

APCC Best Practice Working Group Meeting

Wednesday September 29th, 2021 – 11am

Attendees

Dean Ritchie
Gabby Holloway
Jo Connolly
Vicky Ellison
Karen Malin

Gemma Knight
Tony Catt
Gemma Knight
Patty Francis
Vicky Pearce

Note before the minutes...can we all double check when we send emails that we're on the correct thread! To help this I suggest each email title includes not only 'BPWG', but also the date / topic we're referring to. From now on we'll also double check the list of names in the group, in order to include everyone interested in BPWG.

Agenda

- ◆ Ethical, social, governance, sustainability! (Referred to here as ESG)
- 1. Dean presented a short powerpoint about his thoughts / experiences with ESG and a couple of firms he works with – including what questions to include for clients, what answers he's looking for and in what format.
- 2. Although it had been covered the day before, Vicky P said that 'yes/no' answers are not very effective in this situation and a more 'don't really mind/really mind' scale is more effective. Vicky P has not been going into detail with her adviser clients as there is no clear regulations or guidance from the FCA.
- 3. Tony talked about how fund managers are required by the FCA to go into detail (and shared his comprehensive ESG document he's working on with the group). At the moment each fund house can take whatever approach they like, so getting a clear picture of the market is hard for advisers.
- 4. We all agreed that everyone and everything will have to be focused on ESG going forward, we see the current problem as advisers understanding this concept, understanding that 'ethical' does not mean 'performs worse'! And what KYC they should be collecting and how.
- 5. Tony said under the Sustainable Finance Directive, there is a requirement for the fund managers to be very clear and transparent, and that a lot of companies may score very well on the 'social' side, but less well on the 'ethical' side – so he is thinking that 'best of breed' may have to be the way forward.
- 6. We all agreed that we've all come across advisers who ask their clients to complete ATRQs – without really understanding how they should be used.

Next Meeting: Wednesday 10th November