint



# ABOUT THE PRI

**“Our aim over the next 10 years is to bring responsible investors together to work towards sustainable markets that contribute to a more prosperous world for all.”**

**The PRI is the world’s leading proponent of responsible investment**

The six Principles for Responsible Investment are a voluntary set of investment principles that offer a menu of possible actions for incorporating environmental, social and governance (ESG) issues into investment practice. The Principles were developed by investors, under the leadership of the United Nations (UN). They have attracted a global signatory base representing a majority of the world’s professionally managed investments.

The PRI supports its international network of signatories in implementing the Principles. As long-term investors acting in the best interests of their beneficiaries and clients, our signatories work to understand the contribution that ESG factors make to investment performance, the role that investment plays in broader financial markets and the impact that those investments have on the environment and society as a whole.

Our aim over the next 10 years is to bring responsible investors together to work towards sustainable markets that contribute to a more prosperous world for all.

## The PRI’s Mission

"We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The PRI will work to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation."

## The six Principles for Responsible Investment

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

[www.blueprint.unpri.org](http://www.blueprint.unpri.org)





# THE BLUEPRINT

## **responsible**, *adj. and n.* (rɪˈsponsəbl)

Being appointed to look after something. Answerable to another person for something. Morally accountable for one's actions; capable of rational conduct. Deserving of credit (or blame) for something. Capable of fulfilling an obligation or duty; reliable; trustworthy, sensible. Of a practice or activity: carried out in a morally principled or ethical way.

## **sustainable**, *adj.* (səˈsteɪnəbl)

Capable of being maintained or continued in the long term. Capable of being upheld or defended as valid, correct, or true.

## **prosperous**, *adj.*, ('prɒsp(ə)rəs/

Flourishing, thriving. Consistently successful, esp. economically. Of a person or community, relating to well-being: the state of being healthy, happy.

Over the next 10 years, the PRI will focus on the following areas of impact:

## RESPONSIBLE INVESTORS

We will strengthen, deepen and expand our core work: to lead responsible investors in their pursuit of long-term value and to enhance alignment throughout the investment chain.

- EMPOWER ASSET OWNERS
- SUPPORT INVESTORS INCORPORATING ESG ISSUES
- FOSTER A COMMUNITY OF ACTIVE OWNERS
- SHOWCASE LEADERSHIP AND INCREASE ACCOUNTABILITY
- CONVENE AND EDUCATE RESPONSIBLE INVESTORS

## SUSTAINABLE MARKETS

We will address unsustainable aspects of the markets that investors operate in, to achieve the economically efficient, sustainable global financial system that responsible investors and beneficiaries need.

- CHALLENGE BARRIERS TO A SUSTAINABLE FINANCIAL SYSTEM
- DRIVE MEANINGFUL DATA THROUGHOUT MARKETS

## A PROSPEROUS WORLD FOR ALL

We will enable signatories to improve the real world – now and in the future – by encouraging investments that contribute to prosperous and inclusive societies for current and future generations.

- CHAMPION CLIMATE ACTION
- ENABLE REAL-WORLD IMPACT ALIGNED WITH THE SDGs



# TAKING RESPONSIBILITY

Martin Skancke

PRI Chair

**“The vision set out in this blueprint will ultimately empower our signatories to create long-term value for their beneficiaries, for the societies they inhabit and that future generations inherit.”**

I am delighted to present our blueprint for the next ten years of responsible investment.

After more than a decade establishing the PRI as the global voice of the responsible investment movement, it is time for us to set out our vision for the direction of the PRI and the wider responsible investment community over the next 10 years.

Our challenge is to focus ever more deeply on what it truly means to be a responsible investor – and to then embed that so fundamentally and comprehensively in how all investors work that responsible investment as a standalone concept melts away.

If we do this well, the power and influence exerted by the collective force of the world’s biggest investors will see the effects resonate out beyond the confines of the investment industry, into broader financial markets and on to enrich the world in which we all live.

Investors’ responsibility to use beneficiaries’ money in line with their best interests extends beyond providing a return on their capital: it includes ensuring that that money is being invested in ways that support sustainable development towards a world in which beneficiaries can live fulfilling lives. And just as responsibility sits with investment organisations towards their beneficiaries today, we are all individually responsible for passing on tomorrow the prosperous and inclusive societies that future generations deserve, set in the thriving natural environment that requires.

That environmental, social and governance factors each contribute to creating long-term value is a case well-understood by many, but remains new to many others – so it is a case we must continue to make. We must recognise the diverse range of circumstances in which investors operate: markets, jurisdictions and individual styles vary significantly, and our work must support the full spectrum of approaches this necessitates.

We must also identify and address obstacles to the financial system having the structure, regulations and incentives that enable responsible investment to flourish. Without such a system, investors’ progress will continue to be frustrated.

Ultimately, the work at the core of our movement must influence sustainable development in the real world that we and future generations share. Our signatories’ success at building issues such as energy efficiency, working conditions and board diversity into their investment approach has to be considered not only in terms of its boost to their beneficiaries’ returns, but also in terms of its contribution to a more prosperous world for society at large.

The PRI, just over 10 years on from its UN-led launch, is uniquely positioned to drive these changes. Our signatories, controlling the majority of the world’s managed assets, bring unparalleled collective value to the PRI, and our work must reflect that by providing value to them. This includes being focused: we will seek to solve problems where we can play to our strengths and bring comparative advantage, we will seek to collaborate, not compete, and we will set out metrics by which our progress can be measured.

The vision set out in this blueprint will ultimately empower our signatories to create long-term value for their beneficiaries, for the societies they inhabit and that future generations inherit. We thank our signatories for the dedicated contribution they’ve made to shaping this blueprint, we applaud their efforts in driving responsible investment forward and we challenge them to take it to ever greater heights in the years ahead.



# DELIVERING A MORE PROSPEROUS WORLD FOR ALL

**“Now is the time for action: we’re ready, our signatories are ready and the world’s people deserve a response.”**

Fiona Reynolds

PRI Managing Director

The PRI's Mission is to achieve a sustainable global financial system focused on creating long-term value. This is because we believe that such a system will not only reward its users financially, but also “benefit the environment and society as a whole”. This blueprint lays out how our core work supporting signatories implementing the Principles will lead to that goal.

The work undertaken by responsible investors has come a long way since the Principles were launched in 2006. We know, however, that much more can still be achieved – by reaching new audiences and by enhancing the work already underway.

Over the next decade we will deepen our work producing tools that empower asset owners: to incorporate ESG factors into their investing decisions; to engage with companies, governments, policy makers and other stakeholders; to work with managers and consultants and to embed ESG considerations throughout their organisation. We will continue to push for policies, regulation and industry standards that better enable and reinforce our signatories’ responsible investment work. We will continue to develop our ability to benchmark signatories’ progress and performance – showcasing leadership and calling out inaction.

Out of this will grow a new, systematic approach to our work towards a sustainable financial system. Responsible investors need a financial system that works with, not against, their pursuit of long-term value: a system that incentivises long-term investment, that takes into account social and environmental impacts beyond the reach of any individual investor and that works in the interests of its ultimate beneficiaries.

Ultimately this work will manifest itself in the societies and environment in which beneficiaries live, and that will be passed on to the next generation. To strengthen the link between the work of responsible investors and sustainable development in the real world, we will connect our work to the UN’s Sustainable Development Goals (SDGs), and enable signatories to do the same.

This will allow us to better understand and measure investors’ contribution to the kind of world beneficiaries want – one of prosperous and inclusive societies in a healthy natural environment.

There is no one action or outcome to promote – we must work hard to lay out a set of approaches that reflects the diverse global investment community’s variety of needs. In our work so far on climate change, for example, we have explored – and supported signatories in implementing – actions that have included divestment, asset reallocation, green bond investing, company engagement, policy engagement and many more. Large, complex problems need a suite of tailored and nuanced solutions from which to choose.

We will continue to pay particular attention to climate change – signatories repeatedly tell us it is the highest priority ESG issue they face. We will champion climate action from governments, companies and investors, and continue to provide signatories with a wide range of tools and approaches so that they are empowered to respond in the way that is most impactful for them.

Across the globe, governments have come together and for the first time achieved meaningful, widespread agreement on a sustainable direction for the world – including ending poverty, improving education and protecting natural resources through the SDGs, and a zero-carbon future through the Paris Agreement. The PRI’s role over the next decade is to work with investors on playing their part in delivering this future.

This blueprint will guide our work to do so. Our 10-year anniversary has provided an opportunity to evaluate our impact so far, to consult extensively with signatories on the road ahead and to understand the role that those currently outside the responsible investment community see the PRI as being able to play.

The biggest and most likely risks the world faces cannot be addressed without responsible investment. Now is the time for action: we’re ready, our signatories are ready and the world’s people deserve a response.



# CREATING THE BLUEPRINT

**HAVING IDENTIFIED INITIATIVES THAT WOULD BE IMPORTANT TO OUR SIGNATORIES, WE CONSIDERED THE COMPARATIVE ADVANTAGES THAT THE PRI AND OUR SIGNATORIES COULD BRING, TO DETERMINE WHETHER WE ARE BEST PLACED TO ACT:**

- Our signatory base is a coalition of asset owners, investment managers and service providers from around the world, in one body. Our investor signatories represent a majority of the world's professionally managed assets.
- We have substantial intellectual capacity, amongst our signatories and our own staff.
- We have a unique convening power to bring together investors, companies, governments and academics. We have strong links with the UN through our two founding partners: UN Global Compact and UNEP Finance Initiative (UNEP FI).



THE PRI CANNOT SOLVE THE CHALLENGES THE WORLD FACES – SUCCESS RELIES ON ENABLING OUR SIGNATORIES TO ACT.

**In deciding which initiatives should be part of our 10-year vision, we asked: Would the initiative address an issue of importance to our signatories?**

To mark the PRI's 10-year anniversary in 2016, we undertook a series of initiatives to review progress so far and to create an ambitious and achievable vision for how the PRI and the wider responsible investment community should progress over the next 10 years. This included global signatory and stakeholder surveys, an independent impact evaluation and major signatory consultations. These activities culminated in the launch of this blueprint in 2017, setting the direction of our work for the 10 years ahead.

We are committed to continuing to consult with signatories on the three-year strategies and annual work programmes that will underpin this vision. We will be disciplined, systematic and intensely focused on our Mission in deciding everything we do. We will ensure without exception that our activities bring value to signatories.

NEARLY  
**2,000 INDIVIDUALS**



ATTENDED REGIONAL CONSULTATION WORKSHOPS AND WEBINARS, FROM OVER 520 ORGANISATIONS (NEARLY 50% OF ALL SIGNATORIES)

OVER  
**500**  
WRITTEN RESPONSES TO OUR  
**ACCOUNTABILITY AND DIVERSITY  
CONSULTATION**

NEARLY  
**200**  
WRITTEN RESPONSES TO OUR  
**SUSTAINABLE, FINANCIAL SYSTEM, PRINCIPLES,  
IMPACT CONSULTATION**

**STRONG STAKEHOLDER  
ENGAGEMENT**

**120+** WERE FROM  
**NON-SIGNATORIES**

An [independent evaluation](#) of the PRI's impact over its first decade made the following recommendations for the future:



CLARIFY  
**PURPOSE AND AMBITION**



ENHANCE  
**FOCUS AND ADDED VALUE**




IMPROVE  
**THE ACCOUNTABILITY PROCESS**



MEASURE  
**REAL-WORLD IMPACT**





**OUR ACTIONS**



# EMPOWER ASSET OWNERS

## WE WILL:

- champion ESG incorporation throughout organisations, from areas such as strategy, policies and trustee capacity through to portfolio/plan-level decisions including asset allocation;
- enable asset owners to effectively oversee and monitor investment managers, consultants and others in order to meet their responsibilities to beneficiaries;
- demonstrate how long-term global trends will shape the investment environment of tomorrow;
- establish that asset owners' duties to their beneficiaries extend beyond the risk/return profile of their investments to include making decisions that benefit the world beneficiaries live in.

Principle 4

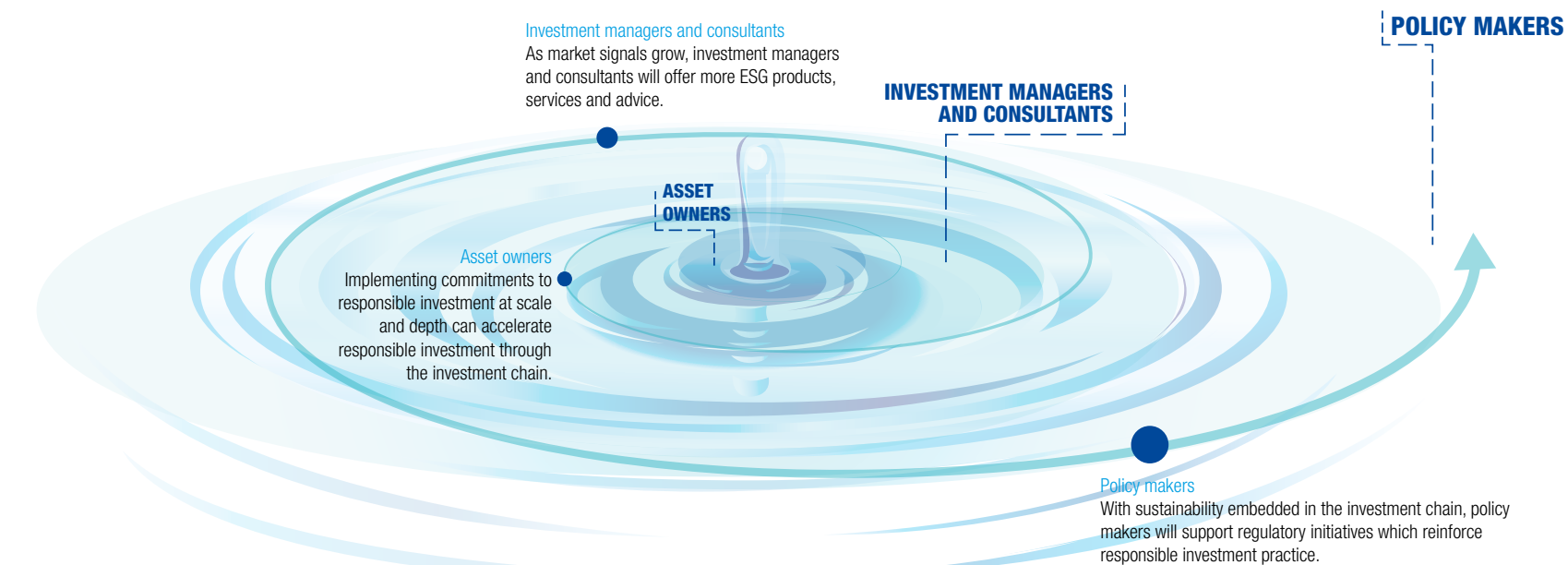
"We will promote acceptance and implementation of the Principles within the investment industry."

RESPONSIBLE  
INVESTORS

**Heading the investment chain, asset owners  
wield enormous power and influence**

Asset owners set the direction of markets: the mandates they award to managers determine the objectives that the world's biggest pools of money are put to. To fulfil their duties to beneficiaries in the 2020s and beyond, asset owners will need robust approaches to investment that acknowledge the effects their investments have on the real economy and the societies in which their beneficiaries live.

**THE MULTIPLIER EFFECT OF ASSET OWNERS' INFLUENCE – ON THEIR MANAGERS, ON POLICY MAKERS AND BEYOND:**





# SUPPORT INVESTORS INCORPORATING ESG ISSUES

## WE WILL:

- increase the depth of insight and practice in asset classes where ESG incorporation is mature and penetration high – such as listed equity and corporate and government debt;
- build the foundations for ESG incorporation in asset classes where it is still new – such as commodities, hedge funds and supranational and asset-backed debt;
- lead signatories' awareness and response to existing and emerging ESG issues.

### Principle 1

“We will incorporate ESG issues into investment analysis and decision-making processes.”

## RESPONSIBLE INVESTORS

**Environmental, social and governance issues affect investment performance across companies, sectors, regions and asset classes**

OUT OF  
**2,000+**  
STUDIES  
SINCE 1970

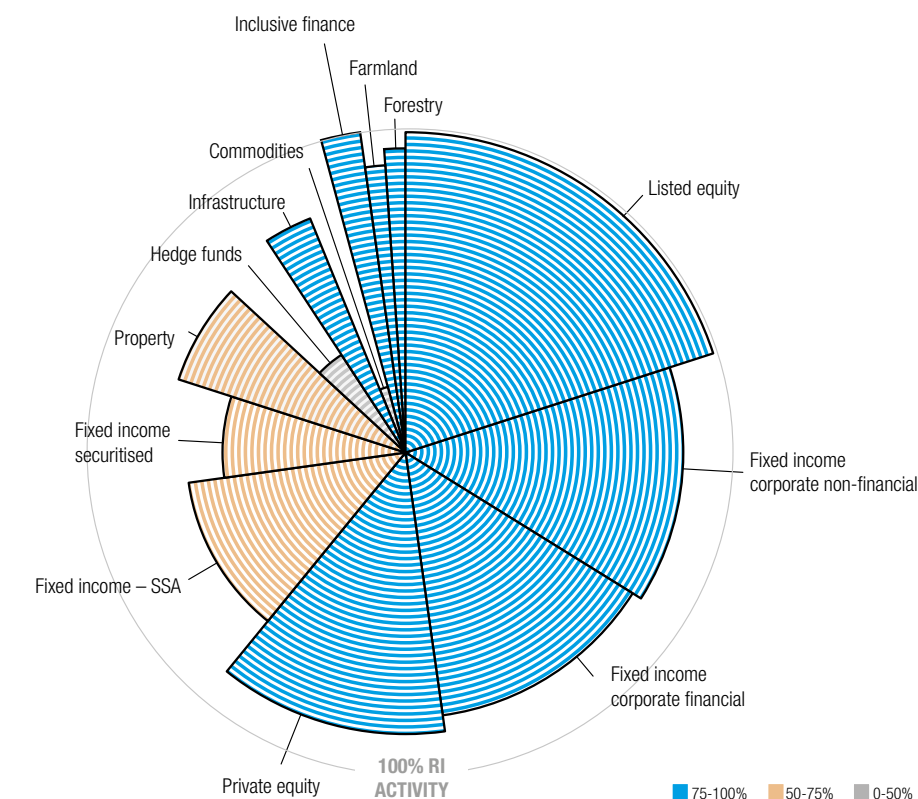


**BETWEEN A COMPANY'S ESG PERFORMANCE AND ITS FINANCIAL PERFORMANCE <sup>1</sup>**

Since the launch of the Principles, the investment industry has made great progress in making ESG factors a part of investment decisions. Deep, systemic incorporation of ESG issues across a firm's entire spectrum of assets, however, is rare, and for investors who do not yet address ESG issues, getting started can be challenging.



The proportion of investment managers directly investing in a given asset class that reported conducting some level of responsible activity on their investments in that asset class in 2016:



<sup>1</sup> [ESG & Corporate Financial Performance: Mapping the global landscape](#), Deutsche Asset & Wealth Management, December 2015



# FOSTER A COMMUNITY OF ACTIVE OWNERS

## WE WILL:

- increase signatories' understanding of how to exercise their rights as active owners, across all asset classes;
- continue to coordinate collaborative engagements to maximise investors' collective impact, expanding the coalitions and sharing lessons learnt;
- promote alignment of proxy voting practices with responsible investment beliefs;
- enhance the PRI Collaboration Platform to make it a global hub for active ownership.

Principle 2  
“We will be active owners and incorporate ESG issues into our ownership policies and practices.”

### RESPONSIBLE INVESTORS

Engaging companies on ESG issues improves their sustainability, their management and their risk/return profiles

Investors who do not have an active relationship with the companies they are invested in risk holding poorly governed companies that do not perform well over the long term, and risk neglecting beneficiaries' interests.

Effective engagement has clear objectives and milestones, focuses on the quality of dialogue and sees investors following through on their investment strategy and policies in their proxy voting. Crucially, for active ownership to be a success, it relies on the investor fully using the information collected when making portfolio decisions.

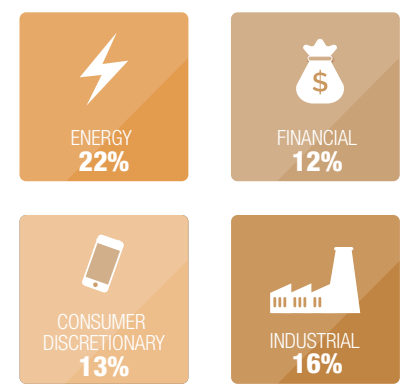
Investors have a much bigger influence on companies when acting together than alone, and collective action allows institutional investors to address issues that affect them as universal owners – as owners whose holdings are so large and so diversified that they effectively own a slice of the overall markets and economies in which they operate. These investors' scale means they are affected by, and collectively can affect, aspects of those markets and economies that individual investors targeting individual portfolio companies could not.



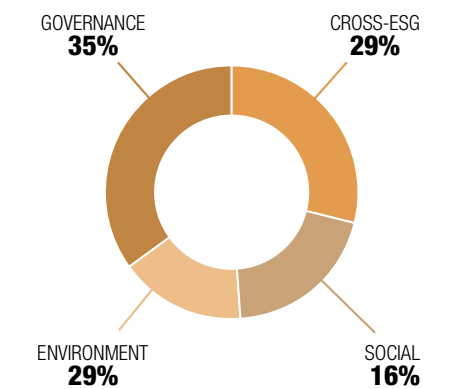
### ENCOURAGING AND ACCELERATING ENGAGEMENT AND PROXY VOTING:



### MOST TARGETED SECTORS ON THE COLLABORATION PLATFORM:



### COLLABORATION PLATFORM ACTIVITY BY THEME:





# SHOWCASE LEADERSHIP AND INCREASE ACCOUNTABILITY

## WE WILL:

- launch a responsible investment leadership table and awards, to reward and highlight top performers;
- share examples of what the best are doing;
- define a minimum standard of activity that signatories must achieve;
- monitor and engage with those that are not meeting this standard and delist any that fail to do so over a two-year period;
- delist signatories that contravene the spirit of the Principles.

### Principle 6

“We will each report on our activities and progress towards implementing the Principles.”

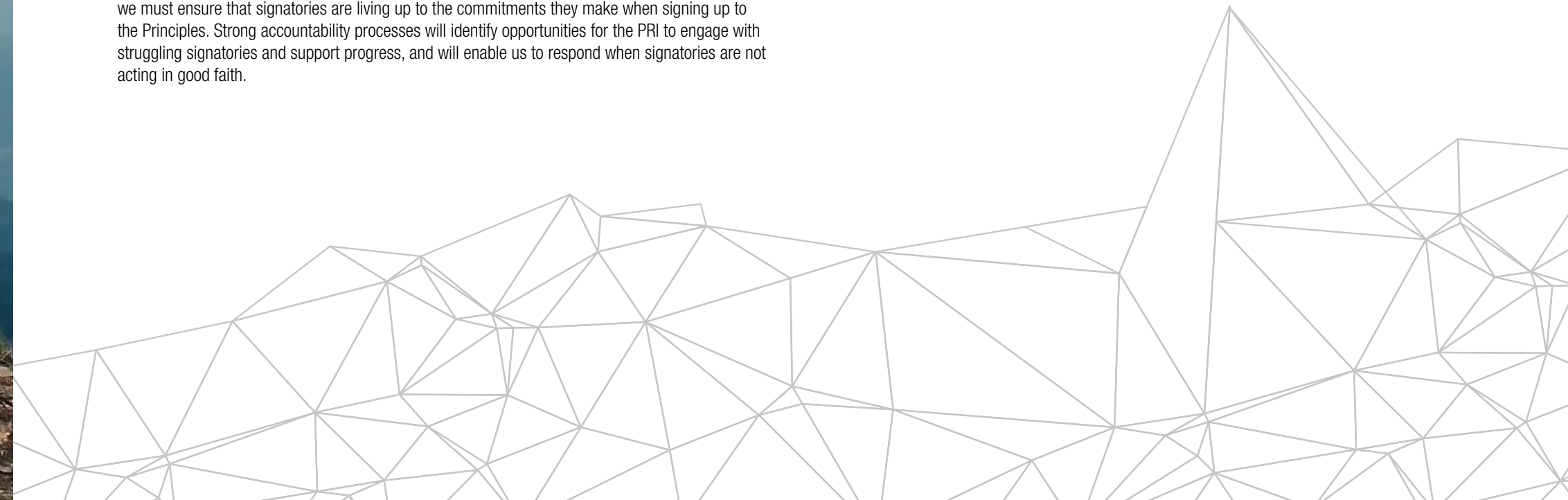
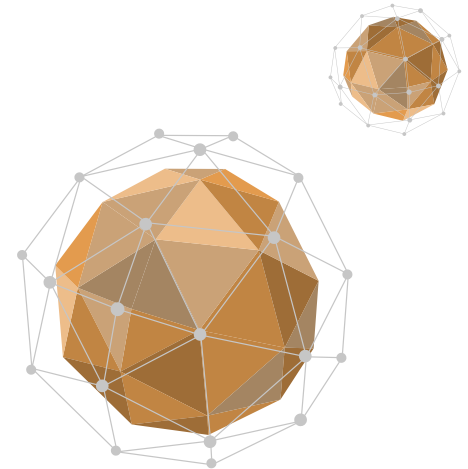
## RESPONSIBLE INVESTORS

## A race to the top and a clear rulebook improve results

We welcome responsible investment new starters, those who have been leading the field for years and everyone in between. In doing so, it is important to celebrate the successes of the best that others can learn from, to highlight the progress made across the spectrum and to guard against complacency, at the top or the bottom.

Signing up to the Principles brings signatories benefits ranging from the reputational (a badge of honour to prove their responsible investment credentials) to the practical (being eligible for signatory-only contracts). Beneficiaries get the reassurance that their money is being managed with a focus on long-term returns, and in ways that support the kind of world they want to live in.

For signatory status to be meaningful, and for beneficiaries to see the benefits they are entitled to, we must ensure that signatories are living up to the commitments they make when signing up to the Principles. Strong accountability processes will identify opportunities for the PRI to engage with struggling signatories and support progress, and will enable us to respond when signatories are not acting in good faith.





# CONVENE AND EDUCATE RESPONSIBLE INVESTORS

## WE WILL:

- focus global recruitment on growing the number of asset owner signatories;
- reach new markets and institutions, including establishing a strong Asian signatory base, having more signatories in developing markets and achieving penetration rates in North America never previously seen outside Europe;
- introduce an Associate Member category for asset owners new to responsible investment – with an emphasis on learning, development and education;
- expand the reach of responsible investment training, including the formalised courses provided by the PRI Academy.

Principle 5  
“We will work together to enhance our effectiveness in implementing the Principles.”

### RESPONSIBLE INVESTORS

Sharing knowledge, reaching new people and supporting development will benefit everyone

Connecting signatories with each other and reaching out to potential new ones is central to the work of the PRI – many signatories consider meeting their peers to share knowledge to be a primary reason for joining the PRI community. Our regional networks – geographic groups of signatories working together on responsible investment in their region – have been instrumental in promoting and advancing responsible investment around the world, particularly in markets with smaller investment management sectors.

We provide formal training through the PRI Academy, which runs CFA-accredited, interactive online courses on how ESG issues impact company performance, shareholder value and investment decisions.



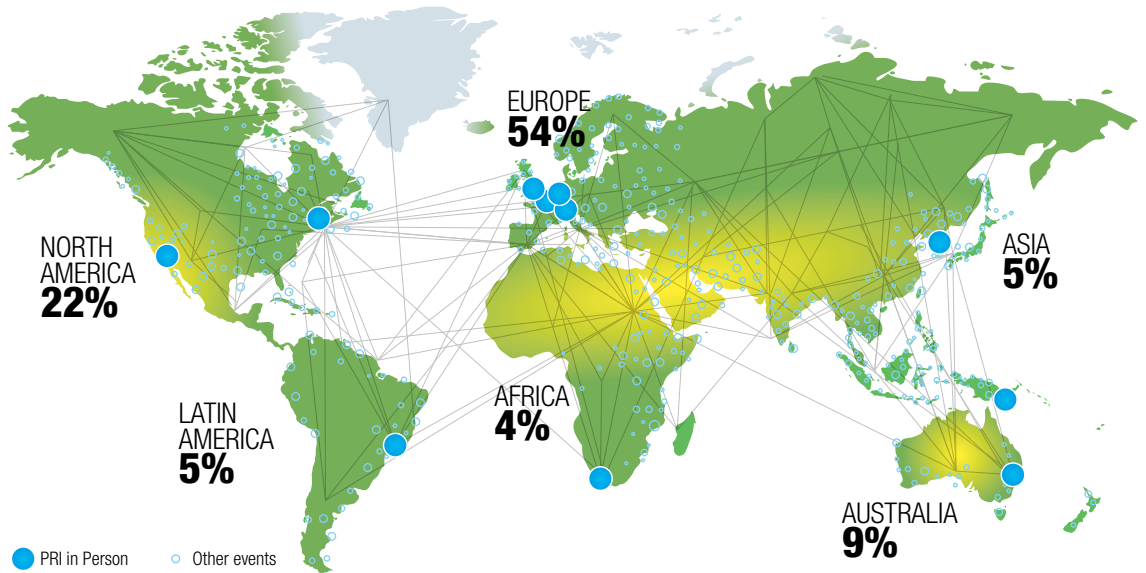
RI FUNDAMENTALS   RI ESSENTIALS   ENHANCED FINANCIAL ANALYSIS



**1,000+**  
ENROLMENTS

### PRI SIGNATORIES' PRESENCE AND PRI EVENT LOCATIONS

## A GLOBAL NETWORK



### PRI in Person

SINCE  
**2006**  
WE'VE BROUGHT TOGETHER

MORE THAN  
**4,000**  
PARTICIPANTS

FROM OVER  
**50**  
COUNTRIES

REPRESENTING OVER  
**1,000**  
ORGANISATIONS



# CHALLENGE BARRIERS TO A SUSTAINABLE FINANCIAL SYSTEM

## WE WILL:

- address key obstacles to creating the sustainable financial system that long-term investment performance requires;
- champion changes to the financial system's structure that would promote long-term investing;
- target behaviours, practices and incentives within the financial system that create short-termism.

From the PRI Mission:  
"We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation."

### SUSTAINABLE MARKETS

## Creating long-term value requires a sustainable global financial system

For investors to fully pursue responsible investing, they need the global financial system that they operate in to be sustainable. The global financial crisis of 2007–2008 gave dramatic and incontrovertible evidence that investors need to play their role in ensuring the stability and sustainability of the financial system on which they rely. Excessive leverage, dealing in complex derivatives and high-frequency trading may benefit some in the short term, but they undermine the resilience of the system as a whole.

The financial system should enable individuals, organisations and governments to reliably store their assets for future use, and should support sustainable economic development by making those assets available for responsible, productive use by others in the meantime.

We will work on the parts of the system where we can make a difference – beneficiaries; investors; their advisors and service providers; companies and issuers; securities exchanges; regulators – and will monitor environmental, social, technological, economic and political trends that will continue to reshape the financial system as we work.

WE PUT TO SIGNATORIES MORE THAN 30 ASPECTS OF THE FINANCIAL SYSTEM THAT COULD CONTAIN THREATS TO ITS SUSTAINABILITY, AND THEN PRIORITISED NINE UNDERLYING AREAS THAT WE WILL ADDRESS:





# DRIVE MEANINGFUL DATA THROUGHOUT MARKETS

## WE WILL:

- advocate for meaningful, forward-looking and globally comparable company disclosure and investor reporting;
- promote the inclusion of material ESG information alongside other financial data;
- encourage consolidation of reporting standards and regimes;
- seek to understand and overcome situations where available data is not being used effectively;
- develop the PRI Reporting Framework to measure the contribution that responsible investment makes to tangible ESG improvements in the real world;
- enhance the PRI Data Portal, empowering asset owners to assess investment managers' responsible investment activity.

Principle 3  
“We will seek appropriate disclosure on ESG issues by the entities in which we invest.”

### SUSTAINABLE MARKETS

Good decisions need good data

Reliable, timely information is needed for beneficiaries to understand and influence their investments, for asset owners to monitor their managers and for investment managers to accurately price assets and assess risk. That this includes information on material ESG issues is fundamental to responsible investment, but opinions vary on what ESG data companies should disclose and investors should report and how, making analysis difficult.

As beneficiary and asset owner demands change, investment managers will increasingly have to share information on any screening they have applied to the pool of securities considered and how they are integrating material ESG issues into their analysis. Asset owners and investment managers will both need to better demonstrate what the impact of their investment decisions has been in the real world.

STOCK EXCHANGES		
12	STOCK EXCHANGES INCORPORATE ESG DISCLOSURE REQUIREMENTS IN THEIR LISTING RULES	▲
15	STOCK EXCHANGES PROVIDE FORMAL GUIDANCE TO ISSUERS	▲
23	STOCK EXCHANGES HAVE COMMITTED TO INTRODUCE ESG REPORTING GUIDANCE, THANKS TO THE SUSTAINABLE STOCK EXCHANGES INITIATIVE	▲

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

THERE ARE MORE THAN

400

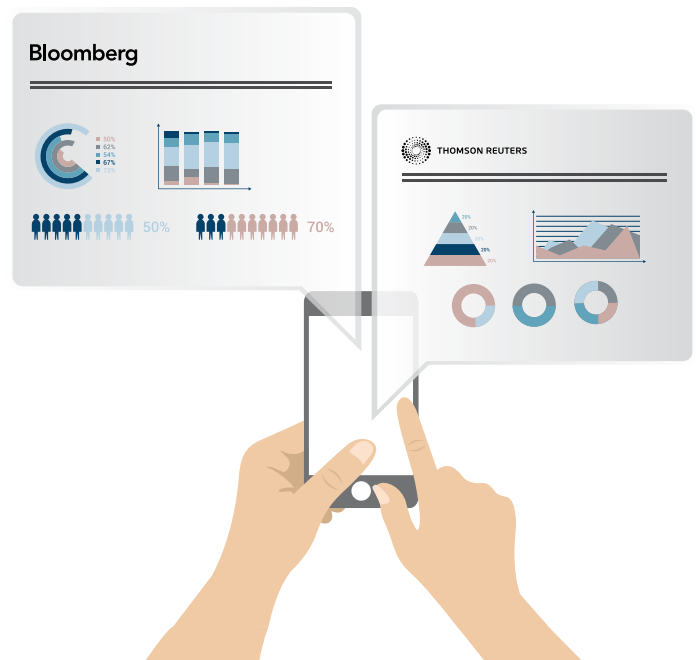
CLIMATE/SUSTAINABILITY REPORTING STANDARDS

IN 2016  
**OVER 1,000 SIGNATORIES**  
REPORTED PUBLICLY ON THEIR PROGRESS TOWARDS IMPLEMENTING THE SIX PRINCIPLES



**Almost 13,000 organisations**  
HAVE VOLUNTARILY PRODUCED CORPORATE RESPONSIBILITY REPORTS

### MAJOR INFORMATION PROVIDERS TRACK ESG DATA ON THOUSANDS OF COMPANIES





# CHAMPION CLIMATE ACTION

## WE WILL:

- work with our UN partners to meet the Paris Agreement;
- empower investors to assess how well-positioned companies, issuers and their portfolios are for a just transition to a low-carbon economy;
- align the PRI Reporting Framework with the Financial Stability Board's Task Force on Climate-related Financial Disclosures;
- convene investor engagement with companies on climate risks and opportunities;
- encourage investors to make substantial allocations to clean assets and technologies;
- demonstrate the investment implications of national governments' climate change goals;
- collaborate with policy makers to address the barriers investors face in scaling up clean investments.

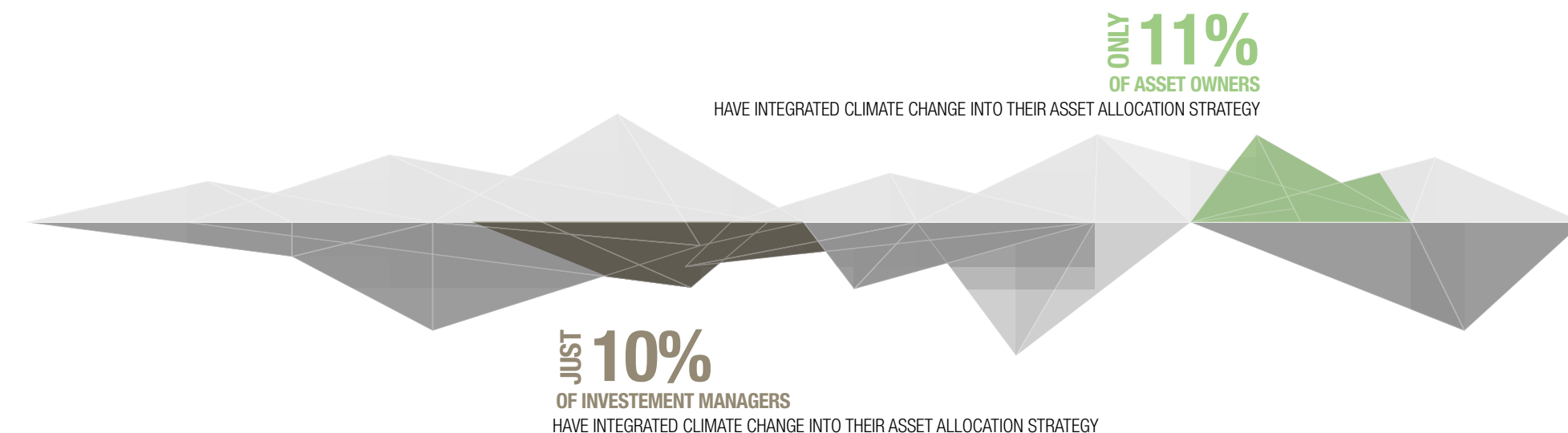
In PRI signatory satisfaction surveys, signatories have repeatedly identified climate change as their highest priority ESG issue.

A PROSPEROUS  
WORLD FOR ALL

**Climate change is the highest priority ESG issue facing investors**

It is in signatories' interests that global warming is limited in line with the Paris Agreement: well within 2°C of pre-industrial levels, with an aim of 1.5°C. Investors' interpretations of what this means for their investment activities will vary, but ambitious action will be required to protect portfolios from risks and to expose them to opportunities in the shift to a low-carbon global economy.

We will continue to collaborate in our climate change work with our UN partners (UNEP FI and the UN Global Compact) and existing investor initiatives and networks such as CDP, the Portfolio Decarbonization Coalition, Ceres/the Investor Network on Climate Risk, the Institutional Investor Group on Climate Change and the Investor Group on Climate Change Australia, New Zealand & Asia.





# ENABLE REAL-WORLD IMPACT ALIGNED WITH THE SDGs

## WE WILL:

- work with our UN partners to deliver the SDGs, such as by leveraging UNEP FI's Principles for Positive Impact Finance and the UN Global Compact's Ten Principles;
- set out steps and develop tools for investors to align their investment activities with the SDGs;
- encourage investors to seek, through the full range of active ownership activities, corporate responsibility enhancements that advance the SDGs;
- encourage capital towards projects with positive, real-world impact;
- introduce the SDGs into the PRI Reporting Framework;
- map our work against the SDGs, and report on our contribution towards them;
- engage policy makers to encourage public policy that supports the SDGs.

From the signatory declaration to the Principles:  
"Applying these Principles may better align investors with the broader objectives of society."

A PROSPEROUS  
WORLD FOR ALL

Driving sustainable development in line with the UN SDGs will create a more prosperous world, to live in today and to pass on tomorrow

For us to fully realise our mission, adoption of the Principles must contribute to a sustainable global financial system and ultimately create prosperous and inclusive societies for current and future generations: for our impact on investors to be meaningful, it needs to be reflected in their impact, through companies, on the real world we all share.

The UN's 17 Sustainable Development Goals (SDGs) and their targets provide a way for us to measure our real-world impact. They provide an opportunity for responsible investors to demonstrate how their efforts to incorporate issues such as climate change, working conditions and board diversity into their investment approach are contributing to sustainable development.

The SDGs also provide investors with a clear vision of how government decision making and company behaviour will shape how the global economy develops over the next 15 years. By setting policy makers' priorities, the SDGs will be a key driver of global GDP growth and source of investment opportunities.



### WORKING WITH OUR UN PARTNERS

By incorporating the UN Global Compact's Ten Principles, companies meet their fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption.

UNEP FI's Principles for Positive Impact Finance provide a framework for the financing of sustainable development.

MORE THAN 80%  
OF INSTITUTIONAL INVESTORS



PLAN TO ENGAGE WITH INVESTEE  
COMPANIES ON THE SDGs, AND  
ALLOCATE CAPITAL TO INVESTMENTS  
THAT SUPPORT THE GOALS

“ Investors can  
play a central  
role in achieving  
the Sustainable  
Development Goals ”

ShareAction, March 2016



# MEASURING SUCCESS

## WE WILL:

- be transparent in measuring the implementation of our 10-year ambitions;
- outline, in the three-year strategies that will underpin this vision, the key performance indicators (KPIs) that we will measure our progress against;
- report annually against the KPIs active in any given year, throughout the life of the blueprint;
- monitor developments such as technological disruption, market shocks and changing regulation that could impact our work as the blueprint unfolds;
- report publicly, as our signatories do.



The PRI will demonstrate measurable progress towards the objectives set out in this blueprint – as our signatories demonstrate measurable progress towards implementing the Principles

Over the 10-year life of this blueprint (2017–2027), responsible investors’ actions, the nature of markets and the world we live in will change – with or without our intervention. The most meaningful way to assess our effectiveness will therefore be to create specific and timely measures for the individual projects we initiate within the blueprint programme. We envisage these measures covering areas such as:

<b>OUR GROWTH AMONGST ASSET OWNERS</b> AND IN UNDER-REPRESENTED MARKETS, USING PRI SIGNATORY NUMBERS	<b>THE CHARACTERISTICS OF THE FINANCIAL SYSTEM</b> USING SYSTEMS ANALYSIS AND SIGNATORY IMPLEMENTATION OF RECOMMENDATIONS	<b>THE DEPTH AND BREADTH OF RESPONSIBLE INVESTMENT</b> THROUGHOUT ORGANISATIONS, USING PRI REPORTING FRAMEWORK DATA
<b>OUR WORK TOWARDS THE SDGs</b> USING NATIONAL AND UN DATA	<b>SIGNATORIES’ CONTRIBUTIONS TOWARDS THE SDGs</b> USING CAPITAL FLOW DATA AND CORPORATE RESPONSIBILITY DATA	<b>ALIGNMENT OF PROXY VOTING WITH RI POLICIES</b> USING PRI REPORTING FRAMEWORK DATA AND PUBLICLY AVAILABLE DATA
<b>ASSET OWNERS’ ASSESSMENT</b> OF INVESTMENT MANAGERS’ CAPABILITIES, USING PRI DATA PORTAL DATA	<b>INVESTORS ENGAGING COMPANIES AND POLICY MAKERS ON CLIMATE CHANGE</b> USING PRI REPORTING FRAMEWORK DATA	<b>QUALITY OF INVESTOR ESG REPORTING</b> USING PRI REPORTING FRAMEWORK DATA
<b>INVESTOR SUPPORT FOR CLEAN ASSETS AND TECHNOLOGIES</b> USING CAPITAL FLOW DATA	<b>QUANTITY AND QUALITY OF ESG REPORTING</b> USING PRI REPORTING FRAMEWORK DATA	<b>ENGAGEMENT ACTIVITY</b> USING PRI REPORTING FRAMEWORK DATA AND PRI COLLABORATION PORTAL DATA
	<b>UPTAKE OF RI TRAINING</b> USING NATIONAL AND UN DATA	<b>QUANTITY AND QUALITY OF CORPORATE ESG REPORTING</b> USING SUSTAINABLE STOCK EXCHANGES DATA AND PUBLICLY AVAILABLE DATA

We welcome continuing input from signatories and beyond to shape the work we start within the blueprint programme, in pursuit of the goals we’ve laid out. The progress we can make towards those goals will depend on the actions of our signatories.





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THE PRI is an investor initiative in partnership with  
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