

# Stafford builds asset manager reporting framework amid PRI reporting overhaul

By Jennifer Forrest

Stafford Capital Partners has begun to build a system to standardise the data collected by its fund managers after the Principles for Responsible Investment (PRI) made changes to its reporting framework, *Environmental Finance* has learned.

Its proprietary database will act as a scorecard to compare and rate the managers with which it works, its sustainability head Marta Jankovic told *Environmental Finance*.

Previously, Stafford used the results of its managers' contributions to the PRI's Reporting Framework. However, this year, the PRI moved to a 'partially mandatory' reporting approach, and from next year is expected to reduce its number of mandatory questions and introduce more voluntary options.

"We have historically relied a lot on our managers' reporting with the PRI lens and, since it moved to voluntary reporting, that has become more patchy," said Jankovic. "That will impact our ability to assess managers."

Incepted in 2000, Stafford is an active alternatives investor, with \$8.5 billion of funds under management and strategies investing in private equity, timberland and infrastructure.

Through its fund-of-funds model, Stafford engages with managers to assess and monitor their performance on sustainability issues.

Jankovic explained its new scoring methodology will act as a 'scorecard for engagements'.

"We have enhanced our annual external manager ESG data outreach and also developed an internal scoring methodology to widen the criteria for manager assessment, whilst keeping the PRI reporting outputs as an important component of our benchmarking," she explained.

For 2024, the PRI offered voluntary reporting and assessment for signatories that reporting the year prior and for those in their 'grace period'. For 2025, it introduced core (mandatory) and plus (voluntary) indicators across its 13 modules and added new features



Marta Jankovic

for a 'smooth transition' to 'Foundational Reporting'.

Those features include the introduction of 'Other Responsible Investment Reporting Obligations' as a module, inviting signatories to share their responsible investment practices beyond its reporting model.

Jankovic urged sustainable investors to 'come together' to push data standardisation and set a commonly acceptable set of metrics.

"As an industry, we need to come down more clearly on a set of metrics which are commonly understood to be the key metrics for assessing natural capital investments from a sustainability perspective," she urged.

She added that the growing expertise of its team allows it to ask for and understand more nuanced data, with engagements on impact and nature data having scaled rapidly in recent years.

"We have seen an evolution in understanding the granularity of the emissions in the portfolio and the approach to reduction. We are also seeing more frequent questions on biodiversity," she said.

She said "willingness" from the general partners (GPs) to collect and report biodiversity metrics is helping to drive this, and Stafford has begun implementing eDNA testing alongside field surveys for its Carbon Offset Opportunity strategy, to allow for "forest management planning to enhance biodiversity outcomes".

For example, environmental DNA (eDNA) – the DNA found in blood, urine, hair mucus and remains in water, sediment, soil and the air – can be examined to understand the impact of an activity. Testing a site regularly can help understand the environmental impact of an activity.

"We are implementing eDNA testing alongside field surveys on our Carbon Offset Opportunity strategy directly managed assets and the data feeds back into forest management planning to enhance biodiversity outcomes, as well as support the preparation of nature-related metrics for our investor reporting," she explained. ■