

Scorecard

UN-PRI Investor Expectations on Corporate Climate Lobbying

About UN-PRI Investor Expectations

COVERAGE OF COMPANIES

Global

LAUNCH DATE

2018

FOCUS

Corporate climate lobbying

LINK:

https://www.unpri.org/Uploads/i/k/t/Investor-Expectations-on-Corporate-Climate-Lobbying_en-GB.pdf

UN-PRI Investor Expectations on Corporate Climate Lobbying Score

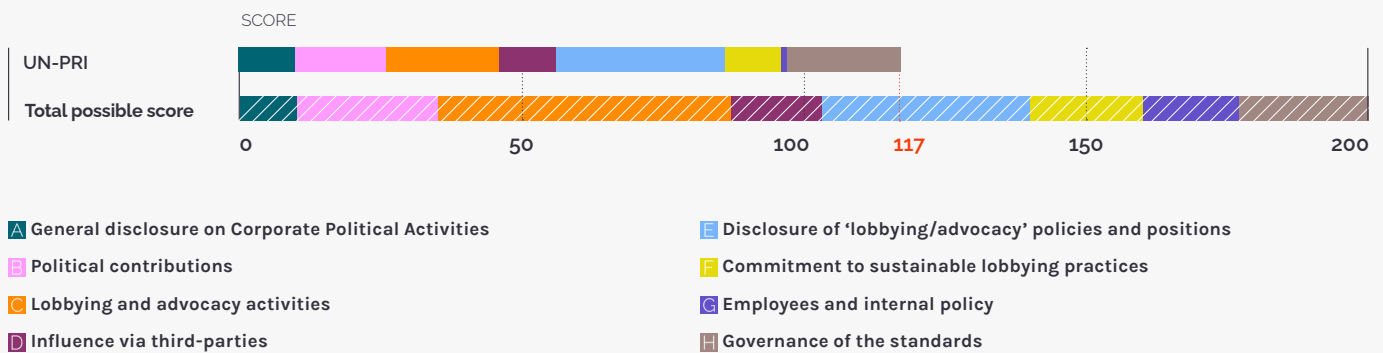


Rank 2 /26

Tracker Rank and Score for UN-PRI

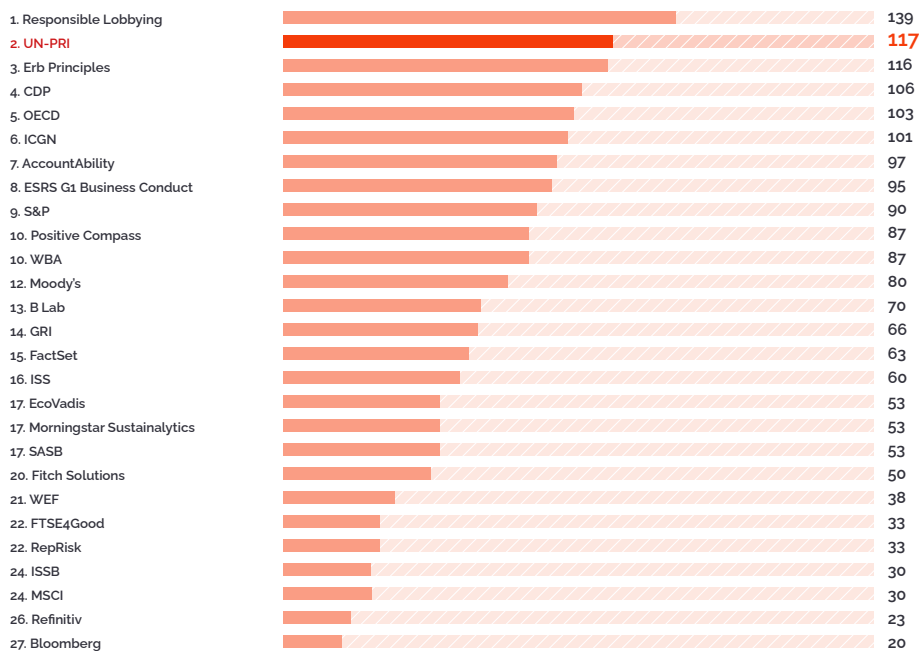
The score is out of a total of 200 and the rank describes the standards position in the 27 standards assessed by the Tracker.

Category scores of UN-PRI Investor Expectations



*Categories where the standard received no points do not appear in the colour-coded graph

Rank and scores for all standards



Description

The Principles for Responsible Investment (PRI) launched the first version of this guidance in 2018 to help investors engage more effectively with portfolio companies on their direct and indirect lobbying practices related to climate policy.¹ The guide was launched in response to investor concerns that negative and resistant corporate interests, often represented by third-party organisations, can hinder policy action that aims to mitigate the impacts of climate change. This in turn may cause a number of issues for investors including legal and reputational risks, and long-term portfolio volatility. The PRI Investor Expectations are included in the Tracker as an early example of high-level principles considering corporate political activities. The Expectations are focused on climate-related disclosures rather than applying to all forms of corporate conduct. New updates to the CDP questionnaire, the Blab criteria and other voluntary standards should motivate the PRI to revisit and update the investor expectations.

Score summary

The PRI Investor Expectations on Corporate Climate Lobbying receive a **Tracker score of 117 out of 200**. The relatively high score reflects the framework's level of detail. Its focus on climate reflects interests of the PRI's investor members in this area, but the approach could be expanded to cover other themes and industries impacted by corporate political activities.

The PRI Expectations set clear expectations for the governance of lobbying, and expect all companies to “Establish robust governance processes to ensure that all direct and indirect public policy engagement is aligned with the company's climate change commitments and supports appropriate policy measures to mitigate climate risks.” The standards further specify an expectation that companies “assign responsibility for governance at board and senior management level; establish processes for monitoring and reviewing climate policy engagement; and establish processes to ensure consistency in the company's public policy positions. These expectations earn points in Tracker Category E, ‘Disclosure of lobbying/advocacy policy and position’.

The Expectations ask for granular disclosure on a company's position on climate change and policies to mitigate climate risks; the company's direct and indirect lobbying on climate change policies; governance processes for its climate change policy engagement; details on the company's membership in or support for third party organisations that engage on climate change issues; the specific climate change policy positions adopted by these third party organisations, including discussion of whether these align with the company's climate change policies and positions; and the actions taken when the positions of these third party organisations do not align with the company's climate change policies and positions. These detailed reporting expectations score points in Tracker category B, ‘Political contributions’ and category C, ‘Lobbying and advocacy activities’. A challenge for users of the PRI Expectations is to extend these expectations to companies operating outside of climate-related industries and lobbying themes.

Opportunities for improvement

The PRI Expectations could be improved with more granular reporting expectations across a number of the Tracker categories. Encouraging companies to report on and explain their approach to sustainable lobbying would earn additional points in Tracker Category F on ‘Commitment to sustainable lobbying practices.’

Endnotes

- <https://www.unpri.org/news-and-press/the-pri-releases-investor-guide-on-corporate-climate-lobbying-/3190.article>

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