



ESG ACCORD

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Newsletter August 2022: MPS Report Sponsors Special Edition

Hello from ESG Accord

Welcome to this special edition of our newsletter featuring news and updates from all eleven of our MPS Report Sponsors!

The MPS Report sits alongside our Compliance Framework services as part of an advice and planning tool-kit for advisers looking to fully include the full spectrum of ESG & Sustainable preferences. Our continuing aim is to provide the industry with solutions; our Tax Efficient Vehicles Report is due later this year and following that our MultiAsset/MultiManager Report.

At ESG Accord, we believe that Advisers need quality and comparable data to give best practice advice and retain clients. By using our deep-dive MPS report/database, advisers are able to focus on the needs of their clients, matching the most appropriate MPS to each client's values.

Advisers can leave it to the DFMs to constantly monitor new fund launches and fund repurposing, ensuring that the best and most appropriate funds are held in their MPS.

'Good' compliance can give advisers peace of mind via independent, reportable & granular processes. Our MPS report helps Advisers match the most appropriate MPS to each client's ESG & Sustainability objectives and preferences.

Sound due diligence can help to reduce greenwashing as it enhances transparent communication - both internally within a firm and as a dialogue conduit between Distributor and Manufacturer. Granular questioning of funds raises market participation and the flow of information. These solutions help to deliver best practice outcomes across the full ESG & Sustainable spectrum.

The Report is a large online database that is searchable and based on all of the questions in our Due Diligence Questionnaire. On access;

- It is possible to view and compare over 30 fully completed MPS DDQs
- The database contains over 45 MPS providers and shows the answers to over 70 ESG & Sustainable questions
- The Due Diligence Questions span across 8 headings which cover the full ESG & Sustainable spectrum
- The database has been designed for functionality and it helps advisers match the most appropriate MPS to each client's ESG & Sustainability objectives and preferences

If you haven't registered for access yet, please do so (advisers and paraplanners register for free!) from here:
<https://esgaccord.co.uk/esg-sustainable-mps-report/>

Read the Report Executive Summary including FCA Foreword:
https://esgaccord.co.uk/wp-content/uploads/2022/04/MPS-Executive-Summary-Foreword-05_04_2022.pdf

Or email us on admin@esgaccord.co.uk

MPS Report Sponsors - over to you!

Aviva

"ESG Regulation is going places. Are you on the right path?"

Our CPD "Talking ESG" webinar offered much food for thought on the subject of ESG regulation. Here's a reminder of the panel members and an outline of the main conversation topics.

The panel
Natalie Holt – Content Editor, The lang cat (Host)
Rebecca Kowalski – Founder, Overstory Finance
Lee Coates – Director, ESG Accord Ltd
Alasdair Coutts-Britton – Owner, Better World Financial Planning Ltd
James Dalby – ESG Lead, Aviva

Green finance strategy

James Dalby gives an overview of the current regulatory climate, detailing the UK's decision to create its own ESG framework, named the Greening Finance Strategy. Within this a key regulation is the Sustainable Disclosure Requirements and Investment Labels – a consultation by the FCA on this is expected in the summer. James says this regulation is

"specifically relevant to product providers and platform providers – it's a critical phase we're in at the moment."

However, James doesn't feel it will clarify every aspect of incorporating ESG, or even lead to a universal labelling criteria for all funds:

"I think it will very much focus on labels for funds that are specifically around sustainability, so expect there will be a swathe of existing funds and new funds in the future that will still sit outside these labels but will still have very strong ESG characteristics."

Alasdair Coutts-Britton talks about expectation versus requirement, saying ESG should be part of every adviser's fact find with a client, even though it's not yet required. He emphasises the need to ask open questions – ESG should not be something you just say yes or no to.

"Unless you actually ask a client open ended questions, you might find that people have got opinions and views which you wouldn't otherwise know about."

Read in full here: <https://connect.avivab2b.co.uk/adviser/articles/news/platform-and-investments/ESG-regulation-is-going-places/>

Brewin Dolphin

About the Brewin Dolphin Sustainable MPS investment approach:

We believe high-quality companies that manage environmental, social and governance (ESG) risks and opportunities well, will make attractive long-term investments.

A positive contribution

Our Sustainable MPS is an investment management service that offers investors the opportunity to avoid investment in harmful sectors and contribute positively to global environmental and social sustainability challenges.

Selective choice of funds

We offer a suite of diversified portfolios that meet a range of objectives and risk profiles, and which are aligned to our responsible investment philosophy

Measuring our alignment to sustainable development goals

We believe it is important to measure and monitor the impact of your sustainable portfolio against global challenges we all face. We also want to assess our objective of investing in companies and funds that have a positive societal or environmental impact with meaningful context. To independently assess our success in these areas, we use MSCI, a third party ratings agency.

Please view our latest factsheets for more information on our latest alignment data, ESG measurement and carbon intensity scores: <https://www.brewin.co.uk/intermediaries/sustainable->

Key facts

- A choice of five risk-managed portfolios
 - All funds are risk mapped against Defaqto, Dynamic Planner, EValue, Finametrica, Morningstar & Synaptic.
 - Investment underpinned by our in-house Research Team and Asset Allocation Committee
 - Robust and repeatable investment process
 - ESG fully integrated
 - Industry-leading engagement
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- Strong transparency and reporting

Brewin Dolphin Sustainable MPS website: <https://www.brewin.co.uk/intermediaries/sustainable-mps>

Akademia TV: Is MPS the solution for sustainability when advising clients?

Tom Buffham, Portfolio Analyst, Brewin Dolphin joins a panel of experts (including Lee Coates OBE of ESG Accord) to discuss MPS and sustainability.

Watch here: <https://www.asset.tv/video/mps-solution-sustainability-when-advising-clients>

Brooks Macdonald

With over 30 years' experience of constructing and actively managing long-term portfolios, at [Brooks Macdonald](#) we believe in taking a durable approach. This ethos is a perfect fit with our belief that investing responsibly can generate long-term value for our clients.

Our business is built on working closely with advisers to provide suitable investment solutions for their clients. Some of the consistent feedback we have received has been on the challenges advisers face when trying to evaluate responsible investment solutions.

We want to be active participants in helping advisers engage with responsible investment solutions, to identify the best proposition for their clients, and believe the ESG Accord MPS report provides a great resource.

We launched our [Responsible Investment Service \(RIS\)](#) in January 2019 which provides [two distinct strategies](#) – 'Advance' and 'Avoid' - for clients who want to incorporate non-financial objectives alongside their financial objectives.

The Responsible Investment Service is backed by an experienced team serving the growing demand for responsible investing. It is both integrated with our Centralised Investment Process and can call on the considerable resources of our firm's wider infrastructure and resources.

Many clients will be looking to include sustainability objectives within their investment mandates and the financial advice offered will need to consider these objectives. Our [Responsible Investment Hub](#) is packed with resources, providing insight and information to equip advisers with practical materials including literature, videos and webinars to assist with your conversations.

<https://esgaccord.co.uk/wp-content/uploads/2022/03/Brooks-Macdonald-.pdf>

Copia Capital Management

According to our recent research with the lang cat, [advice firms spend 71 days a year operating their Centralised Investment Proposition](#) (CIP) on average.

MiFID II rules have already made CIP management harder. The requirements of Consumer Duty and [ESG proposals](#), where the FCA is exploring whether advisers should consider sustainability matters and the client's preferences in their investment advice, are set to add further pressure.

[Investors are increasingly concerned about climate change](#), especially given the recent record-breaking heatwave, along with other environmental issues, human rights and corporate transparency. Increasingly investors want to make decisions according to their values, demanding long-term societal strategies and good working practices.

Given this rising demand, Bloomberg predicts that responsible and sustainable financial products will account for [one-third of global AUM by 2025](#). While this is great for sustainable businesses, it makes it harder than ever for advisers to identify the right investments to meet their client's ESG requirements.

Which is where we can help. At Copia, our goal is to enable IFAs to drive a new generation of ESG investing, underpinned by our data-driven approach and investment specialists. We work with you to build cost-efficient, well-diversified and multi-asset ESG portfolios for your clients, using our systematic approach. With our robust screening methodology and extensive research into ESG funds, you and your clients can be confident that the investments are genuinely responsible. Find out more about our [ESG portfolio range and investment methodology on our website](#).

Investing ethically is the future: good for the planet, plus it makes financial sense.

EQ Investors

About EQ Investors

EQ Investors (EQ) is a B Corp discretionary fund manager focused on sustainable and impact Investing. With a ten-year track record, we act as discretionary fund managers for advisory firms across the UK and offshore.

Why we sponsored the report

Advisers increasingly recognise the need to include consideration of ESG matters in their suitability assessments and we want to support initiatives that build capacity in this area.

Current initiatives: <https://eqinvestors.co.uk/advisers/blog/eq-investors-develops-its-own-carbon-calculator/>

EQ Carbon Calculator

Recently we have been working on understanding the carbon footprint of all the investments we manage. Every investment has an associated carbon footprint, but minimising this is possible and desirable. In line with our commitment to provide transparency to our clients on the sustainability of their investments, we have just launched the EQ Carbon Calculator: <https://eqinvestors.co.uk/advisers/carbon-calculator/>

You can now calculate the comparative financed emissions with an investment in an EQ Investors portfolio against that in a standard global market index.

LGT Wealth Management (LGT)

[LGT Wealth Management](#) (LGT) was founded in 2008 to offer a fresh approach to wealth management. We are part of the world's largest private bank and asset manager, owned by a single family, the Princely House of Liechtenstein, for over 90 years. The firm's private ownership ensures a stable and long-term approach in both our corporate and investment strategies.

Sustainable thinking and action have been cornerstones of the Princely Family for generations. This is why these values are also deeply anchored in LGT's corporate culture. [Sustainable thinking and action](#) are an integral part of our corporate philosophy. A long-term perspective and responsibility for the environment and society are guiding principles of our firm.

We believe that integrating sustainability analysis within an investment process can help avoid environmental, social and governance (ESG) risks, and assist with identifying growth opportunities. This analysis contributes to the funds selected.

for our [Sustainable Model Portfolio Service \(MPS\)](#), which is a discretionary investment service comprising diversified portfolios to meet a range of objectives and risk profiles. The ultimate aim of the Sustainable MPS is to generate strong and consistent investment returns for clients, whilst supporting our sustainable philosophy.

We have partnered with financial advisers to provide investment services since our inception, and we understand the importance of transparency and the availability of appropriate tools for advisers to determine the best solution for their clients. The [ESG Accord MPS Report](#) provides a useful comparison between sustainable investment services, so advisers can easily identify the appropriate portfolio for their client.

Psigma Investment Management, a Canaccord Genuity Group Company

Since the recent acquisition of Psigma Investment Management by Canaccord Genuity Wealth Management (CGWM), our experts have come together to build a robust ESG (Environmental, Social and Governance) proposition. Psigma's Head of Socially Responsible Investing (SRI), Mike Myers, and CGWM's Head of ESG, Patrick Thomas, have combined their expertise to forge an ESG solution that aims to build a better world for clients.

Combining CGWM's award-winning ESG approach with [Psigma's investment philosophy, which aims for inflation-plus returns and downside protection](#), has enabled us to create a joint investment solution that plays to our strengths. By continuing to focus on positive inclusion, rather than negative exclusion, we are able to invest in assets we want to own, rather than just those we can own – and now, with more resource behind the team, we have a much wider base of knowledge for our sustainable solutions. With a dedicated team of six who run and implement these strategies, we are able to draw on a bigger range of expertise, and in turn invest in a broader range of sustainable themes.

We will also be able to use this increased resource to continue the education and training we provide for advisers. We remain committed to helping advisers negotiate this complex area in order to provide the best solutions for their clients.

Ultimately, our combined service is designed to provide clients with an opportunity to achieve the dual objectives of real returns and positive societal impacts – a no-compromise solution that works towards making the world a better place.

Rathbone Greenbank Investments

Rathbone Greenbank Investments (Greenbank) provides tailored investment services with positive impact for a range of private clients, trustees and professional advisers. Having specialised within the ethical, sustainable and impact investment landscape for over 20 years, we possess experience and expertise that is amongst the best in this field.

We recognise that the investor voice is a powerful means to influence and direct the ways in which companies are run. It is a vital expression of Greenbank's role as stewards of our clients' assets to advocate for lasting positive change within the companies in which we invest.

Engagement is a vital part of our role as ethical, sustainable and impact investors. It enhances our ability to understand and mitigate key risks, is one of the primary tools through which we can create positive impact, and it empowers our clients to invest their money as a force for good. To increase the reach and impact of our engagement activities we also collaborate closely with several NGOs and other members of the responsible investment community.

Read in full: <https://esgaccord.co.uk/wp-content/uploads/2022/04/Rathbone-Branded-Final-version-ESG-Accord.pdf>

Rathbone Greenbank's 25th annual Investor Day

Food for thought: building a healthier food system

Our 25th Annual Investor Day explored the state of health and nutrition in the UK, the role that the food and drinks industry plays in shaping public health, and how investors can help create positive change.

<https://www.rathbonegreenbank.com/insight/rathbone-greenbanks-25th-annual-investor-day>

Sarasin & Partners

We understand the complexity of giving advice in this area, from the discovery process with clients to finding a Product that matches the clients requirements. As such Sarasin are pleased to be a sponsor of ESG Accord which gives IFAs a great deal of research material across the Sustainable Investing advice spectrum. We have been working with Lee Coates for many years and recognise his expertise in this area of advice. ESG Accord gives a good one stop repository of various manager's approaches and styles which has to enhance any IFAs advice process.

Find out more about our ESG work and insights: <https://sarasinandpartners.com/think/>

Winner of Best Client Service in MPS award: <https://ifamagazine.com/article/ta-dah-winners-of-ifa-magazines-inaugural-mps-awards-revealed/>

Our latest monthly MPS update: <https://sarasinandpartners.com/think/model-portfolios-update-july-2022/>

Tribe Impact Capital

Tribe is the UK's first dedicated impact wealth manager. 100% of Tribe's investments are sustainable and have been since inception. This means we only run portfolios for positive, sustainable impact. Sustainability is at the core of everything we do, from our mission as a business, our operations, and the offering to our clients. While some wealth managers offer impact investing as a small part of a broader portfolio, Tribe solely invests in businesses working for the benefit of society and the planet.

Our Sustainable Impact Model Portfolio Service (SIMPS) offers an authentic, impact-focused portfolio service for clients seeking an investment model which does well and does good.

- Our portfolios go beyond traditional "ethical" investments, where companies and industries that are deemed to be "unethical" are negatively screened out.
- We use ESG as a tool to identify the operational health/potential risks of a company, however we go beyond ESG to look at what the product/service is fundamentally doing to ensure they are solving for, not contributing to, global challenges.
- We actively select positive investments that directly contribute to global sustainable development (UN SDGs) and address a social, economic or environmental issue society is facing.
- We believe financial returns and impact can be achieved alongside each other and support the causes your clients care about.

For more information:

Link 1: [Tribe Impact Capital](#)

Link 2: [Frequently asked questions](#)

Link 3: [SIMPS investment approach](#)

Link 4: [Best for the world B Corps 2022](#)

Link 5: [Best Impact Offering & Best ESG Portfolio \(performance\) winners](#)

Email: advisers@tribeimpactcapital.com

Waverton

Waverton is an independent investment management house dedicated to providing a high-quality service for financial advisers, private clients, charities and institutions. Our approach is to work in partnership with you, and we align with your business to find the best solution for your clients.

To support your due diligence process, we have created a due diligence pack with a suggested framework for analysis of four core areas of a DFM's business, as well as an ESG pack providing information on our approach to responsible investment. We're delighted to share these two packs here following our sponsorship of the ESG Sustainable MPS report from ESG Accord.

Waverton due diligence pack: [waverton-due-diligence-5.pdf](#)

ESG due diligence pack: [waverton-esg-due-diligence.pdf](#)

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