

Dear Mr Chairman,

I am delighted to send the response of the UK Sustainable Investment and Finance Association (“UKSIF”) to the TCFD questionnaire. I am copying in Russell Picot who we know well and who works for HSBC, a leading UKSIF member.

Our response summarises our views; in turn these represent the views of our membership which consists of the leading fund managers, asset owners, banks and professional services firms which serve the UK sustainable finance sector. There is growing momentum behind sustainable finance in the UK and UKSIF is well placed to respond to this consultation. The UK is one of the leading markets for responsible investment and is a global leader in corporate reporting. This expertise is well represented in our membership.

We applaud the taskforce’s efforts. In terms of your recommendations and guidance we urge you to be exceedingly ambitious: we will not get a second chance to do this work.

In that context we wish to flag one crucial area which has perhaps not received the attention it warrants: banking assets. Increasingly in the UK, large asset owners such as pension funds recognise their obligations, and they face growing calls to disclose investment positions and approaches with regard to responsible investment. Increasingly too, regulators such as The Pensions Regulator act to improve standards for large funds. This is not yet the case in banking. Typically banks will have few references to climate change in their annual reports and fewer details of how they are reflecting the risk in their lending practices. Detailing how they have cut their own greenhouse gas emissions is admirable, but not commenting on the emissions from the firms they lend too is a serious omission. We would urge the task force to pay particular attention to how banks can better fulfil their responsibilities as leading corporate citizens in terms of their lending.

If we can help your team in any way please do not hesitate to contact me,

Simon Howard
Chief Executive
UK Sustainable Investment and Finance Association

UKSIF

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