



Investment Consultants Sustainability Working Group Competition Compliance Policy (DRAFT)

The Investment Consultants Sustainability Working Group (“the Group”) is a collaboration between investment consulting firms in the UK working, pursuant to a Terms of Reference, to secure better sustainable investment practices across the UK’s investment industry.

When pursuing its aims, it is the policy of the Group to comply with all applicable legal and regulatory requirements including, but not limited to, competition law. This Competition Compliance Policy document (“the Policy”) sets out the rules to which members of the Group will adhere when preparing, organising and participating in meetings associated with the Group, as well as when participating in other Group-related activities, to comply with competition law. To participate in the Group, all members unconditionally accept the Policy.

It is the responsibility of each member of the Group to read, understand, and comply with the Policy and, more broadly, to comply with competition law and, if they have concerns in connection with the Policy and/or their continued participation in the Group, they should consider taking their own legal advice.

Conduct of Group Meetings

- Each meeting of the Group shall have a specific, demonstrable purpose specified in its agenda. The agenda will be prepared and distributed to all members of the Group prior to the meeting and shall be followed closely during the meeting.
- Information exchanged at meetings of the Group will be limited only to that necessary for, and not superfluous to, the meeting’s purpose.
- No “competitively sensitive information” may be exchanged at any time. The Competition and Markets Authority (“CMA”) in the UK, as the competition regulator in the UK, considers that competitively sensitive information covers any non-public strategic information about a business’s commercial policy. Competitively sensitive information includes but is not limited to: (i) current and future pricing and output plans, prices paid for or charged for products or services, costs, discounts, and rebates; (ii) trading terms and conditions with customers or suppliers, including purchasing strategy and distribution strategy; promotions and new product launches; or (iii) current and future company-specific competitive strategy.
- The Group will not issue formal or informal pricing or output recommendations to members nor develop rules or practices that restrict members from advertising their prices or discounts, soliciting for business or otherwise competing with other members.
- There will be no discussion amongst participants as to how individual members of the Group (including their firms), will specifically use, interpret or implement work products arising out of the work undertaken by the Group.
- The Group will not discuss the factors that individual investment consultants firms take into account when assessing asset managers or strategies recommended to clients.
- Minutes of all meetings of the Group shall be prepared after each meeting and circulated promptly in draft to all members to review after each meeting.
- Any comments on, or requests for amendments to, the draft minutes must be notified promptly to the Chair of the meeting.



- Minutes may be made public on request and disclosed as part of any legal or regulatory process.
- At the start of each meeting of the Group, the Chair of the meeting shall recite the Competition Compliance Caution (a copy of which is set out in the Appendix) and the minutes of the meeting shall record that such caution has been provided.
- If a meeting participant is uncertain whether a discussion or conduct raises competition law issues, they should immediately raise their concerns with the Chair.
 - If any competition law issues can be resolved within the meeting, the discussion or conduct may continue, and the minutes of the meeting should record the concern and the outcome reached.
 - If any competition law issue cannot be resolved within the meeting, the discussion or conduct should cease until independent legal advice has been obtained by the Group in support of such discussions or conduct.

For the avoidance of doubt, the obligation to avoid the sharing of competitively sensitive information between Group members must be observed at all times (including during refreshment breaks and outside of meetings, e.g. telephone calls and emails), as well as other events, including in 'unofficial meetings' or at social events.

Membership of the Group

- Membership of, and participation in, the Group is voluntary, and no member of the Group shall be coerced to participate in the Group nor penalised due to its non-participation.
- Participants in the Group shall not, by being part of the Group, be prevented from pursuing other activities outside of the Group or restricted in the ways in which it conducts its business. Each individual member of the Group shall retain its ability to make independent, competitive business decisions.
- The Group shall have transparent rules and admission criteria that are proportionate, non-discriminatory and based upon objective standards. Parties expressing an interest in joining the Group shall, therefore, be admitted unless such parties do not fall within the agreed definition of an eligible investment consultant as reasonably determined by the Group.

Breaches of the Policy

Any member (or representative of a member) of the Group who does not comply with the Policy will be asked to leave the meeting where the breach of the Policy arises and may be temporarily or permanently excluded from participating in other meetings of the Group. Should competitively sensitive information be discussed by any member(s) of the Group, such discussions will be reported by the Group to the CMA.

This Policy will be kept under review by the Group and amended, as required, to reflect developments in UK competition law or revised regulatory guidance.

March 2024



Appendix: Competition Compliance Caution

Set out below is the Competition Compliance Caution to be included in all Group agendas and recited by the Chair at the beginning of each Group meeting, and included in the minutes of meetings.

"Participants in the ICSWG shall not enter into any discussion, activity or conduct that may infringe, on its part or on the part of its members, any applicable competition law.

Participants in the ICSWG must read and understand the ICSWG's Competition Compliance Policy which is included with the agenda papers of this meeting. If you have not yet done so, please do so now.

By continuing to participate in this meeting, you confirm that you have read and understood the Policy."