

THE TRANSPARENCY TASK FORCE

3rd January 2020
António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Communication on Engagement by the Transparency Task Force

Dear Mr. Secretary General,

I am pleased to confirm that Transparency Task Force Ltd continues to support the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption.

With this commitment, we express our continued intent to support the Global Compact advancing these principles.

The purpose of this communication is to make a clear statement of this commitment to our stakeholders and the general public.

We also pledge to continue to participate in and engage with the UN Global Compact, primarily through campaigning for greater transparency in financial services around the world.

We support public accountability and transparency, and are therefore very happy to hereby provide an account of our organisation's efforts to support the implementation of the ten principles.

About the Transparency Task Force

The Transparency Task Force is the collaborative, campaigning community dedicated to driving up the levels of transparency in financial services, right around the world.

We believe that higher levels of transparency are a prerequisite for the Financial Services sector to be fairer, safer, more efficient, more stable, more trustworthy and better-placed to provide better value for money and better outcomes to consumers. Furthermore, because of the correlation between transparency, truthfulness and trustworthiness, we expect our work will help to repair the self-inflicted reputational damage the sector has been suffering for decades.

We seek to effect the change that the financial services industry needs, governments want and the public deserves.

The Transparency Task Force is known for a highly collaborative, collegiate and cooperative approach, driving change through building consensus. We focus on solutions not blame.

We work to the principles of Enlightened Self Interest and can collaborate with all types of market participants, solution providers, academics, civil society groups, consumer groups, regulators, governments and NGO's wherever our interests are aligned.

We are an informal but increasingly influential forum of ethically-minded people that care about the Financial Services sector and the people it serves; and our mission is to 'help fix financial services by harnessing the transformational power of transparency.'

How did the Transparency Task Force start?

I ran a thought leadership event at Senate House, University of London on 6th May 2015.

The conclusions that came out of the meeting were that:

- Healthy, efficient and competitive Financial Services markets are profoundly important to the wellbeing of society, the global economy and political stability
- There is far too much opacity in the Financial Services sector
- Some market participants do not disclose fully; because opacity suits them
- Opacity is one of the reasons why the Financial Services sector is not trusted
- Distrust of the Financial Services sector is a huge problem and the Global Financial Crisis has made a bad situation even worse.
- Low savings rates are one of the manifestations of a lack of trust in the Financial Services sector - the UK now has the lowest savings rate since 1963
- The sector cannot make people trust us; it needs to behave in a consistently trustworthy way to regain the trust that has been lost
- People should be told about costs, risks, performance and so on
- Transparency alone is not sufficient – it can create a 'snow-storm' of data

- Information must be shown in a clear, intelligible and user-friendly way
- Standardisation make sense because it's efficient and aids comparability
- There is merit in people who care about the sector and the people it serves collaborating to drive the change needed by harnessing the transformational power of transparency

Since 6th May 2015 we have made tremendous progress – despite a troublesome lack of resource we are fast becoming established as the collaborative, campaigning community, dedicated to driving up the levels of transparency in financial services, right around the world.

We have managed to bring together academics, thought leaders, market participants, professional associations, trade bodies, policymakers, regulators and politicians to harness the transformational power of transparency in Financial Services through collaboration, consensus-building and campaign.

The TTF aims to become internationally recognised as the pre-eminent driver of transparency in Financial Services.

What are the problems that the Transparency Task Force is helping to Fix?

- The Engagement Deficit
- The Understanding Deficit
- The Trust Deficit
- Hidden costs
- Hidden risks
- Opportunistic opacity
- Opportunistic obfuscation
- Opportunistic complexity
- Short-termism
- Inadequate client-centricity
- A culture of profit over purpose
- Asymmetries of information
- Regulatory capture
- Scams and scandals
- Reputational damage
- Conflicts of interest
- Financial instability
- Malpractice

- Rent extraction
- Harmful incentive structures
- Miss-selling; and so on

About our step-by step methodology to helping to Fix the problems

Our approach to helping to fix the problems is entirely pragmatic:

- Step 1: We identify a problem that needs solving and is solvable
- Step 2: We recruit motivated volunteers with deep subject-matter expertise who are keen to work collaboratively with others to help solve the problem
- Step 3: We organise and mobilise the volunteers into a solution-orientated team
- Step 4: We select Team Leaders and facilitate the development of the Team's objectives and a pragmatic campaign strategy to achieve those objectives
- Step 5: We liaise with relevant members of the press, regulators, parliamentarians, government officials, leading academics, thought leaders and so on to create supportive engagement
- Step 6: We implement the campaign strategy, which is normally a combination of activities such as research, producing White Papers, running Thought Leadership events, responding to formal Regulatory consultations, holding meetings with key decision-makers and influencers, raising awareness through the press and so on
- Step 7: We continue to facilitate the ongoing development of the Team's work, by running a monthly conference call at a pre-set day and time such as 'the first Tuesday of every month at 10:00'

The Transparency Task Force approach

In essence our approach is all about shining a light into the darkness to raise awareness of the problems; we think of that as 'Parading the Problem'

Our experience to date has shown that if we 'Parade the Problem' effectively the attention we bring to the problem will create momentum to help solve it from the market, regulators, politicians, the press and so on

Fortunately, the problems we seek to solve tend to be self-evident and difficult to argue against. For example, it is obvious that there shouldn't be unmanaged conflicts of interest; or costs being hidden from investors; or incentive arrangements that inadvertently encourage malpractice; or opacity that makes decision-making difficult; and so on.

There is nothing new in our approach, it can be traced back to 1914, when Louis D. Brandeis stated:

“Sunlight is said to be the best of disinfectants; electric light the most efficient policeman”

The Transparency Task Force Strategy for Driving Change

Our Strategy for Driving Change is to bring together two groups of people:

#1, Those with a sense of passion & purpose about what needs to be changed; such as the 1,100+ valiant volunteers in our 22 Special Interest Groups

#2, those with the power & position to make change happen; such as the Regulators, Government Officials, Senior Civil Servants and Parliamentarians that we routinely engage with.

As a consequence of bringing together these two groups we are able to influence developments and encourage policymakers to become more transparency-orientated.

We achieve this influencing fusion in many ways, but particularly through our events.

What has the Transparency Task Force done to fulfil its obligations to the United Nations Global compact?

The Transparency Task Force made a pledge to The United Nations Global Compact that we would campaign for greater transparency in financial services around the world.

This is what we have done to honour that commitment:

1. We have published The Transparency Times

The Transparency Times is our free monthly online magazine. It contains a wide range of subjects from a broad range of authors but the overall message is how the power of transparency can be a force for good in getting the Financial Services Sector to provide the best possible outcomes to those it serves.

Largely through 'word of mouth,' circulation of the Transparency Times has been steadily increasing since our first issue, published in May 2016.

It now goes to over 6,000 people in the UK, 2,500 in Mainland Europe and over 4,000 in USA/Canada; and we have some readers in various other countries around the world.

Here's a list of the main countries in which we have readers:

- Australia
- Belgium
- Brazil
- Canada
- Chile
- Denmark
- Dubai
- France
- Germany
- Holland
- Hong Kong
- Italy
- Ireland
- New Zealand
- Singapore
- Spain
- Sweden
- United Kingdom
- USA

There is great variety in the type of people that receive the Transparency Times, including:

- Academics
- Researchers
- Politicians
- Civil Servants
- Civil Society Leaders
- All types of Market Participants
- Leaders of Trade Bodies
- All types of Consultants
- Leaders of Professional Associations
- Financial Services sector Observers & Commentators
- Media Professionals - Journalists & Editors
- Regulators
- Consultants
- Campaigners
- Leaders of Not-for Profits
- Trustees
- Students
- Pension Managers
- Institutional Investors
- Retail Investors
- Independent Financial Advisers

- Pension and Investment Lawyers
- Trades Unionists
- ...and many, many more

The link below will provide access to all of our previous editions:

<https://www.transparencytaskforce.org/transparency-times/>

2. We have run Transparency Symposia

Our Transparency Symposia are thought leadership events designed to galvanise support for the idea that there ought to be greater transparency in financial services. They are a great way to define and share best practice and are characterised by engaging presentations, panel sessions and debates.

During 2019 we embarked on major international project dedicated to the finance reform agenda. The project is focused on the question “How can we accelerate the rebuilding of trustworthiness and confidence in financial services?” and we have run meetings about this question in:

- London
- Amsterdam
- Zurich
- Brussels
- Washington DC
- New York
- Boston
- Hong Kong
- Sydney
- Melbourne
- Singapore

Note that this major international effort is all about creating a framework for finance reform; and at the heart of it are the “Finance Development Goals” that we have created.

They are a similar concept to the Sustainable Development Goals but instead of dealing with issues such as climate change and poverty they deal with the root causes of the malpractice, malfeasance, misconduct and miss-selling in financial services; issues such as conflicts of interest, poor culture, poor governance, a lack of transparency and so on.

For information about this ground-breaking project see here:

<https://www.transparencytaskforce.org/rebuilding-trust-confidence-in-financial-services/>

3. We have run Special Events

As well as our Transparency Symposia we have run some special events

Special Event #1

White Paper Presentation, 1st July 2016, London.

This event was about presenting a White Paper produced by the TTF's Costs & Charges Team, revealing the granular-level research that had been carried out by our Costs & Charges Team, to show the hidden costs and charges in pensions and investments. The event was covered by the Financial Times.

Speakers & panelists:

- Andy Agathangelou, Founding Chair, the Transparency Task Force
- David Pitt-Watson, Executive Fellow, London Business School
- Michelle Cracknell, Chief Executive, The Pensions Advisory Service
- Ralph Frank, CEO UK (DC), Cardano
- Sue Lewis, Chair, The Financial Services Consumer Panel

Special Event #2

The First Transparency Strategy Summit in the World, 12th Sept. 2016, London.

This event was held at The House of Commons

The primary purpose of the first Transparency Strategy Summit in the world was:

“To begin to build consensus on the best way to protect the interests of the UK’s pensions-saving public through full disclosure on all the costs and charges they are paying but not being told about.”

Speakers & panelists:

- Andy Agathangelou, Founding Chair, the Transparency Task Force
- Tom Tugendhat MBE, Member of Parliament for Tonbridge & Malling
- Shirin Taghizadeh, Head of Pension Charges, The Department for Work & Pensions
- Becky Young, Manager, Wholesale and Inv. Competition, the Financial Conduct Authority
- Robin Finer, Head of Department, Competition, the FCA
- Louise Sivyer, Policy Lead, Regulatory Policy Directorate, The Pensions Regulator
- David Pitt-Watson, Executive Fellow, The London Business School

- Michelle Cracknell, Chief Executive, The Pensions Advisory Service
- Daniel Godfrey, Former Chief Executive, The Investment Association

Special Event #3

White Paper Presentation 26th June 2017, London.

Held at the House of Commons.

This event was about presenting a White Paper produced by the TTF's Banking Team, recommending sensible reforms in the way the banks present costs to customers; and also how and why they should standardize the terms used to describe accounts

Speakers & panelists:

- Andy Agathangelou, Founding Chair, the Transparency Task Force
- Lord Cromwell
- Alex Letts, Chief UnBanker, U Account

4. We have awarded Transparency Trophies

As well as shining a light on bad market practice the Transparency Task Force shines a light on best practice and exemplary behavior; it also recognizes individuals and organisations that are also committed to the cause.

We do this by awarding The Transparency Trophy. The Transparency Trophy is a top-quality transparent star, awarded to a winner at each of our Transparency Symposia. Winners get to keep their Transparency Trophy. The star-shape is significant. People can navigate across seas using the stars so the star shape has been chosen to symbolise the idea that the winners are helping to navigate the Financial Services sector towards a more transparent, and enlightened state.

Winners of the Transparency Trophy are therefore helping to lead the way for others to follow. The winners so far are:

- February 2016: Tomas Wijffels, Policy Adviser, Pensioen Federatie
- April 2016: Rachel Haworth, Senior Policy Adviser, ShareAction
- June 2016: Jackie Beard, Head of Manager Research, EMEA, Morningstar
- September 2016: Gina & Alan Miller, Founders, the True & Fair Campaign
- October 2016: Robin Powell, Founder, Evidence-Based Investor
- November 2016: Daniel Godfrey, Founder, The People's Trust
- December 2016: Ralph Frank, Head of DC, Cardano Risk Management
- February 2017: Con Keating, Principal, Brighton Rock Group

- May 2017: David Pitt-Watson, Executive Fellow, London Business School
- July 2017: Mike Barrett, Consulting Director, The Lang Cat
- September 13th 2017: Steve Conley, Founder, Values Based Adviser
- September 28th 2017: George Kinder, Founder, The Kinder Institute
- November 15th 2017: Angela Brooks, Founder, Pension Life
- November 23rd 2017: Dr. Chris Sier, Independent Chair, FCA's IDWG
- November 30th 2017: Dan Brocklebank, Head of UK, Orbis Investments
- March 14th 2018: Bob Compton, Director, ARC Benefits Ltd
- May 24th 2018: Susan Flood, Vice Chair, Ark Campaign Group
- May 24th 2018: Nicholas Morris, Adjunct Professor, Faculty of Law, UNSW
- July 11th 2018: John Howard, Director, Consumer Insights
- July 26th 2018: JB Beckett, UK Lead, Association of Prof'l Fund Investors
- September 20th 2018: Heather Buchanan, Dir. of Pol. APPG/Fairer Bus. Bk'g
- 6th November 2018: Lesley Curwen, Reporter, BBC Freelance
- 14th November 2018: Dr. Kara Tan Bhala, President and Founder, Seven Pillars Institute for Global Finance and Ethics
- 17th December 2018: Julia Dreblow, Founder, SRI Services & The Fund EcoMarket
- 16th January 2019: Norma Cohen, Former Financial Times Correspondent
- 12th March 2019: Darby Hobbs, CEO/Founder SOCIAL3, Co-Founder & Chairperson Conscious Capitalism Boston Chapter; and Professor Boston University
- 14th March 2019: Connie and Michael Erlanger, Co-Founders of GoKnown.
- 20th March 2019: Mark Falcon, Director, Zephyre
- 16th May 2019: Dr. Anna Tilba, Associate Professor in Strategy and Governance, Durham University Business School
- 29th May 2019: Paddy Delaney, Founder, Informed Decisions
- 6th June 2019: Paolo Sironi, Watson Financial Services, IBM
- 18th June 2019: Guy Spier, Chief Executive, Aquamarine Fund
- 20th June 2019: Josina Kamerling, Head of Regulatory Outreach, EMEA, CFA Institute
- 23rd July 2019: Sunil Chadda, Director, Cairn Consulting
- 10th September 2019: Chris Tobe, Founder, Stable Value Consultants
- 11th September 2019: Jon Lukomnik, Managing Partner, Sinclair Capital
- 12th September 2019: Robert McNulty, Dir of Prog's, Hoffman Ctr for Business Ethics
- 10th October 2019: Rick Adkinson, Chief Executive, Private Capital, Hong Kong
- 15th October 2019: Dr Shann Turnbull, Principal, Int Inst for Self Governance
- 17th October 2019: Dr David Knox, Senior Partner, Mercer
- 22nd October 2019: Dean McClelland, Tontine Trust
- 5th November 2019: Richard Emery, 4 Keys Consulting
- 14th November 2019: Philip Miller, Fair Return

5. We have recruited over 1,100 valiant volunteers into our 22 Special Interest Groups

We believe that those of us who truly care about the importance of the Financial Services sector and the people it serves can, and should, work together to help put things right.

Our call to all experienced, right-minded financial services professionals is *'Let's stand up, not stand by'*; and despite the enormity of the challenge let's take heart from the famous Margaret Mead quote:

"Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has".

The response to our clarion call for people to volunteer to help has been profoundly positive.

We started with fewer than 20 volunteers all in the UK but we now have over 1,100, in 12 countries; and the numbers are growing all the time. That's not too bad for an organisation that has no resource.

Our volunteers are a 'coalition of the willing', working together to be 'part of the solution'. They are organised into twelve teams of volunteers, each team focused on a particular set of transparency-related issues and desired outcomes. Here's a very short overview to explain what each Team is seeking to do:

GTI

GTI is for people that are involved in developing our Global Transparency Index. This will highlight pro-transparency best practice around the world. It will allow countries to benchmark themselves against others in terms of how transparent their financial services ecosystems are (particularly their pensions industries). The Global Transparency Index is designed to be an invaluable resource for Governments and Regulators. Our initial focus is the UK, USA, Canada, Australia and the Netherlands and the GTI will be a ground-breaking development that will accelerate the rate at which the Financial Services industry around the world moves to a more transparent state; and therefore a fairer and more efficient state, enabling better outcomes for millions of people globally.

Market Integrity

The Market Integrity SIG consists of over 50 senior executives from Financial Services Trade Bodies, Professional Associations, Standards Boards and similar; all working together to improve the overall effectiveness of the UK's Financial Services Codes of Conduct, with a view to positively impacting market behaviour. The ground-breaking work of this Team will help to improve outcomes for consumers and help restore confidence in the Sector by raising the bar in terms of the standards of ethics, professionalism, conduct and integrity. The team has been liaising with the Financial Conduct Authority, which has an inherent interest in the topic of market integrity.

Costs & Charges

Transparency on costs & charges is so important because it will encourage a more competitive and efficient market and thereby generate better net results to savers and investors, particularly pensions savers. The highlights so far was a very special meeting held at the House of Commons in September 2016 that was Co-Chaired by Tom Tugendhat MBE MP. The event was the first 'Transparency Strategy Summit' in the World, and dealt with the question: "What can we collectively do to help protect the UK's pension savers from hidden costs and charges?"

We presented our research on costs and charges; and it even got covered on the front page of the Financial Times. The Team continues to campaign for pro-consumer reform and has been highly engaged with the relevant UK Regulators and Government Departments, particularly the Financial Conduct Authority, the FCA's Institutional Disclosure Working Group, The Competition & Markets Authority, The Pensions Regulator, The Financial Reporting Council, the Department for Work and Pensions and the Work and Pensions Select Committee.

Our efforts played an important part in the Work and Pensions Select Committee opening an enquiry into costs and transparency in pensions.

Foreign Exchange

The Foreign Exchange market is full of opacity that adversely affects consumers and even institutional investors. Our FX SIG published a constructive critique of the Global FX Code in July 2017, explaining why the Code doesn't go far enough to make costs in FX sufficiently transparent. The White Paper drew acknowledgement and response from the Competition & Markets Authority and the Economic Secretary at HM Treasury. The SIG continues to shine a light on the reforms needed to help create a fair, transparent, competitive and efficient FX market that delivers value for money to the individuals and institutions that use it.

EMEA

EMEA is for people in Europe, the Middle East and Africa that want to work together to deal with opacity-related problems in their part of the world's financial ecosystem.

Pensions

The Pensions SIG will be looking to shine a light on many issues that are relevant to driving good outcomes for pension savers.

The scope of the SIG will be very extensive - we will be looking into Auto Enrolment, DC Pensions, DB Pensions, CDC; accumulation and decumulation.

In general terms our focus will be on what reforms are needed to maximise the value for money that pension savers get. The SIG's specific campaign objectives will be decided by its members, as with all our groups, but here are some of the possibilities:

- Error rates in AE
- Scheme selection issues in AE
- Value for money
- The Net Pay/Relief at Source scandal
- Regulatory arbitrage between GPPs and MasterTrusts

- CDC; how can we help build the momentum?
- DB liabilities - do they need recalibrating?
- Scheme governance - is it as good as it should be?
- Scheme consolidation - would members be better off?

The first conference call will be in January - see the table at the bottom of this page for all the details but please also be sure to complete the short form on this page to join our Pensions SIG if you haven't already done so - the button to click onto is near the top of this page.

We can do with as many professionally-minded people joining the Pensions SIG as possible so please do get involved; apart from anything else it will be very beneficial from a networking point of view.

Fintech, Interoperability & Open Finance

Financial Technology is a natural ally of transparency and all that the TTF is looking to achieve, because:

- Fintech makes possible the systematic production and reporting of data that consumers need to make well-informed decisions about financial matters
- Fintech can drive down the sector's cost base through enhancing and harnessing interoperability; thereby enabling consumers to get better value for money from the financial products and services they use
- Fintech can drive interoperability across the industry as a whole, providing the consumer with a more "joined up" user experience as well as far superior data security

TTF's Fintech SIG is therefore for individuals representing organisations that have technologies available that positively align with the TTF's overall aims and objectives to help drive greater transparency and thereby better outcomes for consumers.

Interoperability, i.e. the ability to efficiently and effectively move data from one system to another is another key driver of improving market performance.

Open Finance is also of interest to us; we wish to help promote the extension of the scope of open banking into the wider financial ecosystem; openness and transparency go hand-in-hand.

Communications

Transparency generates data that has the *potential* to be useful. Whether it is useful or not depends on how well the data is turned into clear and intelligible information; and that's the job of communications and communications professionals.

Our communications SIG is for individuals that like the idea of working collaboratively with like-minded people to help improve the standard of communications throughout financial services

Banking

Our Banking SIG has been campaigning for the Banks to treat their business and retail customers in a more transparent way; for example, by changing the way Banks describe their 'free if in credit' current accounts and how charges are applied. The

highlight so far has been the publication of a well-received White Paper on our reform proposals, presented at special meeting held at the House of Commons in June 2017 and Chaired by Lord Cromwell. The event and White Paper was covered by The Times. Very good progress has been made on the opacity of costs and charges front; and the SIG is now looking at what more can be done for Banks to properly support those that have been scammed.

One of the SIG's leaders, Heather Buchanan, is Director of Policy & Strategy at the All Party Parliamentary Group on Financial Stability; which the team actively supports.

Financial Planning

Financial Planning, when done well is hugely valuable but there is a great deal of variance in the levels of quality, transparency and professionalism in the sector. It is clear that whilst some financial planners operate to the very highest ethical standards (thereby embracing transparency as a force for good); others seem not to.

This new SIG is for those in the financial planning sector that want to drive greater professionalism into the sector.

Anti-Scams

Many scam victims have been battling for years to try to get the justice they deserve. In some cases they have lost everything; there have even been some that have paid the ultimate price for the criminal activities of monstrous individuals that have tricked them out of their life savings and pension funds.

This SIG is doing all it can to try to help scam victims by providing them with support.

We are also doing all we can to try to prevent scams from happening in the first place, particularly pension scams.

Please get involved if you need help or if you want to help; or both.

PISCES:

This SIG is about the world's capital markets becoming a 'force for good'. To explain the name of the SIG: the **P** is for Purpose; **I** is for Impact Investing; **S** is for Sustainability; **C** is for Climate Change; **E** is for Environment, Social and Governance; and **S** is for Socially Responsible Investing. There is tremendous scope for the way the financial services sector influences what happens in our world and this SIG's lead campaign is what we call "Mandatory Fact-Finding," an idea that financial advisers should establish whether their clients have any values-based preferences (for example, to not invest in a manner that worsens climate change) before recommending a suitable investment fund.

Asset Management

This SIG is about encouraging the world's Asset Managers to behave in a more progressive and pro-consumer way; to be more determined to put their clients' interests first, wherever possible.

The overall purpose is to facilitate collaboration between asset managers that have a more enlightened and progressive approach than most, to drive better outcomes for their clients.

The SIG was launched in response to the Financial Conduct Authority's Asset Management Market Study which was justifiably critical of the way some Asset Managers have been operating.

The leading campaign initiative has been to re-energise the idea that asset managers should work to a code of conduct, centred around looking after the interests of their clients as best as they can.

Financial Stability

The Financial Stability SIG was launched on 13th September 2017, at a Transparency Symposium held in London entitled "It must never happen again!". The event was all about the causes and consequences of the Global Financial Crisis and in particular the part that a lack of transparency played. The date of the event was chosen because it marked the 10-year anniversary, to the day, that Northern Rock collapsed.

The Financial Stability SIG has been working together to establish what more can be done by Governments and Regulators around the World to build greater resilience into the financial ecosystem. This is important work because the overall conclusion from our 13th September event is that despite the fact that we are '10 years on' from the Global Financial Crisis there are many risks that have still not been mitigated fully. We want to shine a light on that, in a collaborative, constructive and consensus-building way.

The SIG produced a White Paper entitled "Ideas to help reduce the chance of another Global Financial Crisis" which we presented at the House of Commons on 7th February 2018. The meeting went very well; so much so that it has initiated the creation of an All Party Parliamentary Group on Financial Stability; we are very proud of that – over 15 Parliamentarians will be involved in developing fledgling policy initiatives for subsequent evaluation by organisations such as The Bank of England, The Financial Conduct Authority, The Financial Reporting Council and so on.

APAC

APAC is for people in Asia Pacific that want to work together to deal with opacity-related problems in their part of the world's financial ecosystem.

Americas

Americas is for people in The Americas, (North and South) that want to work together to deal with opacity-related problems in their part of the world's financial ecosystem. The Americas SIG is particularly focused on campaigning for the widespread adoption of the Fiduciary Standard, which is all about advisers putting the interests of their clients before themselves.

Investment Consulting & Fiduciary Management

This SIG has been created as a response to the Competition & Market Authority's investigation into the investment consulting and fiduciary management sector. The CMA are recommending significant changes to the sector to deal with issues that are

thought to be preventing the best possible outcomes for investors; and it is thought that they might be bringing the sector within the regulatory perimeter.

The SIG is for individuals that like the idea of working collaboratively with like-minded people to help improve the way the sector operates; particularly in relation to the areas that the CMA have been critical of.

Compliance/Legal/Audit/Regulatory/Governance/Custodian/Risk Management/General Counsel

The financial services sector is profoundly important to the wellbeing of society. It is a sector that has to be trusted to function correctly yet it often behaves in a manner that leads to distrust. In fact, according to the Edelman Trust Barometer, financial services is the least trusted sector of all. That's a systemic problem to be solved, given the harsh reality that the financial services sector relies on being trusted.

Our Special Interest Group for Compliance, Legal, Audit, Regulatory, Governance, Custodian, Risk Management and General Counsel Professionals is for people that like the idea of working across an often siloed part of the market that is absolutely essential to keeping the financial services sector "on the straight and narrow."

We anticipate that by working collaboratively the SIG's members can become more inclusive, proactive and purposeful; thinking about the "bigger picture" more than they ordinarily would.

We will be looking to find ways to help pre-empt the kind of systemic market failings that prevent consumers getting good outcomes and cause extensive reputational damage for the sector.

This SIG should appeal to anybody whose professional purpose is to guard against malfeasance, misconduct and malpractice; and or deal with the outfall when it occurs.

Whistleblowing

Individuals that blow the whistle as a result of becoming aware of malpractice, malfeasance, miss-selling, misconduct or even outright criminal activity within the financial services sector provide a valuable service to society.

By reporting what is happening that should not be, they help to accelerate the rate at which the organisations, regulators and the judiciary can put things right and deal with offenders appropriately.

However, blowing the whistle can be challenging and fraught with all kinds of problems and risks. The sort of questions that might go through the mind of somebody that is considering whether to report something include:

- What if I'm wrong and I'm just misinterpreting what is happening?
- What if it all gets very messy and I have to appear as a witness in court?
- How will the perpetrators respond to what I have done? – will they "come after me" in some way?
- What will this do to my career prospects where I work?

- What will my work colleagues, friends and family think of what I have done?
- If I leave the firm, what will this do to my job prospects?
- Will I come to regret it?
- Should I just side-step all the grief by not reporting and hope somebody else does?
- Do I have a moral, professional, or legal responsibility to report?
- Could this all backfire for me somehow?
- What if the press get involved?
- Others seem comfortable and able to turn a blind eye about what is going on. Am I just over-reacting to what I have learned?
- There is so much uncertainty - would I come to regret it?
- Should I just play safe and ignore what I know?
- What if it gets seriously serious?
- Would I be placing myself and my family in some kind of danger?
- How confident am I that “the system” will protect me for doing what I believe to be the right thing?

It is widely accepted that being a whistle-blower brings challenges; and sometimes those challenges can be mountainous.

This Special Interest Group has many aims, which include:

- Shining a great big bright light on the issues impacting whistleblowing
- Promoting whistleblowing as a good thing to; because it is
- Providing moral, social, and technical support to whistleblowers
- To facilitate the sharing of knowledge, insights and experience amongst whistleblowers
- To constructively challenge the way “the system” deals with whistleblowers with a view to identifying potential improvements to the rules and regulations that surround it
- Carrying out meaningful research and analysis; presenting that information to regulators and other key stakeholders
- Helping to accelerate the journey towards defining and disseminating best practice; such that society as a whole can benefit from the valuable service whistleblowers provide; and helping to ensure that the risks and problems connected to becoming a whistleblower are minimised as much as possible

If you have been or might decide to become a whistleblower please enquire about being included in this important Special Interest Group. We are especially keen to hear from those that have knowledge, insight and experience that might be useful to helping others; plus those who are thinking about becoming a whistleblower and what to know what support might be available.

Private Equity

Private equity investing is not known for consistent investor reporting standards across the market; we are confident that the Transparency Task Force “sunlight is the best disinfectant” approach can help to accelerate the rate at which this part of the market moves to a state of greater transparency and efficiency with standards and best practices.

Improved reporting for institutional investors, or limited partners (LPs), in private equity creates greater assurance and better data quality for LPs to rely upon for portfolio monitoring, analysis, and major decision-marking.

This additional transparency is healthy for the overall private equity space with, proper standardisation, improved benchmarking and data validation.

For pension schemes invested in private equity, the pension trustees, and those responsible for running the pension schemes are likely to be the main beneficiaries of this SIG's work.

Hedge Funds

Like private equity, Hedge Funds are not known for their transparency; and we are confident that the Transparency Task Force "sunlight is the best disinfectant" approach can help to accelerate the rate at which this part of the market moves to a state of true transparency.

Essentially, the problem with the Hedge Funds Market is that "there is no referee" and therefore it is very difficult to ensure the consumer is treated fairly.

Perhaps the members of this Special Interest Group can find ways to make a difference?

Payments

The Payments Sector is a remarkably important part of the financial ecosystem and it is in desperate need of reform to help ensure the consumer is being treated fairly.

This SIG will:

- Help ensure consumers are not being adversely effected by hidden costs being applied to themselves or the retailers they make purchases through
- Highlight the importance of payments as a financial services product in its own right, as well as payments being a critical UK and global economic infrastructure
- Inform stakeholders of the major changes in the payments market, especially the replacement of cash with digital payment methods
- Share knowledge on major market and regulatory developments, such as Open Banking and the Revised Payment Services Directive (PSD2)
- Respond to strategic regulatory and policy initiatives, such as the UK future of cash review and EU payment card regulation review

To see the individuals that we have recruited into our community that are now involved with campaigning for greater transparency through our Special Interest Groups; please download the Spreadsheet that can be accessed through this link (scroll to the bottom of the page).

<https://www.transparencytaskforce.org/special-interest-groups/>

6. We have responded to Consultations

Thus far, we have responded to 7 formal Government/Industry Consultations

- The Pensions Regulators work on 21st Century Trusteeship
- The Financial Conduct Authority's Consultation Paper on Transaction Costs in Workplace Pensions
- The Financial Conduct Authority's Asset Management Market Study
- The Global Foreign Exchange Code
- The Investment Association's Costs Disclosure Code
- The EU Consultation on Sustainable Finance
- The Work & Pensions Committee's Consultation on Pension Freedoms (Scams)

In addition, we have produced two White Papers; on Banking Reform and Financial Stability

7. We have had dozens of meetings & calls with key people

We have taken every opportunity possible to engage with individuals and organisations that we believe can help to achieve the outcomes we are after.

These include:

- The Department for Work & Pensions
- The Pensions Regulator
- The Financial Conduct Authority
- The Competition & Markets Authority
- The Financial Reporting Council
- The Bank of England
- The Treasury
- The OECD
- The World Bank
- The World Economic Forum
- Plus, parliamentarians such as Tom Tugendhat MBE MP, Angela Rayner MP, Ian Blackford MP, Alex Cunningham MP; Richard Harrington MP, George Holingbury MP,

8. We have gathered over 100 Transparency Statements

Transparency Statements are a great way to galvanise support for our international campaign to encourage greater transparency in financial services, right around the world.

Transparency Statements are a sentence that begins with the words:

“I believe there ought to be higher levels of transparency in financial services because.....”; and completed as the individual wishes.

Here are some examples:

Tom Tugendhat MBE MP, Member of Parliament for Tonbridge and Malling
“I believe there ought to be higher levels of transparency in financial services because it is the only way that markets can function without distortion to the benefit of the true customer, the individual.”

Helena Morrissey, Former Chair, The Investment Association
“I believe there ought to be higher levels of transparency in financial services because it's the very starting point for establishing trust.”

Dr. Kara Tan Bhala, President and Founder | Seven Pillars Institute for Global Finance and Ethics
“I believe there ought to be higher levels of transparency in financial services because transparency is a pro-ethical condition that enables us to fulfil our fiduciary duty and to achieve justice and the common good. Assiduous transparency yields continuous trust.”

Sophie Baker, London Bureau Chief | Pensions & Investments
“I believe there ought to be higher levels of transparency in financial services because we need to restore the trust of the man on the street.”

Robert Reid, Readers Editor | Money Marketing
“I believe there ought to be higher levels of transparency in financial services because people have a right to know what happens to their money.”

Gavin Palmer, Shareholder Nominated to the AGM Committee | Sharesoc Private Investor Association
“I believe there ought to be higher levels of transparency in financial services because trust and being your word as my bond generates win-win situations. Without transparency in the internet world reputations will be shredded with their organisations.”

Alexander Rush, Senior Pensions Lawyer | Stephenson Harwood LLP
“I believe there ought to be higher levels of transparency in financial services because it is vital that the effect of charges is known as far as reasonably possible when making long term investment decisions.”

Clare Reilly, Head of Corporate Development | Pension Bee
“I believe there ought to be higher levels of transparency in financial services because the economy should work for everybody.”

Renny Biggins, Pensions Technical Officer | TISA

"I believe there ought to be higher levels of transparency in financial services because the industry is currently perceived as confusing by consumers. In order to promote engagement, we need to break down those barriers and make it easier to understand. However, we should be mindful that too much information will confuse consumers."

Edward Smythe, Senior Researcher | Tomorrow's Company

"I believe there ought to be higher levels of transparency in financial services because the incumbent system is not fit for purpose in terms of delivered outcomes for savers or its impact on the 'real economy'. Only with higher levels of transparency can we identify those areas that can be radically improved."

Dipo Akinrinlade, CEO | Financial Freedom Academy

"I believe there ought to be higher levels of transparency in financial services because it is in everyone's best interest."

John Hunter, Chairman | UK Shareholder's Association

"I believe there ought to be higher levels of transparency in financial services because it is fundamental to the trust necessary for a viable industry."

Madison Marriage, Asset Management Correspondent | Financial Times

"I believe there ought to be higher levels of transparency in financial services because people need to be able to trust those responsible for managing their money."

We have gathered many more Transparency Statements – please see:

<https://www.transparencytaskforce.org/transparency-statements/>

9. We have successfully engaged with the Media

Media engagement plays a vital part in our campaigning and we have very successfully engaged with the media, despite not having a penny to spend on advertising or PR. The media have been providing superb coverage of our various activities, press releases and consultation responses.

Here's an overview of our media engagement:

- The Nationals:
The Financial Times (including a piece on the front page), The Times, The Sunday Times, The Telegraph, The Daily Mail, The Sun, The Daily Mirror, Which?
- The Trade Press:

Professional Pensions, Pensions Expert, Money Marketing, Financial Adviser, Corporate Adviser, Engaged Investor, Portfolio Adviser, Pensions & Investments, Euromoney, Pensions World, Financial News, Responsible Investor, Pensions Age, CityWire, Ftfm and more

- Radio:

Interviewed on BBC Radio 4, You and Yours

Interviewed on BBC Radio 4, Moneybox

Interviewed on a Special radio 4 Programme entitled The Transparency Detectives

<https://www.bbc.co.uk/programmes/b09nxznc>

- Online

Evidence Based Investor, Pension PlayPen; and many others

- Television

CNBC Asia; filmed live in Singapore

<https://www.cnbc.com/video/2019/10/23/transparency-and-truthfulness-are-commercial-virtues.html>

10. Speaking at other organisations' conferences

I have spoken at dozens of conferences and events run by other organisations including at Fund Forum in Hong Kong and CFA's Annual Conference in India. I take every opportunity I can to 'win hearts and minds' – many of the volunteers in our 12 Teams have come from speaking events. I find it natural to talk authentically about the need for greater transparency in financial services.

11. We have recruited over 155 Ambassadors

We are extremely grateful to and proud of the Ambassadors that we have recruited. They are individuals who are particularly well aligned to the overall purpose and mission of the Transparency Task Force, and have agreed to do what they can, when they can, to further the cause for greater transparency in financial services.

They are true professionals; people who have accepted the responsibility of standing up for the cause for greater transparency in financial services as and when they can, however they can.

Individuals become Ambassadors on an invitation-only basis.

Here are some notes about our Ambassadors:

- Our Ambassadors are unpaid volunteers
- Our Ambassadors are all highly credible, well-respected professionals with tremendous knowledge and insight
- Our Ambassadors are naturally client-centric
- Our Ambassadors understand that the purpose of the finance sector is to serve
- Our Ambassadors are individuals who are well aligned with the overall purpose and mission of the Transparency Task Force
- Our Ambassadors have agreed to do what they can, when they can, to promote greater transparency in financial services
- Our Ambassadors have no specific responsibilities placed upon them; it is for each Ambassador to decide how to support

We plan to develop a network of 1,000 + Ambassadors from right around the world. Individually, many of our Ambassadors are helping to drive positive change in their own right; but collectively they are becoming an awesome force for good, for the benefit of all.

Here are our Ambassadors:

<https://www.transparencytaskforce.org/ttf-ambassadors/>

Summary and Conclusion

The purpose of this Communication on Engagement by the Transparency Task Force has been to describe what the Transparency Task Force has done to fulfil its obligations to the United Nations Global compact.

Our pledge was to campaign for greater transparency in financial services around the world; in the context of Promoting Integrity and Transparency in the Banking and Financial Sectors

We have done that to the very best of our ability, at personal expense; and we hope that our activities meet with your approval.

Sincerely yours,

**Andy Agathangelou,
Founder,
Transparency Task Force**