

## **COURSE SUMMARY: Sustainability in the Investment Advice Process**

Sustainability in the Investment Advice Process has been designed specifically for financial advisers, paraplanners, compliance officers, and consultants. It's built on real-world experience in financial adviser compliance and delivering financial advice to both retail and institutional clients.

**LIBF** — Accredited Learning Programme

**LIBF** — Accredited CPD Programme

Accreditation statement:  
This programme / content is accredited by LIBF,  
as meeting our requirements for effective CPD

The course is divided into 10 Modules.

The course provides 5 hours of structured CPD. This takes into account watching the module videos, completing the associated module activity(ies) and completing the end of module tests. The multiple choice questions at the end of each Module test your acquired knowledge.

The first nine modules take you on a learning journey, starting with a review of what ESG and sustainability is and how they relates to financial advice, then moves on to an analysis of the key FCA regulations impacting financial advice and the integration of ESG, sustainability and values-based options (Module 2 and 3).

Modules 4 and 5 look at adapting advice processes and internal compliance processes, including due diligence, to ensure that ESG, sustainability and values-based options are presented to all investment clients, as discussed in the regulatory modules. As you will discover, this has nothing to do with 'pushing' ESG, sustainability or values-based investment onto your clients. Quite the opposite; it is centred around giving all clients the opportunity to understand the options exist and to direct you to include or not include these areas in their financial planning.

Modules 7, 8 and 9 focus on practical implementation of process, looking at pre meeting processes, how to talk to clients about ESG, sustainability and values-based options during your meeting and then how to ensure you deliver a compliant suitability letter with your recommendations.

Module 10, the Capstone, brings everything together from the preceding nine modules with a final quiz containing questions from across the full course.

Once you have completed all ten Modules, please remember to complete the course survey. We really welcome your views on course structure and content. If you have any suggestions for way that we might improve the course, please do let us know.

## **Module 1 - ESG & Sustainability**

This module explores a major transformation in investment priorities, where investors are increasingly seeking both financial returns and positive environmental or social impacts. Research by the Financial Conduct Authority (FCA) highlights that over 80% of consumers prefer their money to contribute positively to society while generating returns. This shift is reflected in the projected growth of ESG-oriented funds, which are expected to reach \$34 trillion by 2026.

The key learning points are:

- The Shift in Investing
- The Economic Transition to Sustainability
- Defining Sustainability and the UN Sustainable Development Goals (SDGs)
- Regulatory Perspective on Sustainable Investments
- The Relationship Between ESG and Financial Performance
- Challenges in ESG Investing
- ESG as a Standard Investment Practice
- Conclusion: The Future of Investing

## **Module 2 - Regulations: Consumer Duty**

This module examines the increasing demand for responsible and sustainable investing, as reflected in the 2020 and 2022 Financial Lives Surveys conducted by the Financial Conduct Authority (FCA) and is the first of two modules looking at FCA regulations.

The key learning points are:

- Consumer Duty and Its Role in Responsible Investing
- Know Your Client (KYC)
- Informed Choice
- Sludging (Deterring Clients from Responsible Investing)
- The Role of Regulations in Ensuring Transparency
- Conclusion: The Importance of Effective Client Engagement

## **Module 3 - Regulations: SDR**

This module explores the Sustainability Disclosure Requirements (SDR) and investment labels introduced in the FCA's Policy Statement PS23/16 (November 28, 2023). These regulations aim to enhance transparency in sustainable investing, prevent greenwashing, and introduce four sustainability investment labels.

The key learning points are:

- The anti-greenwashing rule.
- The four sustainability investment labels.
- The importance of ethical funds.
- Disclosure requirements for investment funds.
- Presenting SDR information to clients.
- Conclusion: A New Standard for Sustainable Investing

## **Module 4 - Mapping the investment landscape**

This module builds on the Sustainability Disclosure Requirements (SDR) from Module 3, focusing on how sustainability options fit within the broader investment universe. Rather than a complete overhaul, the introduction of fund labels and sustainability options simplifies and clarifies investment choices, benefiting both advisors and clients.

The key learning points are:

- Seven Investment Categories
- Balancing Sustainability and Conventional Investments
- The Role of ESG in Conventional Investments
- Enhancing Client Communication
- Conclusion: The Evolution of Investment Choices

## **Module 5 - Gap Analysis and Knowledge**

This module focuses on assessing the preparedness of advisors and firms in implementing Consumer Duty and Sustainability Disclosure Requirements (SDR). Rather than promoting ESG or sustainability, the emphasis is on ensuring that clients make informed investment choices aligned with their preferences.

Whilst watching the video for this module, you will find it helpful to have a copy of the Advice Firm Quadrant and the Investment Advice Process Checklist in front of you. Both documents can be downloaded from the Accord Initiative website here: [Advice Firm Quadrant & Investment Advice Process Checklist](#).

The key learning points are:

- Self-Assessment Tools
- Four Types of Firms Based on Readiness
- Implementing Regulatory Requirement
- Closing Knowledge Gaps

## **Module 6 - Pre-meeting process**

This module focuses on the critical pre-meeting stage in the investment advice process, ensuring that clients make informed choices regarding their investment preferences and objectives. It translates regulatory requirements (Consumer Duty & SDR) into practical steps to enhance client understanding and engagement.

Whilst watching the video for this module, you will find it helpful to have a copy of the Investment Preference Pathway document in front of you. A copy can be downloaded from the Accord Initiative website here: [Investment Preference Pathway Document](#).

The key learning points are:

- Why the Pre-Meeting Stage Matters
- Challenges in Client Decision-Making
- Pre-Meeting Information Strategies
- Benefits of Providing Information in Advance
- Tools for Pre-Meeting Preparation

## **Module 7 - Client meeting process**

This module focuses on conducting effective client meetings to ensure well-informed investment decisions while maintaining compliance with Consumer Duty. Building on Module 6, which introduced pre-meeting preparation, this module covers how to structure meetings, avoid bias, and properly document client choices.

Whilst watching the video for this module, you will find it helpful to have a copy of the Investment Preference Pathway Record document in front of you. A copy can be downloaded from the Accord Initiative website here: [Investment Preference Pathway Record Document](#).

The key learning points are:

- Facilitating Client Meetings
- Avoiding Bias & Sludging
- Using the Investment Preference Pathway Record Document
- Ensuring Regulatory Compliance

## **Module 8 - Due Diligence**

This module focuses on the due diligence process for selecting sustainable investment strategies, ensuring alignment with Consumer Duty and Sustainability Disclosure Requirements (SDR). The goal is to integrate thorough research into existing processes while enhancing client outcomes.

The key learning points are:

- The Role of Due Diligence
- Key Steps in Fund Selection
- Due Diligence Tools for Advisors
- Using Model Portfolio Services (MPS)
- Final Considerations for Compliance

## **Module 9 - The Suitability Letter**

This module focuses on how financial advisors can demonstrate good client outcomes and meet Consumer Duty obligations through proper documentation. The suitability letter plays a key role in this process, ensuring that investment recommendations are clearly linked to client preferences and objectives.

The key learning points are:

- Importance of Documenting the Advisory Process
- Key Components of the Suitability Letter
- Incorporating Client Preferences
- Anti-Greenwashing Checks
- Final Compliance Considerations

## **Module 10 - Capstone**

This final module consolidates the key insights from the previous nine modules, emphasizing practical steps to help financial advisors deliver good client outcomes while meeting Consumer Duty and Sustainability Disclosure Requirements (SDR) obligations.

The key learning points are:

- Ensuring Good Client Outcomes for All Clients
- Firm Culture & Consumer Duty
- Avoiding Advisor Bias
- Understanding Sustainable Investors
- Using SDR for Client Segmentation
- Reviewing Past ESG Recommendations
- Tools for Compliance & Continuous Improvement

**If you have any questions or feedback, we'd love to hear from you!**

**Feel free to reach out to us at [elly@esgaccord.co.uk](mailto:elly@esgaccord.co.uk) or [lee@esgaccord.co.uk](mailto:lee@esgaccord.co.uk).**