



CERISE+SPTF

**Unveiling Impact:
Conversations with
Impact Investors from the
Social Investor Working
Group (SIWG) on SFDR**

March 2024



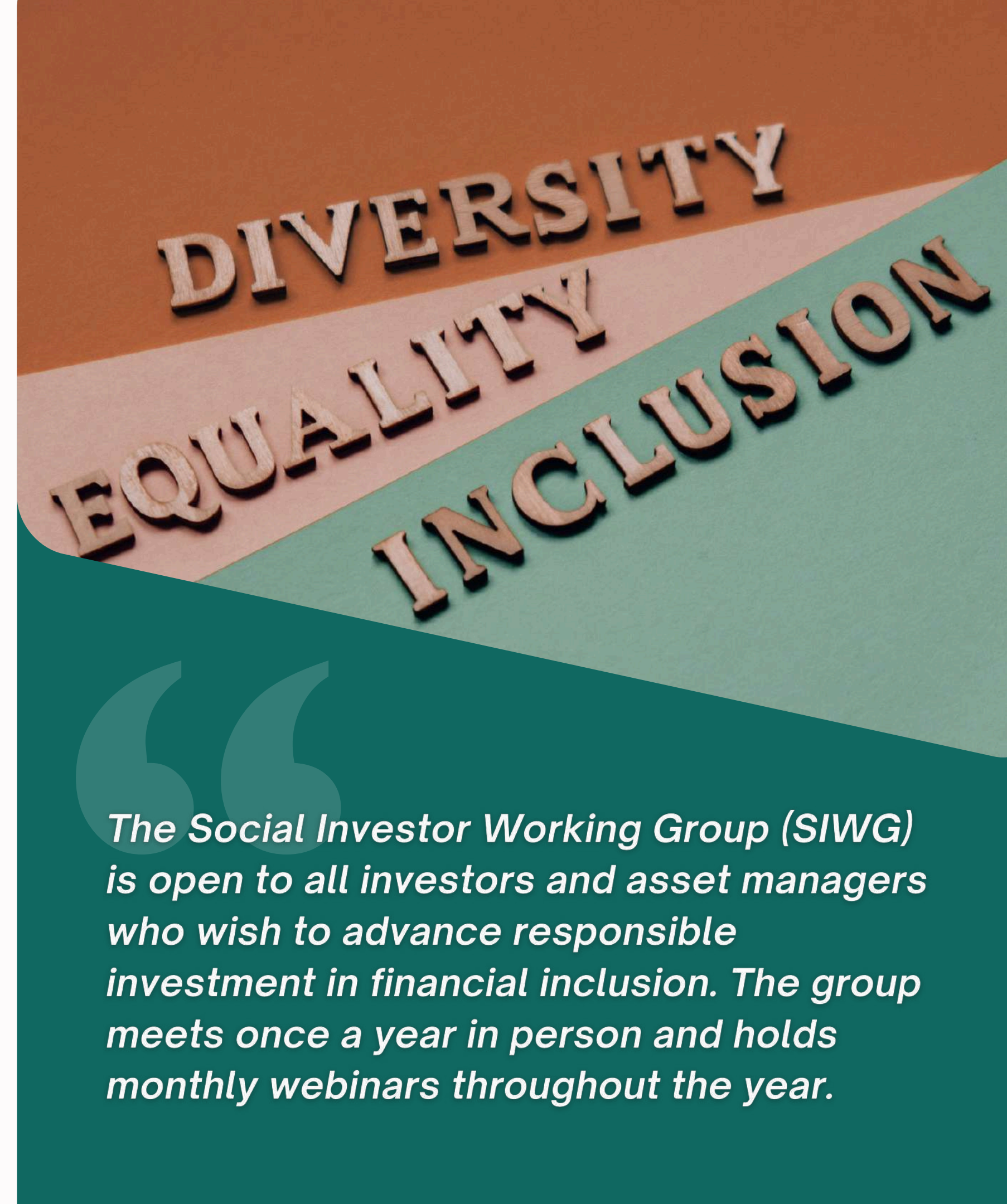


What is SIWG (Social Investor Working Group) ?

The European Commission's **Sustainable Finance Disclosure Regulation (SFDR)** marks a transformative moment for social and impact investors. While these recent regulatory developments set the stage for greater transparency and accountability, they potentially weaken the specificity of our investment approaches, driving the world of sustainable finance into uncharted territories.

Cerise+SPTF, with over 25 years of expertise, supports investors in navigating these new frontiers, ensuring that positive impact remains at the heart of every investment decision. Through monthly meetings and a 2-day workshop in June 2023 in Luxembourg, **Cerise+SPTF, with +20 active investors in its Social Investor Working Group, have explored practical approaches to SFDR and the value it adds to its investor members, building key resources to guide smooth and relevant implementation.**

<https://cerise-sptf.org/social-investors/>



The Social Investor Working Group (SIWG) is open to all investors and asset managers who wish to advance responsible investment in financial inclusion. The group meets once a year in person and holds monthly webinars throughout the year.



Introduction

In this interview series featuring impact investors, our aim is to delve into investors' practical approach to navigating SFDR and the support that Cerise+SPTF, as a global industry network, has provided to our investor, asset manager and fund community.

12 interviews have been conducted


10 active members in at least one SFDR related sub working group

2 not actively involved in SPTF SFDR work-streams



We spoke with

- Invest in Visions
- Oikocredit
- BANK IM BISTUM ESSEN
- Frankfurt School Financial Services GmbH.
- Symbiotics
- LMDF
- Triodos Investment Management
- Fondation Grameen Crédit Agricole
- Blueorchard
- Incofin
- ILX fund
- responsAbility Investments AG

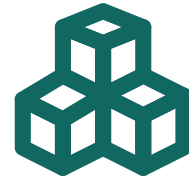
A photograph of a man with a white beard and mustache, wearing a white button-down shirt and an orange turban. He is sitting outdoors, looking at a laptop screen. The background is a blurred landscape with green fields and a bright sky, suggesting a rural or agricultural setting. The photo is partially overlaid by a dark teal graphic element at the bottom right.

"Our reporting success owes to the Cerise+ SPTF SIWG group's support. The coordination, clarity, and willingness to share made it happen. Each contribution was vital."

**Was the SIWG-SFDR group work useful for
your own work?**

**100% of respondents
answered YES**

What are the 3 primary merits of the SIWG-SFDR group?



Alignment

The efforts of this group have significantly streamlined sector alignment in an unprecedented manner.



Simplification

The work of this group has enabled everyone to gain in efficiency, time, and insight, while reducing the workload and reporting burden.

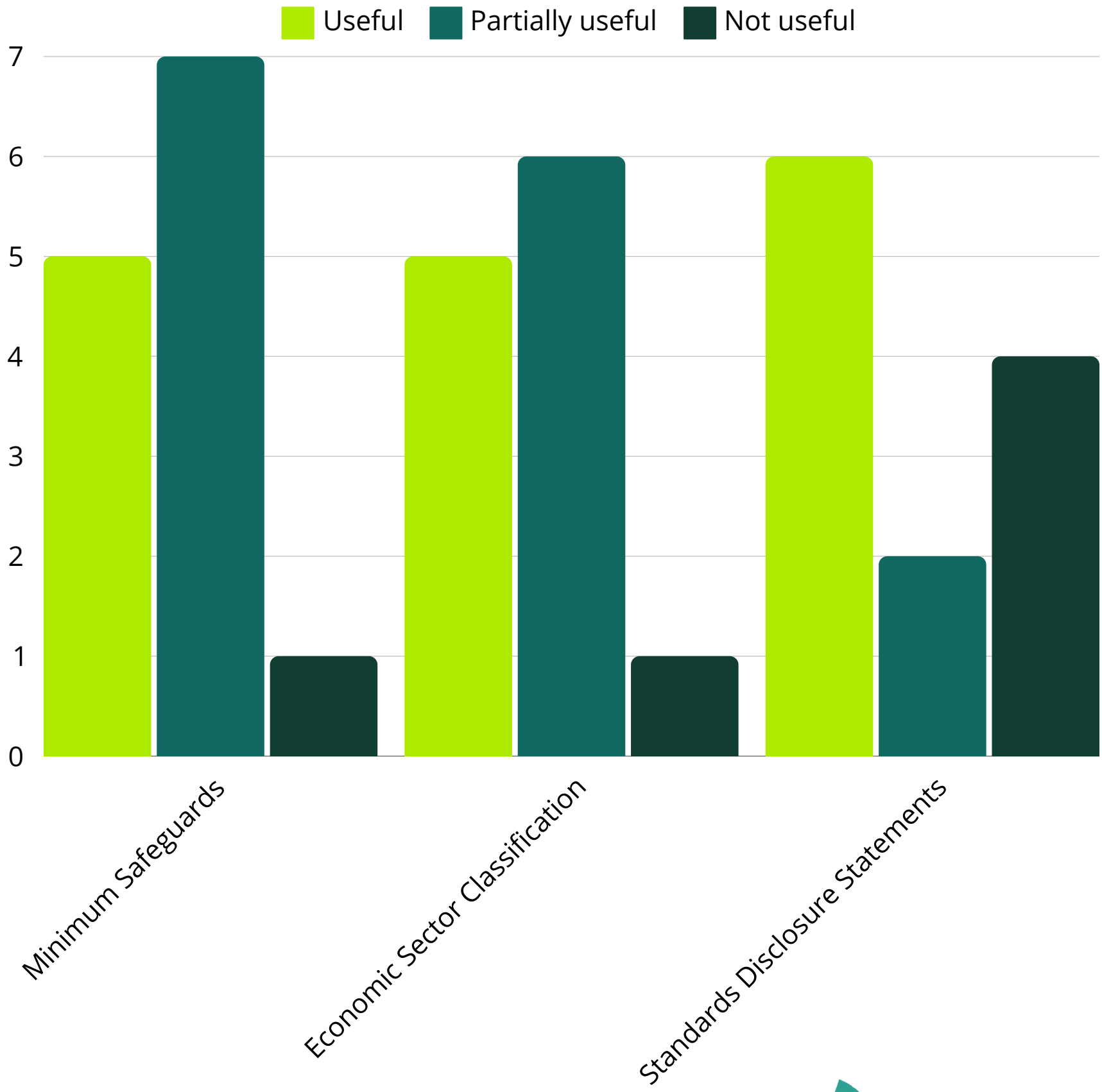


Coordination

The SIWG's support, coordination, clarity, and willingness to share have been indispensable; without it, completing the reporting would have been much more difficult, costly, and time consuming.

As of the end 2023, the subgroup finalised three Guidelines on SFDR-linked topics:

- 1. Minimum Safeguards,**
- 2. Economic Sector Classification,**
- 3. Standard Disclosure Statements for aligning vision, objectives, and applicability on SFDR.**

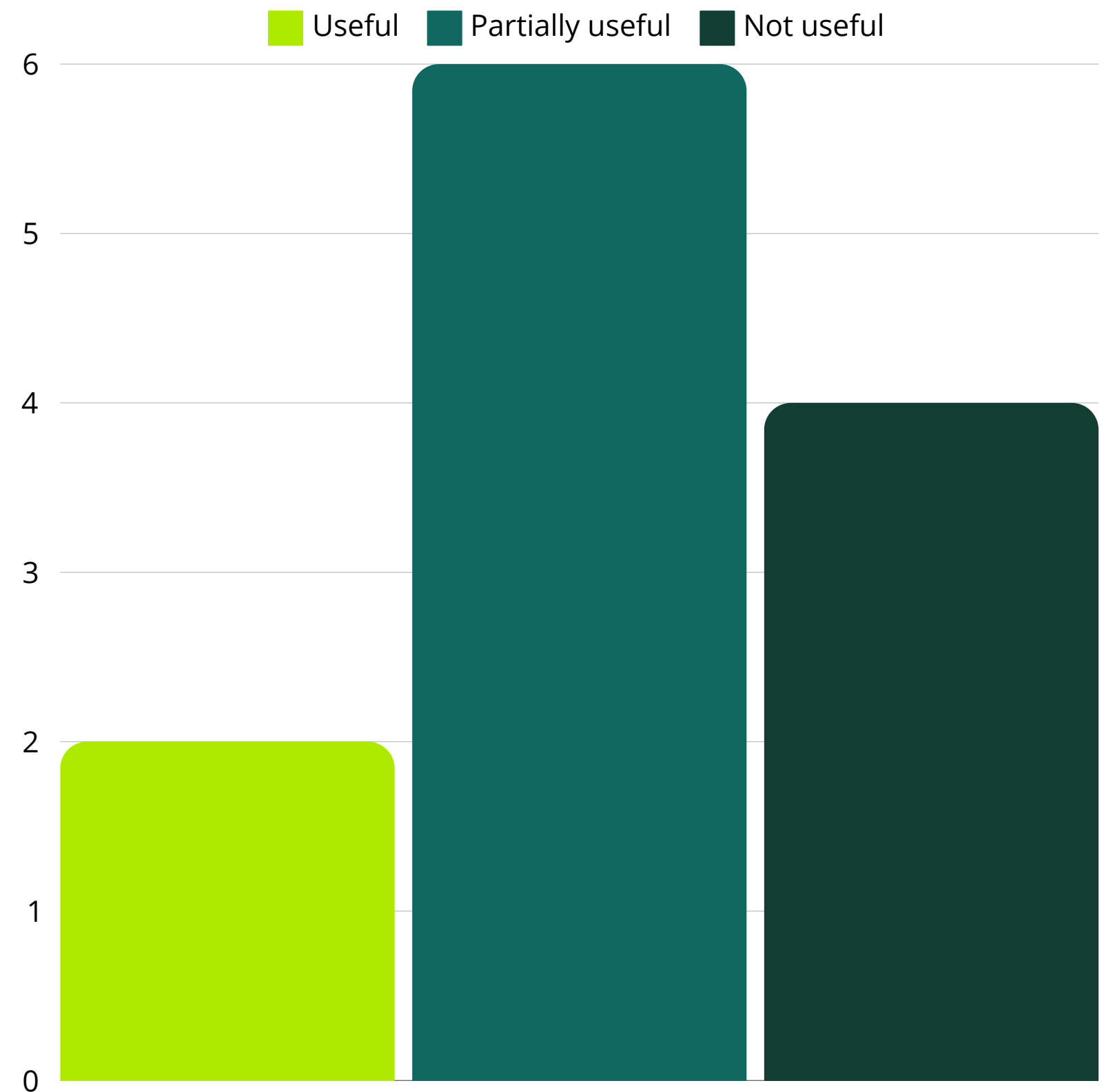


Please note that "Not useful" does not mean that the elements were not used or were not relevant, it just means that some organisations had already started collecting, reporting, templating and so on...

In addition to the 3 specific implementation tools, Cerise+SPTF also provided:

- **an update of ALINUS;**
- **guidance on conducting due diligence for ESG;**
- **Links with proxy-data providers (JIM and Impact Institute)**

"I am glad that Cerise+SPTF offered solutions and contacts that would otherwise be hard to find for proxies."

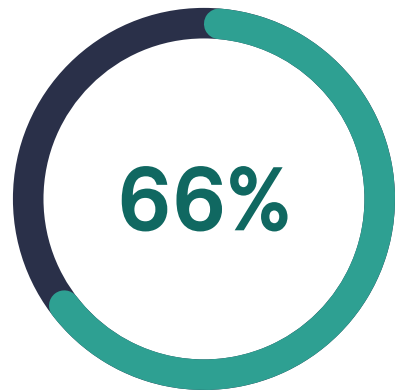


Outputs and proposals for implementation



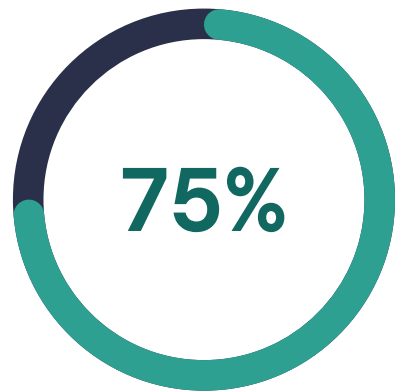
Sector response to the EC Consultation

80% of respondents consider that it was very useful and relevant to draw up a joint industry response to the European Commission's consultation on SFDR.



Use of the list of 8 key messages

66% of respondents have used the list of the 8 key messages.



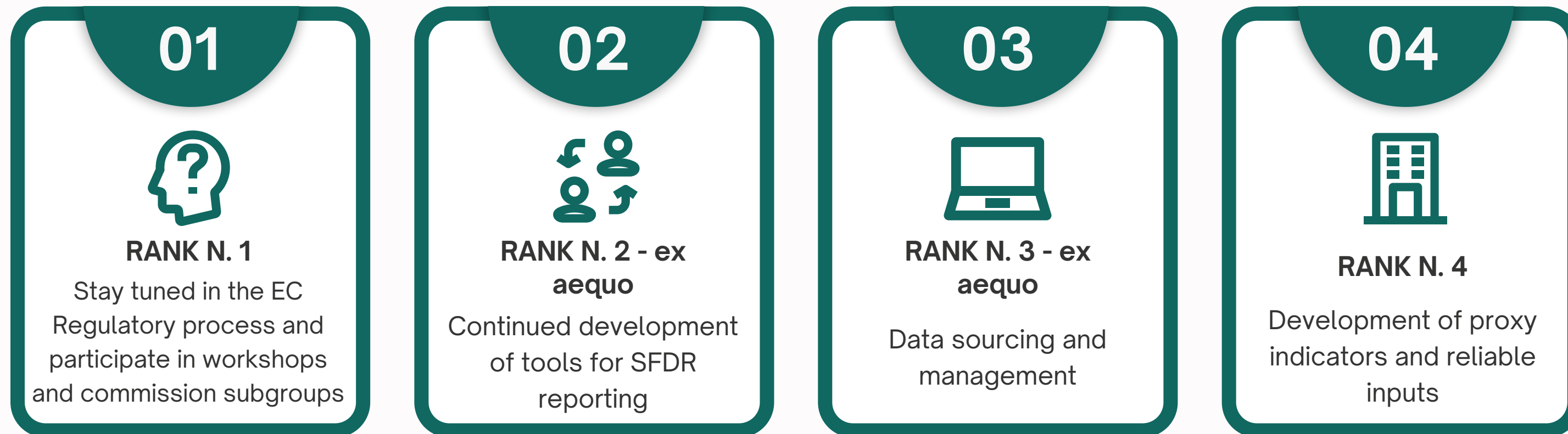
Use of the template response to the EC Consultation questionnaire as a guideline for individual responses

75% of respondents have used the template response to the EC Consultation questionnaire as a guideline for individual responses

“Despite tight deadlines, this SIWG-SFDR group orchestrated various inputs seamlessly, maintaining transparency throughout the process, encouraging feedback to ensure everyone's voice was heard. It is a democratic forum.”

Looking into 2024

Where would you see the highest need for you / your organization in a joint effort coordinated in the SIWG in 2024? (rank highest to the lowest)



The Workshop organised in October 2023 by Cerise+SPTF with a specialist on European policy and affairs allowed investors to get up to speed on the internal European Commission processes, and was highly praised by interviewed participants.

Others



The question around the SFDR's mandatory Principle Adverse Impact (PAI) indicator on **biodiversity** and what it means for **MicroFinance** institutions is a concern for **40%** of the respondents.



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THANK YOU