



Investment Consultants Sustainability Working Group (ICSWG) endorses Impact Investing Institute Principles

London, UK – Thursday, 8 April 2021 The Investment Consultants Sustainability Working Group (ICSWG) endorses the Impact Investing Principles for Pensions from the Impact Investing Institute in partnership with Pensions for Purpose. The Principles are a set of guidelines on how to initiate, implement, review and measure an impact strategy.

Supporter statement: “The Investment Consultants Sustainability Working Group (ICSWG) aims to increase the uptake of responsible investing. In light of this, the ICSWG supports the work of the Impact Investing Institute and as a group we endorse the Impact Investing Principles for Pensions. Our investment consultant members are dedicated to helping investors set investment objectives that align with their responsible investment beliefs, including impact objectives. In addition, the ICSWG has undertaken to work with asset managers to help develop credible impact products that align with investors’ impact goals. We will continue to work closely with the Impact Investing Institute and other like-minded organisations on furthering these objectives and delivering impact solutions for clients.”

Formed in 2020, The ICSWG is a collaboration between 17 UK firms seeking to advance the subject of sustainable investment. Among its objectives, the ICSWG aims to support and align with other sustainability initiatives and best practice guidelines that we believe will be of particular benefit to our member firms’ clients and the industry.

The Impact Investing Institute is an independent, non-profit organisation whose purpose is to accelerate the growth and improve the effectiveness of impact investing. The Impact Investing Principles for Pensions from the Impact Investing Institute have been developed in partnership with Pensions for Purpose, an organisation which promotes impact investing within the pensions community. The Principles urge pension schemes to:

1. Set impactful objectives: establish and incorporate ‘impact objectives’ as part of your pension scheme’s statement of investment principles (SIPs) or policies, which can be explained to your members and are designed to serve the scheme’s purpose.
2. Appoint investment consultants and managers with impact integrity: identify and appoint investment consultants who are aligned with your investment beliefs and objectives, and fiduciary and/or investment managers who can achieve your scheme’s impact objectives through their investment and stewardship activities.
3. Use your voice to make change: progress your impact objectives by formulating stewardship guidelines for your, or your investment manager’s, voting and engagement activities.
4. Manage and review your impact: monitor progress against your impact objectives by identifying relevant indicators and benchmarks, assisted by your investment managers.



The ICSWG believes that broader adoption of these principles will provide a stronger governance framework for investors navigating the subject of impact investment, increasing the volume of capital directed towards sustainable solutions and supporting much-needed transformations within the global economy.

Andrew Lilley of Isio and the ICSWG’s Impact Investing team said: “Institutional interest in impact investing has increased dramatically, especially over recent years. However, we see a great diversity of approach in implementing impact frameworks as well as inconsistencies in impact reporting. The ICSWG supports initiatives such as the Impact Investing Principles for Pensions that aim to bring best practice guidelines and standardisation to impact investing.”

Mark Jeavons of Aon and the ICSWG’s Impact Investing team said: “The rapid action needed to tackle the climate crisis means that it is critical that we accelerate and mainstream sustainability into every aspect of our economy. Impact investing supports this goal, allowing investors to manage potential ESG risks, including climate change, while delivering positive social and environmental impact alongside a financial return.”

About the Investment Consultants Sustainability Working Group

ICSWG is a body of 17 investment consultant firms, all providing investment consulting services to UK asset owners. Its aim is to improve sustainable investment practices across the UK investment industry and seeks to do this by delivering to six commitments:

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.

Member firms of the Investment Sustainability Working Group are: Aon, Barnett Waddingham, bfinance, Buck, Cambridge Associates, Cardano, Hymans Robertson, ISIO, LCP, Mercer, MJ Hudson Allenbridge, Momentum, Redington, River and Mercantile, SEI, Willis Towers Watson, XPS Investment.

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