

For immediate release

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TISA launches the first Responsible & Sustainable Investing Good Practice Guide to help firms with sustainability reporting

TISA, the cross-industry financial services membership body, has launched the first [Good Practice Guide](#) intended to help firms understand their ESG reporting obligations under Sustainable Finance Disclosure Regulations (SFDR). The [guide](#) will help ensure that disclosures are consistent, comparable and based on objective data, which will allow consumers to better understand and compare the products they are offered.

The [guide](#) uses examples and case studies to illustrate how firms might apply the requirements of the regulations and discusses the regulatory background that firms need to consider, including that of the FCA and Government. It uses the Investment Association's terminology from its Responsible Investment Framework and discusses the Bridges Spectrum of Capital and analyses and compares the PRI framework. Impact Investing, UN Sustainable Development Goals Sustainability risk versus Adverse Impact, and Active ownership versus Stewardship are also discussed.

Currently, there is no regulatory requirement for financial services firms to ask clients about their preferences in respect of either sustainability or ESG matters, or to incorporate these into the advice given or the way in which a portfolio is managed, however firms are generally aware of the pressure to consider the investor's investment objectives, which may include preferences on sustainability or ESG topics.

Appropriate disclosures to customers and investors around sustainability, particularly climate change, but also governance and social impact (ESG), will help drive flows from customers and investors, as can be seen from the popularity of explicit ESG funds across Europe and the UK. These flows will influence investors in companies and the companies themselves while also helping consumers understand and compare the products they are offered.

Jeffrey Mushens, Technical Policy Director at TISA said: "Consumers are increasingly conscientious. They want to know where their money is invested and how ethical and sustainable are the products and services that are offered to them. This [guide](#) will ensure that financial services firms are reporting in a clear and consistent manner, which makes comparison simple. There will be increased demand for such transparency so this guide will help firms get ahead."

Robert Howard, Chair of TISA's R&SI Policy Group and Chief Risk Officer at Charles Stanley said: "The work that has gone into this report will significantly help firms reach their regulatory requirements by creating a new standard for firms that will ensure reporting is efficient and honest."

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Notes for Editors

TISA's Responsible & Sustainable Investing Good Practice Guide can be found [here](#).

The Investing and Saving Alliance (TISA) is a unique, rapidly growing membership organisation for UK financial services.

Our ambition is to improve the financial wellbeing of all UK consumers. We do this by focusing the convening the power of our broad industry membership base around the key issues to deliver practical solutions and devise innovative, evidence-based strategic proposals for government, policy makers and regulators that address major consumer issues.

TISA membership is representative of **all sectors of the financial services industry**. We have **over 200-member firms involved in the supply and distribution of savings, investment products and associated services**, including the UK's major investment managers, retail banks, online platforms, insurance companies, pension providers, distributors, building societies, wealth managers, third party administrators, Fintech businesses, financial consultants, financial advisers, industry infrastructure providers and stockbrokers.

As consumers, the financial services industry and the economy react to and recover from the effects of the pandemic, the importance of the three key pillars of work that TISA prioritises has never been more apparent:

- **Strategic policy initiatives that influence policymakers** regarding the financial wellbeing of UK consumers & thereby enhancing the environment within which the industry operates in the key areas of **consumer guidance, retirement planning, later lifetime lending, vulnerable customers, financial education, savings and investments**.
- TISA is recognised for the **expert technical support provided to members** on a range of operational and regulatory issues targeted at improving infrastructure and processes, establishing standards of good practice and the interpretation and implementation of new rules and regulations covering **MiFID II, CASS, ESG/RSI, operational resilience, Cyber Risk, SM&CR** and a range of other areas.

- **Digital transformation initiatives** that are driving ground-breaking innovation and the development of industry infrastructure for greater operational effectiveness and revenue promoting opportunity for firms. TISA has become a major industry delivery organisation for consumer focused, digital industry infrastructure initiatives – **TISAtech** (a digital marketplace that brings together financial institutions and FinTechs for greater collaboration and innovation) and **TURN** (TISA Universal Reporting Network – a digital platform providing a secure data exchange for financial services using blockchain technology) – alongside projects **Digital ID** and **Open Savings & Investment**. This reflects TISA's commitment to open standards and independent governance.

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