

PRI Strategy Plan 2024-2027

Malk Insights — August 8th, 2024

Key Takeaways

- After 18 months of listening, reflection, and global consultation with signatories, PRI has published its latest strategy for PRI programming, reporting, and resources for 2024 through 2027.
- The new strategy has two overarching objectives: maximizing PRI's value to signatories in a rapidly evolving responsible investment environment and supporting signatories on playing a meaningful role in achieving a sustainable global financial system, which it will accomplish through four key focus areas.
- Importantly, as of right now, reporting requirements do not appear to be changing. Most adjustments will be focused on providing signatories with resources to reach their responsible investment goals.

What is New?

On August 6th, the PRI released its [strategy](#), which outlines its tactical plan for 2024 to 2027. To achieve the PRI's objectives, the strategy focuses on four key areas.

The first, **"driving signatory progression on responsible investment while streamlining PRI mandatory reporting,"** will be achieved in two steps. First, the new Progression Pathways will provide support, guidance, resources, and eventually peer benchmarking to assist signatories at various stages of their responsible investment journeys in developing their responsible investment objectives. The Progression Pathways were co-designed with signatories and will be introduced in 2025. They will provide new pathways for reporting based on a signatory's responsible investing objective, though PRI has yet to provide detail on how this might change reporting. Then, over the next three years, PRI will take steps to recognize equivalent reporting frameworks across jurisdictions and identify existing reporting obligations of signatories. These actions will help inform the approach to PRI reporting and assessment, potentially resulting in changes to reporting obligations or questions for different jurisdictions.

The second focus area is **"strengthening regional responsible investment ecosystems in both mature markets and emerging and developing economies."** To expand its reach, PRI will increase its work with emerging markets by acting as a communication bridge between investors in emerging and developed markets.

The third focus area, **"amplifying signatory impact by supporting and leading collaborative initiatives,"** is aimed at bolstering existing practices. As part of this focus area, PRI will continue to provide opportunities for collaboration through Communities of Practice and support signatories' responsible investment progression by connecting them with peers, resources, and advice. Communities of Practice are forums signatories can join

that cover a myriad of topics, including best practices for responsible investment policies and deep dives into PRI modules. The priority ESG issues that will be highlighted in reporting, Communities of Practice, and Progression Pathways will continue to be climate change, human rights, responsible labor practices, and nature. As of right now, reporting obligations and questions are not expected to change significantly, though adjustments will likely be made over the next three years as PRI investigates different jurisdiction requirements.

The fourth focus area is “**strengthening the enabling environment for responsible investment by influencing government and multilateral policy and financial market practices.**” In alignment with this focus area, PRI will use its experience with signatories to inform its work with policymakers, regulators, and other system actors to create transparent markets and align policies, regulatory frameworks, and market structures with sustainability outcomes. PRI will also support signatory engagement to influence government and multilateral policymaking, including financial regulation and economic policy, forums, and initiatives such as UNFCCC, OECD and ISSB.

What Does this Mean for Signatories?

The efforts from PRI signify that signatories will receive more resources for building a responsible investment program that aligns with their size and jurisdiction. Prospective signatories in emerging markets, and from smaller firms, should feel encouraged to join PRI due to the efforts the organization is making to include emerging markets and the flexibility in reporting that may come from the Progressive Pathways.

In terms of changes to reporting, all signatories outside of their grace period will be [required to report](#) on the Senior Leadership Statement at a minimum. Signatories who do not have a public report or did not meet the minimum requirements will be required to report on the full framework in 2025. PRI will also be soliciting information on the other reporting frameworks signatories are subject to in order to help inform potential reporting changes in the future. Reporting for future years remains uncertain but changes will likely be in line with the focus areas within PRI’s future strategy. Signatories should remain apprised of any changes that may come from the Progressive Pathways or the strategy’s four focus areas.