



# PRI 2024 REPORTING FRAMEWORK

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## A GUIDE TO INVESTOR CLIMATE REPORTING

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# ABOUT THIS GUIDE

This guide has been created to assist PRI signatories in reporting on their climate change-related investment activities through the PRI 2024 Reporting Framework. This document outlines the PRI indicators that relate to climate change.

Separate specific guidance is available for members of the [Net Zero Asset Owners Alliance](#) and the [Net Zero Asset Managers Initiative](#). These guides inform signatories on how to report on net zero and may also be useful for those who have set targets without joining those alliances.

For more information on the indicators in this guide and a full list of the indicators included in the PRI 2024 Reporting Framework, please visit the [Investor Reporting Framework webpage](#).

# THE PRI REPORTING FRAMEWORK

The PRI 2024 Reporting Framework contains climate-related questions across two modules: 'Policy, Governance and Strategy (PGS)' and 'Sustainability Outcomes (SO)'.

The **PGS** module should be used for general climate-related policies and activities, including disclosures recommended by the Task Force on Climate-related Financial Disclosures (TCFD) and the Investor Climate Action Plans (ICAPs). The **SO** module should be used to disclose and report progress against targets set as part of an investor's climate-related activity and disclose stewardship and engagement activities.

The **PGS** and **SO** modules include two different types of indicators:

- **CORE** indicators, which are mandatory to report. They are assessed and publicly disclosed.
- **PLUS** indicators, which are voluntary to disclose and can be made either public or private by the signatory.

When CORE indicators include free-text fields, these are mandatory to complete. Reporters will not be able to advance through the platform without completing them. However, there is no minimum required length for the text entered in these fields. If signatories wish to provide links to website disclosures in these fields, they may do so.

When PLUS indicators include free-text fields, they are optional to complete. The SO indicators are PLUS, and thus voluntary to disclose, except for signatories using them to report commitments to a net-zero alliance, where they are mandatory.

# HOW TO REPORT

## REPORTING VIA THE POLICY, STRATEGY AND GOVERNANCE MODULE

Signatories should complete the PGS module before the SO module.<sup>1</sup> The PGS module is where signatories can report on TCFD, as shown in Table 1.

For signatories who have already started (or would like to start) drawing up transition plans to meet their net-zero commitments, Table 2 and 3 outline the PRI indicators that match two common approaches to transition planning: the Investor Climate Action Plans (ICAPs) Expectations Ladder and the GFANZ Net-Zero Transition Plan (NZTP).

The list of indicators in this guidance is not intended to be exhaustive. Signatories may draw on the frameworks most relevant to their organisational needs and regulatory requirements.

Signatories can report on the most TCFD recommendations using the indicators from the PGS module. For one specific recommendation, which TCFD refers to as “Metrics & Targets C”, signatories should use SO module indicators 1-4.

**Table 1 –** Aligning TCFD recommendations and PRI 2024 Reporting Framework indicators (PGS and SO modules)

| TCFD recommendation | PRI indicator               |
|---------------------|-----------------------------|
| Report to TCFD      | PGS 17                      |
| Governance A & B    | PGS 11 (incl. PGS 11.1 (D)) |
| Strategy A          | PGS 41                      |
| Strategy B          | PGS 41.1                    |
| Strategy C          | PGS 43                      |
| Risks A, B, & C     | PGS 44                      |
| Metrics & Targets A | PGS 45 <sup>2</sup>         |
| Metrics & Targets B | PGS 46                      |

<sup>1</sup> For details on the logic pathways that link indicators within and across modules, see the Logic guide on the [Investor Reporting Framework webpage](#)

<sup>2</sup> For climate-related metrics used in leadership remuneration, please refer to PGS 13 and PGS 14

|                                |  |
|--------------------------------|--|
| <b>Metrics &amp; Targets C</b> | NOT in PGS module (please refer to SO module indicators 1-4, incl. their sub-indicators) |
|--------------------------------|--|

## ICAPS EXPECTATION LADDER

An overview of how PRI's indicators align to the ICAPS Expectation Ladder can be found on Table 2.

**Table 2 – Aligning ICAPS and the PRI 2024 Reporting Framework indicators**

| ICAPS expectation ladder                            | PRI indicator  |
|---|--|
| <b>1 – Focus area: investment</b>                   |  |
| 1.1 Strategy  | PGS 20 (D) & (E), PGS 42   |
| 1.2 Risk management                                 | PGS 43 (fulfilled when reporting TCFD recommendation Strategy C)             |
| 1.3 Asset allocation                                | SO 1 to SO 4   |
| 1.4 Additional target setting                       | SO 1 to SO 4   |
| <b>2 – Focus area: corporate engagement</b>         |  |
| 2.1 Collective / collaborative engagement           | SO 5, SO 8, SO 9, SO 10, SO 13 (completed when reporting NZAM commitment 10) |
| 2.2 Bilateral engagement                            | PGS 39 (incl. PGS 39.2 (A))  |
| 2.3 Corporate escalation and shareholder engagement | PGS 32   |
| <b>3 – Focus area: policy advocacy</b>              |  |
| 3.1 Investor statements                             | PGS 39 (incl. PGS 39.1 (D))  |
| 3.3 Advocacy  | SO 11  |
| <b>4 – Focus area: investor disclosure</b>          |  |
| 4.1 Commitments, objectives, and targets            | SO 1 to SO 4   |
| 4.2 Carbon emissions                                | PGS 46 (fulfilled when reporting TCFD recommendation Metrics and Targets B)  |
| 4.3 Portfolio assessment                            | PGS 43 (fulfilled when reporting TCFD recommendation Strategy C)             |
| <b>Cross-cutting theme: governance</b>              |  |

| ICAPs expectation ladder | PRI indicator  |
|--------------------------|----------------|
| Accountability           | PGS 13, PGS 14 |
| Skills assessment        | PGS 15 (A)     |

## GFANZ NET-ZERO TRANSITION PLAN

An overview of how PRI indicators align to the GFANZ NZTP can be found in Table 3 below.

**Table 3 – Aligning GFANZ NZTP and PRI 2024 Reporting Framework indicators**

| GFANZ theme             | GFANZ component                 | Recommendation  | PRI Indicator  |
|-------------------------|---------------------------------|---|--|
| Foundations             | Objectives and priorities       | Define the organization's objectives to reach net zero by 2050 or sooner, in line with science-based pathways to limit warming to 1.5 degrees C, stating clearly defined and measurable interim and long-term targets and strategic timelines, and identify the priority financing strategies of net-zero transition action to enable real-economy emissions reduction.   | <b>SO module:</b> SO 1, SO 2, SO 2.1                               |
| Implementation strategy | Products and services           | Use existing and new products and services to support and increase clients' and portfolio companies' efforts to transition in line with 1.5 degrees C net-zero pathways. Include accelerating and scaling the net-zero transition in the real economy, providing transition-related education and advice, and supporting portfolio decarbonization in accordance with the institution's net-zero transition strategy. | <b>PGS module:</b> PGS 41.1<br><b>SO module:</b> SO 6, SO 7, SO 12 |
|                         | Activities and decision-making  | Embed the financial institution's net-zero objectives and priorities in its core evaluation and decision-making tools and processes to support its net-zero commitment. This applies to both top-down/bottom-up roles and actions.  | <b>PGS module:</b> PGS 21, PGS 27, PGS 41.1                        |
|                         | Policies and conditions         | Establish and apply policies and conditions on priority sectors and activities, such as thermal coal, oil and gas, and deforestation. Include other sectors and activities that are high-emitting, or otherwise harmful to the climate, to define business boundaries in line with the institution's net-zero objectives and priorities.  | <b>PGS module:</b> PGS 2, PGS 9, PGS 42                            |
| Engagement Strategy     | Clients and portfolio companies | Proactively and constructively provide feedback and support to clients and portfolio companies to encourage net zero-aligned transition strategies,   | <b>PGS module:</b> PGS 5, PGS 6, PGS 23, PGS 24.1, PGS             |



| GFANZ theme         | GFANZ component                            | Recommendation   | PRI Indicator  |
|---------------------|--|--|--|
|                     |  | plans, and progress with an escalation framework with consequences when engagement is ineffective.   | 25, PGS 27, PGS 36, PGS 37, PGS 38<br><br><b>SO module:</b> SO 8, SO 9, SO 10<br><br>An overview of the strategic approach taken for engagement with clients and portfolio companies may be included under PGS 28.   |
|                     | Industry                                   | Proactively engage with peers in the industry to 1) as appropriate, exchange transition expertise and collectively work on common challenges and 2) represent the financial sector's view cohesively to external stakeholders, such as clients and governments.  | <b>PGS module:</b> PGS 25, PGS 40<br><br><b>SO module:</b> SO 12, SO 13<br><br>The overall aims and desired outcomes for engagement with industry peers (such as the exchange of expertise and a cohesive representation of the sector's view on the transition) may be outlined under PGS 24.1. |
|                     | Government and public sector               | Direct and indirect lobbying and public sector engagement should, in a consistent manner, support an orderly transition to net zero, and as appropriate, encourage consistency of clients' and portfolio companies' lobbying and advocacy efforts with the institution's own net-zero objectives.  | <b>PGS module:</b> PGS 39, PGS 39.1<br><br><b>SO module:</b> SO 11   |
| Metrics and Targets | Metrics and targets                        | Establish a suite of metrics and targets to drive execution of the net-zero transition plan and monitor progress of results in the near, medium, and long term. Include metrics and targets focused on aligning financial activity in support of the real-economy net-zero transition; on executing the transition plan; and on measuring changes in client and portfolio GHG emissions. | <b>PGS module:</b> PGS 9, PGS 45, PGS 46, NZPGS 1 (for NZAOA members only)<br><br><b>SO module:</b> SO 2, SO 2.1, SO 3 3.1 to 3.3, SO 4, SO 4.1  |
| Governance          | Roles, responsibilities, and remunerations | Define roles for the Board or strategy oversight body and senior management ensuring they have ownership, oversight, and responsibility for the net-zero targets. Assign appropriate individuals and teams to all aspects of booth design and delivery of  | <b>PGS module:</b> PGS 11.1, PGS 12, PGS 13, PGS 14  |

| GFANZ theme | GFANZ component    | Recommendation  | PRI Indicator             |
|-------------|--------------------|---|---------------------------|
|             |                    | the transition plan. Use remuneration incentives for all roles, where possible. Review the transition plan regularly to ensure material updates/developments are incorporated; challenges are reviewed as an opportunity to correct course; and implementation risks are properly managed.  |                           |
|             | Skills and culture | Provide training and development support to the teams and individuals designing, implementing, and overseeing the plan so that they have sufficient skills and knowledge to perform their roles (including at the Board and senior management level). Implement a change management program and foster open communications to embed the net-zero transition plan into the organization's culture and practices. | <b>PGS module:</b> PGS 15 |

## SEQUENCING AND CONNECTION BETWEEN PGS AND SO MODULES

To unlock the SO module, signatories must first complete PGS 47 (Figure 1), PGS 47.2 (Figure 2) and PGS 48 (Figure 3). In PGS 47.2 (Figure 2), any combination of answers except for **(H)** will lead to PGS 48. In Figure 3, a signatory should select option (A) to unlock the SO module if they want to provide specific sustainability targets.

**Figure 1** – Indicator PGS 47 is one of three gateway indicators to SO 1

| Indicator ID  | Dependent on: | N/A                        | Sub-section                    | PRI Principle | Type of indicator |
|---|---------------|----------------------------|--------------------------------|---------------|-------------------|
| <b>PGS 47</b>   | Gateway to:   | <b>Multiple indicators</b> | <b>Sustainability outcomes</b> | <b>1, 2</b>   | <b>CORE</b>       |
| <p><b>Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?</b></p> <p><i>All investment activities can be connected to positive and negative outcomes. An organisation's intended and unintended sustainability outcomes may include, for example, greenhouse gas emissions or actual and potential negative human rights outcomes for people.</i></p> <p><input checked="" type="radio"/> (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities</p> <p><input type="radio"/> (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities</p> <p>Explain why: _____ [Mandatory free text: large]</p> |               |                            |                                |               |                   |

**Figure 2 – Indicator PGS 47.2 is one of three gateway indicators to SO 1**

| Indicator ID   | Dependent on: | PGS 47 | Sub-section             | PRI Principle | Type of indicator |
|--|---------------|--------|-------------------------|---------------|-------------------|
| PGS 47.2   | Gateway to:   | PGS 48 | Sustainability outcomes | 1, 2          | CORE              |
|  | Dependent on: | PGS 47 |                         |               |                   |
| <p><b>What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?</b></p> <p>Select up to four responses.</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> (A) Identify sustainability outcomes that are closely linked to our core investment activities</li> <li><input checked="" type="checkbox"/> (B) Consult with key clients and/or beneficiaries to align with their priorities</li> <li><input type="checkbox"/> (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character</li> <li><input checked="" type="checkbox"/> (D) Identify sustainability outcomes that are closely linked to <a href="#">systematic sustainability issues</a></li> <li><input type="checkbox"/> (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, <a href="#">trade unions</a> or similar)</li> <li><input type="checkbox"/> (F) Understand the geographical relevance of specific sustainability outcome objectives</li> <li><input type="checkbox"/> (G) Other method<br/>Specify: _____ [Mandatory free text: medium]</li> <li><input type="checkbox"/> (H) We have not yet determined the most important sustainability outcomes connected to our investment activities</li> </ul> |               |        |                         |               |                   |

**Figure 3 – Indicator PGS 48 is a gateway to SO 1**

| Indicator ID   | Dependent on: | PGS 47.2       | Sub-section             | PRI Principle | Type of indicator    |
|--|---------------|----------------|-------------------------|---------------|----------------------|
| PGS 48   | Gateway to:   | PGS 48.1, SO 1 | Sustainability outcomes | 1, 2          | CORE<br>NOT ASSESSED |
|  | Dependent on: | PGS 47.2       |                         |               |                      |
| <p><b>Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?</b></p> <p>All investment activities can be connected to positive and negative outcomes. An organisation's intended and unintended sustainability outcomes may include, for example, greenhouse gas emissions or actual and potential negative human rights outcomes.</p> <ul style="list-style-type: none"> <li><input checked="" type="radio"/> (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities</li> <li><input type="radio"/> (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities<br/>Explain why not: _____ [Mandatory free text: medium]</li> </ul> |               |                |                         |               |                      |

The SO module is mandatory to complete for NZAM and NZAOA signatories only. The next section covers the use of the SO module in general.

## REPORTING ON CLIMATE TARGETS VIA THE SUSTAINABILITY OUTCOMES MODULE

After unlocking the SO module, the signatory may report on their climate targets and any progress associated with those targets. For more detail on how to enter specific fields when setting targets, including worked examples and screenshots, see the guides for members of the [NZAOA](#) and [NZAM](#).

**Table 4 – Specific target commitments that can be reported in the SO module**

| Target / commitment               | PRI indicator |
|-----------------------------------|---------------|
| Net-zero AUM commitment           | SO 1          |
| Portfolio-wide targets            |               |
| Details of portfolio-wide targets | SO 2          |

| Target / commitment   | PRI indicator                                       |
|---|---|
| <b>Targets for asset class, sector, fund or mandate, and progress</b>         | SO 3  |
| <b>Progress against portfolio-wide targets</b>                                | SO 4 (targets must be previously disclosed in SO 2) |
| <b>Engagement and capital allocation as tools for sustainability outcomes</b> | SO 5  |
| <b>Climate-related capital allocation</b>                                     | SO 6  |
| <b>Climate-related bond investment</b>  | SO 7  |
| <b>Engagement targets</b>   | SO 8 (actions must be previously disclosed in SO 1) |
| <b>Engagement prioritisation with investees</b>                               | SO 9  |
| <b>Engagement prioritisation with policy makers</b>                           | SO 11   |
| <b>Climate-related stakeholder engagement</b>                                 | SO 12   |
| <b>Collaborative climate-related engagement</b>                               | SO 13   |

As noted in Table 4, the portfolio-wide goals that investors are working towards, such as Net Zero Asset AUM Commitment, Portfolio Emissions Reduction, Climate Solutions Financing, and Climate Engagement, should be entered as different sustainability outcomes in SO 1.

Each portfolio-wide goal listed as an outcome in SO 1 should correspond to one target in SO 2. Outcomes that have only one target date (e.g., 2025) will be described only in SO 2, while outcomes for which the reporting entity has set both an interim and longer-term target date will have the longer-term target described in SO 2.1. Targets and progress against those targets that are not portfolio-wide but pertain to particular sub-portfolios / asset classes, sectors, mandates or funds should be disclosed in SO 3.

## FURTHER INFORMATION

Additional reporting guidance for climate change indicators aligned with the TCFD recommendations can be found in the explanatory notes of the relevant indicators. In the explanatory notes you will also find links to the TCFD recommendations and other relevant documents.

More information on PRI reporting is available at: [Reporting & assessment resources | PRI \(unpri.org\)](#)

Please send any questions or comments to [reporting@unpri.org](mailto:reporting@unpri.org)