

WHY GOOD MONEY IS GOOD BUSINESS

The business benefits of offering ESG, responsible and ethical investment advice



'Good Money' advice is **good business** for advisers. It **supports** your **growth**, it **appeals to the next generation** of **investors** and **you** are doing something that has a **hugely positive** influence on the world while **making money**. But don't take it from **us**, take it from **the advisers** doing it.

GROWTH!

"We regularly get clients who come expecting "mainstream" funds who choose "responsible" after we look at their attitudes and preferences. Those clients seem to be happy and 'sticky'".

Angela Vaughan, Director, Bromage Financial

"Since moving into an ethical specialism (17 years ago) I've never had to go prospecting for new clients. A strong referral stream keeps clients on knocking at my door - that saves time and helps me concentrate on writing more business".

Julian Parrott, Partner, Ethical Futures

That **advising** on **ESG & responsible finance** is good for **business** comes up a **lot** when we talk to **advisers**. Our public opinion poll suggests nearly **half** the population is **interested** in their money doing **some good** yet nowhere near half of advisers offer it as part of their service. The **growth** potential is **clear** - don't miss out.

"We see the real potential lying in younger people, it looks likely that the inheritors of wealth will want it managed differently with the client saying what they want far more. Responsible investment approaches are usually able to meet this need- they are all about wider considerations and values. People are personalising their purchases more and more and we want to capitalise as that approach spreads in financial advice."

John Ditchfield, Partner, Castlefield

APPEALING TO FUTURE CLIENTS!

John's comment **echoes** another **finding** in our polling - **younger** people want something **different** to their elders, something that **makes money** while having a **positive impact** on the **world**. There is real scope here to **personalise** your **service**.

ESG stands for environmental, social and governance



IT'S STIMULATING!

"I give responsible investment advice because I enjoy it! Clients have concerns and I can respond and engage with them- it means it's about far more than just numbers. It's about the politics and issues which motivate people. Recently I've covered climate change, veganism, gay rights, health and animal testing. We can add value by knowing how people can invest with respect to these concerns. It's about client trust and motivation on both sides of the table."

Lisa Hardman, Director, Investing Ethically

Lisa's comment shows the **wide range** of **topics** open to you when the **conversation** is "about **far** more than the **numbers**". This could **well motivate** staff - particularly younger staff. Your attention to peoples values and concerns will work **internally** as well as **with clients**.

57% of UK investors believe investment managers have a **responsibility** to **consider ESG**



AND IT MAY HELP WITH THE REGULATOR...

For over a decade, my clients have welcomed the integration of responsible investment principles into the financial advice I've given, and I've been able to deliver strong investment returns while mitigating my "know your customer" risk. You don't want KYC risk to drive the advice, but that side is actually helped by having interesting conversations about what kind of society as well as assets clients would like to pass on to the next generation.

Tanya Pein, In2 Planning, UKSIF Board Director.

"As Tanya says, discussions on 'good' investment **may help with KYC**. The **Law Commission** has asked the **FCA** to **issue guidance** to DC pension providers on considering the issues handled in responsible & ESG investment. Perhaps **similar guidance to advisers** will follow."

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