
**Intergovernmental Working Group of Experts on
International
Standards of Accounting and Reporting
(ISAR)**

34th SESSION

1 - 3 November 2017

Room XVII, Palais des Nations, Geneva

Thursday, 2 November 2017

Afternoon Session

**Agenda item 4. The role of disclosure in risk assessment and
enhancing the usefulness of corporate reporting in decision-
making**

Presented by

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Principles for Responsible Investment

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The role of disclosure in risk assessment and enhancing the usefulness of corporate reporting in decision-making



One mission – Six principles

The 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."

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

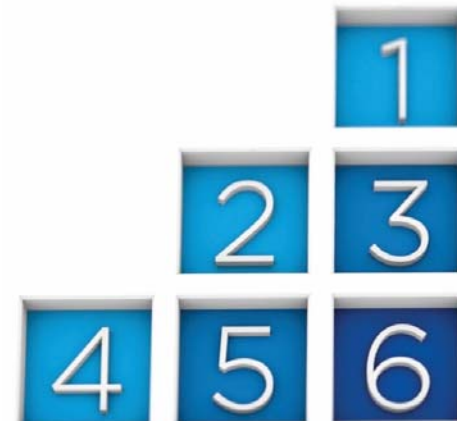
2 We will be active owners and incorporate ESG issues into our ownership policies and practices.

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.



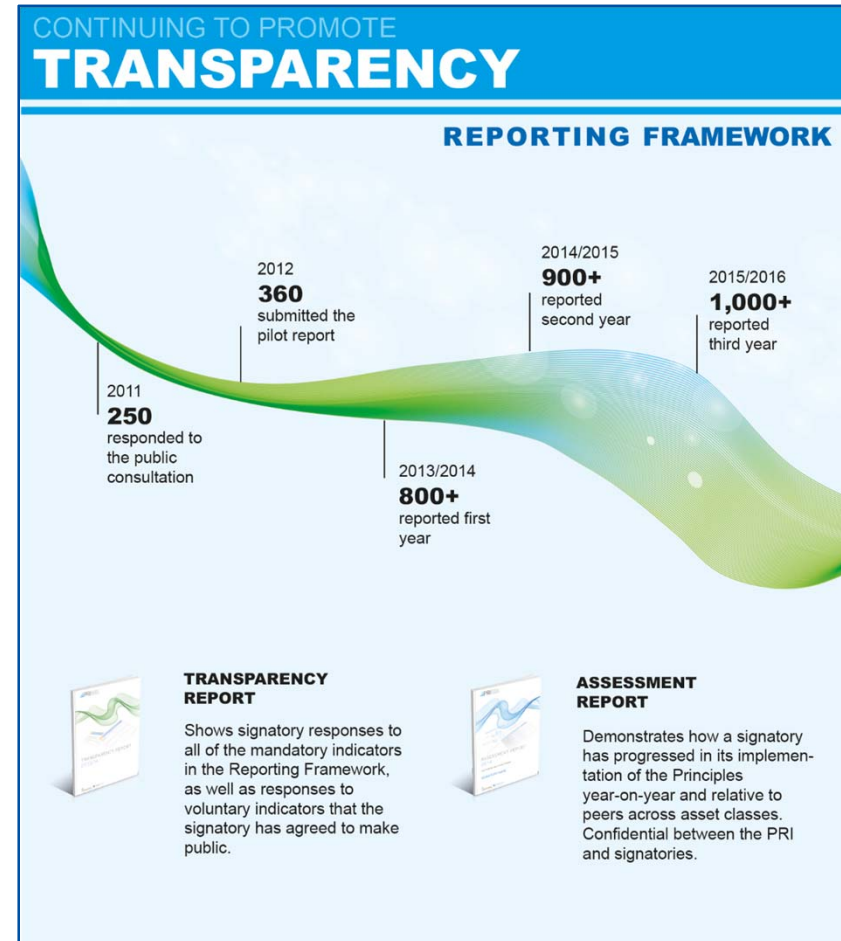
Reporting & Assessment

Measure progress against your targets and your peers

The Reporting Framework was launched in October 2013 to **ensure accountability** of the PRI and the work of its signatories, to **encourage transparency** from signatories on responsible investment and to **foster continued learning and development** through annual assessment.

Key details:

- **The largest global reporting project** on responsible investment
- Developed **with signatories, for signatories**: 1,000+ signatories reported in 2016
- **Robust and practical** disclosure requirements
- **Intuitive, efficient and customised** online tool to simplify data submission
- More than **80,000 downloads of PRI Transparency Reports** per year
- Assessment results are yours to use as you wish: **share to demonstrate performance** against peers, **or keep in-house** as an internal learning and development tool



The Blueprint Vision

A framework for the next decade

Responsible Investors

- Empower asset owners
- Support investors incorporating ESG issues
- Create an industry of active owners
- Showcase leadership and increase accountability
- Convene and educate responsible investors

Sustainable Markets

- Challenge barriers to a sustainable financial system
- Drive meaningful data throughout markets

Prosperous societies

- Champion climate action
- Enable real-world impact aligned with the SDGs

Enacting our Blueprint commitments

COMMITMENT

Applicants' formal commitment to the principles with C-level sign-off

DELISTING

Signatories that fail to report in the mandatory reporting period are delisted in the same year

DATA QUALITY

Automatic data validation checks

TRANSPARENCY REPORTS

Transparency Reports are published on the PRI website

DATA PORTAL

Request and provide access to private reporting data through the PRI Data Portal

Collaborating to improve reporting practice

COALITIONS

With reporting and standard-setting bodies

ALIGNMENT

On definitions, approach and expectations

DATA QUALITY

Raising standards and verification, including assurance practices

CLOSING GAPS

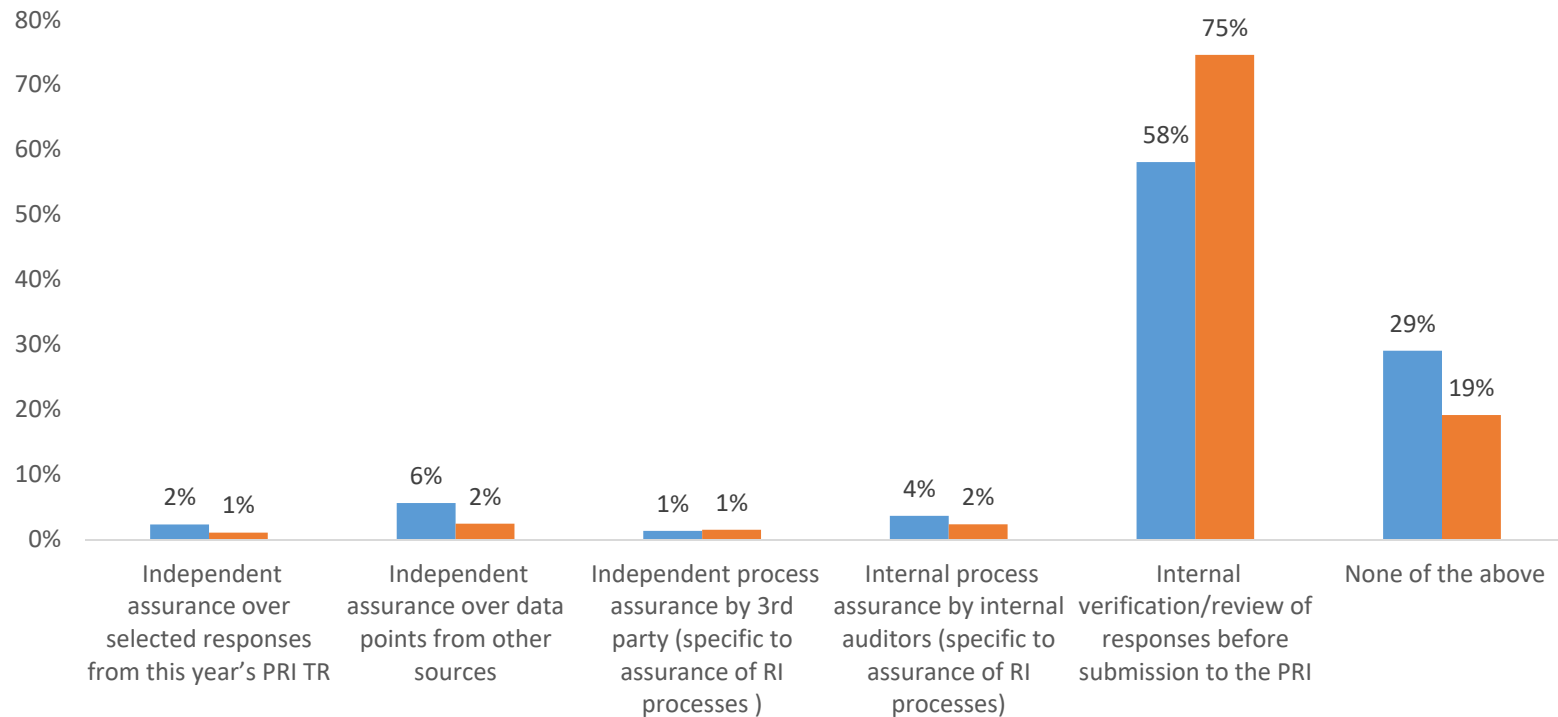
Between companies and investors, highlighting the role of intermediaries

ADVOCACY

To support industry developments with investors, issuers and regulators

Verification of PRI submissions

20% of IM and 30% of AO did not conduct any type of assurance/engagement activity.

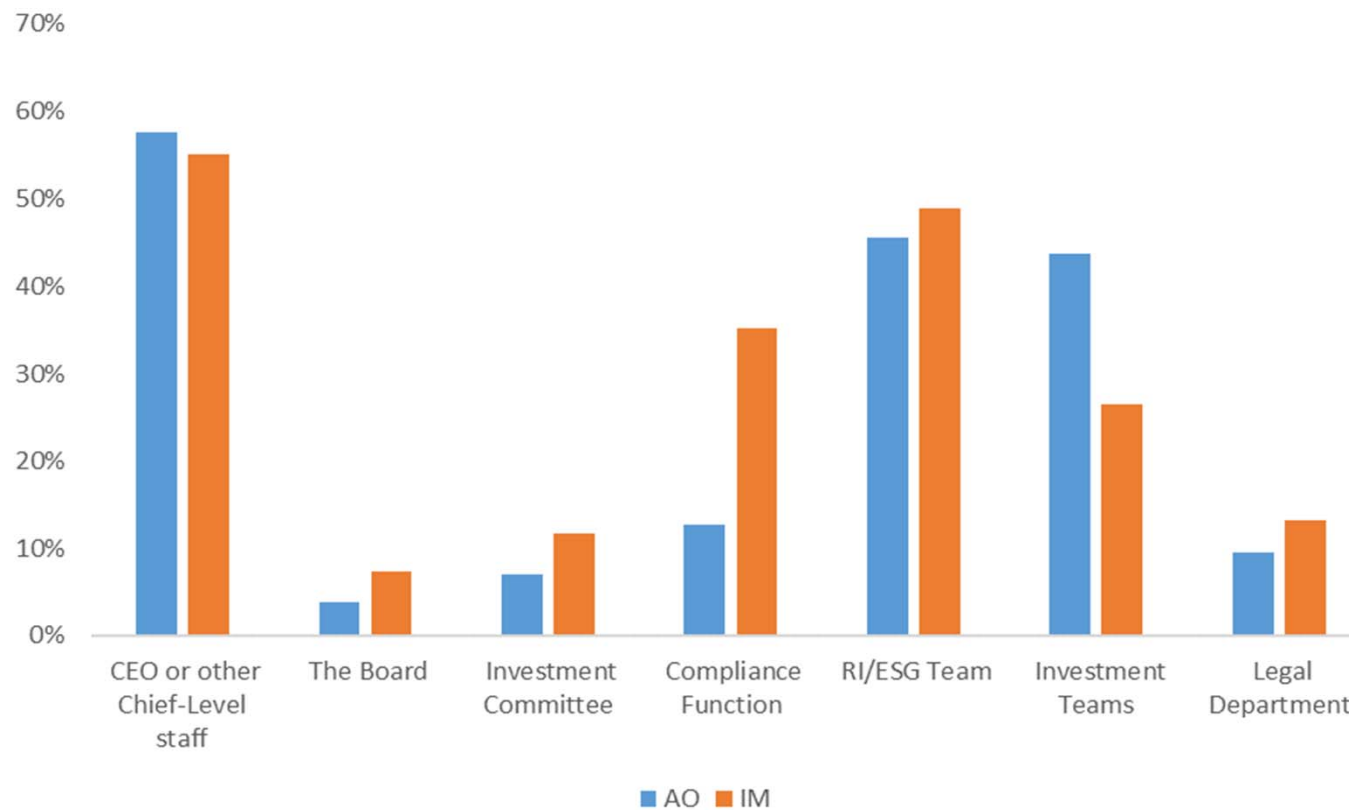


N = 1248 signatories

■ AO ■ IM

Investors' internal data verification

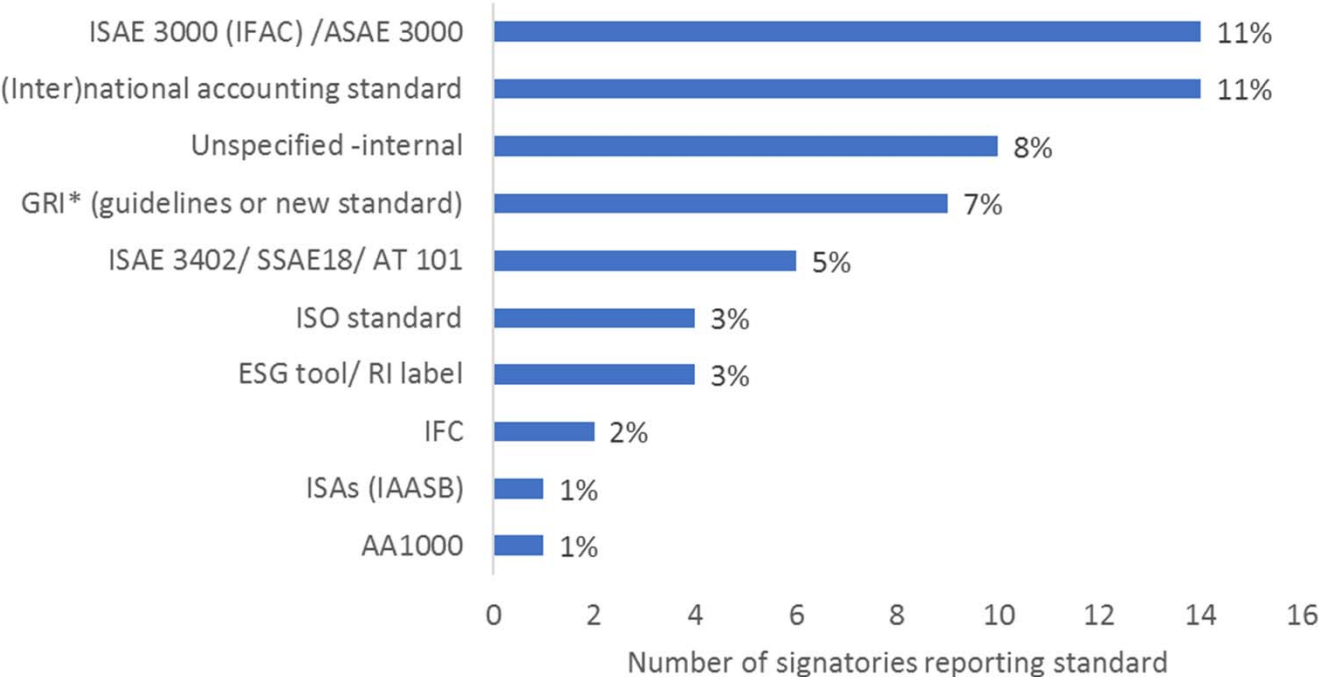
Range of teams involved in internal verification of the whole PRI Report



Responses: 158 asset owners, 634 investment managers. 79 signatories conducted internal verification of selected answers.

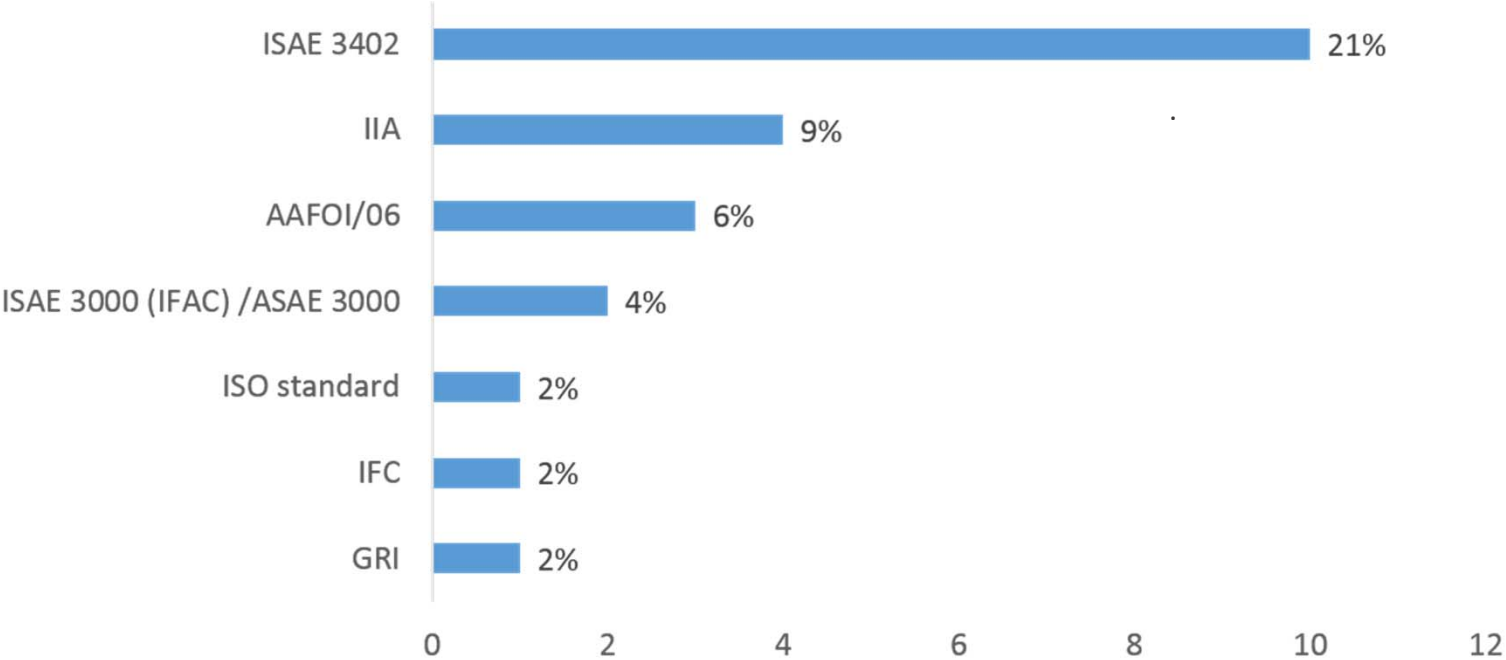
Use of standards for verification

3rd party assurance of some or all PRI responses



Investors and internal controls processes

Use of standards in relation to specific RI processes



*47 signatories (4%) reported 3rd party or internal assurance of their internal controls relevant to RI processes.