

## UK investment consultants form joint working group on sustainability

Twelve leading investment consulting firms in the UK, including MJ Hudson, have established the *Investment Consultants Sustainability Working Group*, with the aim of seeking to improve sustainable investment practices across the investment industry.

The group believes that while the investment industry has made progress on a number of areas within sustainability, more urgent and constructive action needs to be taken to address the systemic challenges that we face, particularly in relation to climate change.

As a critical link between asset managers and asset owners, the twelve member firms believe that they are optimally placed to promote a focus on sustainability which could ultimately help to drive greater change within the industry.

The group has outlined six commitments for group members:

1. Engage across a broad range of stakeholders, including asset owners, asset managers and regulators
2. Seek investment outcomes which are genuinely sustainable and not treat sustainability as a tick box exercise
3. Align with, and support, existing industry bodies and initiatives
4. Support their respective clients who are too small to meaningfully engage with industry initiatives
5. Create a guiding set of principles that indicate good practice with practical advice
6. Be a body where regulators and other stakeholders can seek input when they need a view from investment consultants.

The group has identified six individual workstreams that it plans to explore initially: *Reporting; Asset owners; Asset managers; Stewardship; Regulation; and Innovation, new products and impact investing.*

On areas where there is already work underway by industry bodies, the group believes that input from its members could be even more impactful. The group will look to support current initiatives and provide additional input in key areas where there may be further work to do.

All members of the working group provide investment consultancy services to UK asset owners and while some of the firms' activities extend to other services, clients or jurisdictions, these will fall outside of the group's scope. The member firms will take appropriate measures to avoid any conflicts of interest between the group's work and these other activities and will ensure that the group's activities are conducted in accordance with all applicable laws.

Member firms of the Investment Consultants Sustainability Working Group are :

- Aon
- Barnett Waddingham
- Cambridge Associates
- Cardano
- Hymans Robertson
- ISIO
- LCP
- Mercer
- MJ Hudson
- Redington
- SEI
- Willis Towers Watson

Joanne Job, **Managing Director - Head of Research, MJ Hudson**, says, "As the momentum underpinning sustainable investing continues to gather pace, we believe that we need to act together and align our approaches in order to really make a lasting difference. As investment consultants, we believe that we have a responsibility to enhance transparency and standardisation across the investment industry, across traditional and alternative investments. This will be the best way to not only effect change, but also to improve standards across the board."

You can read more about the Investment Consultants Sustainability Working Group in a recent [Pensions Expert](#) article.