

26 January 2024

**SDR and labels policy**  
**Financial Conduct Authority**  
**12 Endeavour Square**  
**London E20 1JN**

Submitted via email to: [gc23-3@fca.org.uk](mailto:gc23-3@fca.org.uk)

**RE: GC23/3: Guidance on the anti-greenwashing rule**

BlackRock<sup>1</sup> is pleased to have the opportunity to respond to the Financial Conduct Authority (the 'FCA') consultation on its guidance on the anti-greenwashing rule.

As an asset manager, BlackRock is a fiduciary that manages investments on behalf of retail and institutional investors across a range of markets and asset classes. The money we manage is not our own – it belongs to our clients, the asset owners, who choose their own investment strategies and products from our broad range of offerings.

BlackRock's investment approach is rooted in our fiduciary duty: we start with our client's objectives, seeking the best risk-adjusted returns, underpinned by research, data, and analytics. We apply that same approach to sustainability – we create investment solutions that meet the diverse needs of our clients and seek optimal risk-adjusted returns and outcomes in line with their individual investment choices.

Sustainable investing and navigating the transition to a low-carbon economy are a priority for many of our clients in the UK and globally, and we therefore welcome the opportunity to comment on the issues raised by this consultation. We will continue to contribute to the policy dialogue on this and other topics in the best interests of our clients, the end-investors, and asset owners.

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BlackRock is supportive of the FCA's intentions to help build consumer trust in financial markets and efforts to help consumers make informed decisions that are aligned with their investment preferences.

With this in mind, we believe that the FCA's guidance on the anti-greenwashing rule is comprehensive and will help firms understand the regulator's expectations under the new rule.

As we noted in our response to the SDR consultation, given that the existing regulatory regime obliges firms to ensure that the information that they communicate to clients is 'clear, fair and not misleading' and that investment products and services are marketed in a way that is true to label (PRIN 2.1., principle 7, COBS 4.2.1), we appreciate that the FCA has recognised this in the guidance, and clearly stated that this new rule is designed to reaffirm and help clarify existing requirements for firms. We see this guidance as helpful in clarifying how this new rule builds upon the existing regime.

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<sup>1</sup> BlackRock is a leading provider of investment, advisory and risk management solutions, and has been active in the UK for over 50 years. Our purpose is to help more and more people experience financial well-being.

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We see the examples given as clear and demonstrative of the FCA's intention to ensure communications are correct and capable of being substantiated; clear and presented in a way that can be understood; complete; and fair and meaningful in relation to any comparisons.

In terms of timeline, we understand the rationale for bringing the guidance and rule into force at the same time. However, given the granularity of the guidance in regard to fund disclosures, the FCA may want to consider whether to instead align the date of the guidance coming into force with the 2 December SDR disclosure date. We would also highlight that it would be helpful if the FCA could indicate as soon as possible any changes to this proposed guidance following consultation. Given the implementation timeline is relatively tight, it would be great to have certainty around the final wording of the guidance as soon as possible.

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To conclude, we believe the proposed guidance comprehensively clarifies the anti-greenwashing rule and have no further comments on the content or examples given. We welcome the opportunity to comment on the issues raised by this consultation paper and will continue to contribute to the thinking of the FCA on this and other topics.

Yours faithfully,

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