



PRESENTED BY
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Regional Manager

Implementing ESG in your advice process

Financial Standard Best Practice
Managed Accounts Forum

November 2021



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Agenda

- » Growth of the ESG Sector
- » 3 Key Business Considerations
- » How are platforms meeting this need?

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Growth of the ESG Sector - **Sector Growth**



13%

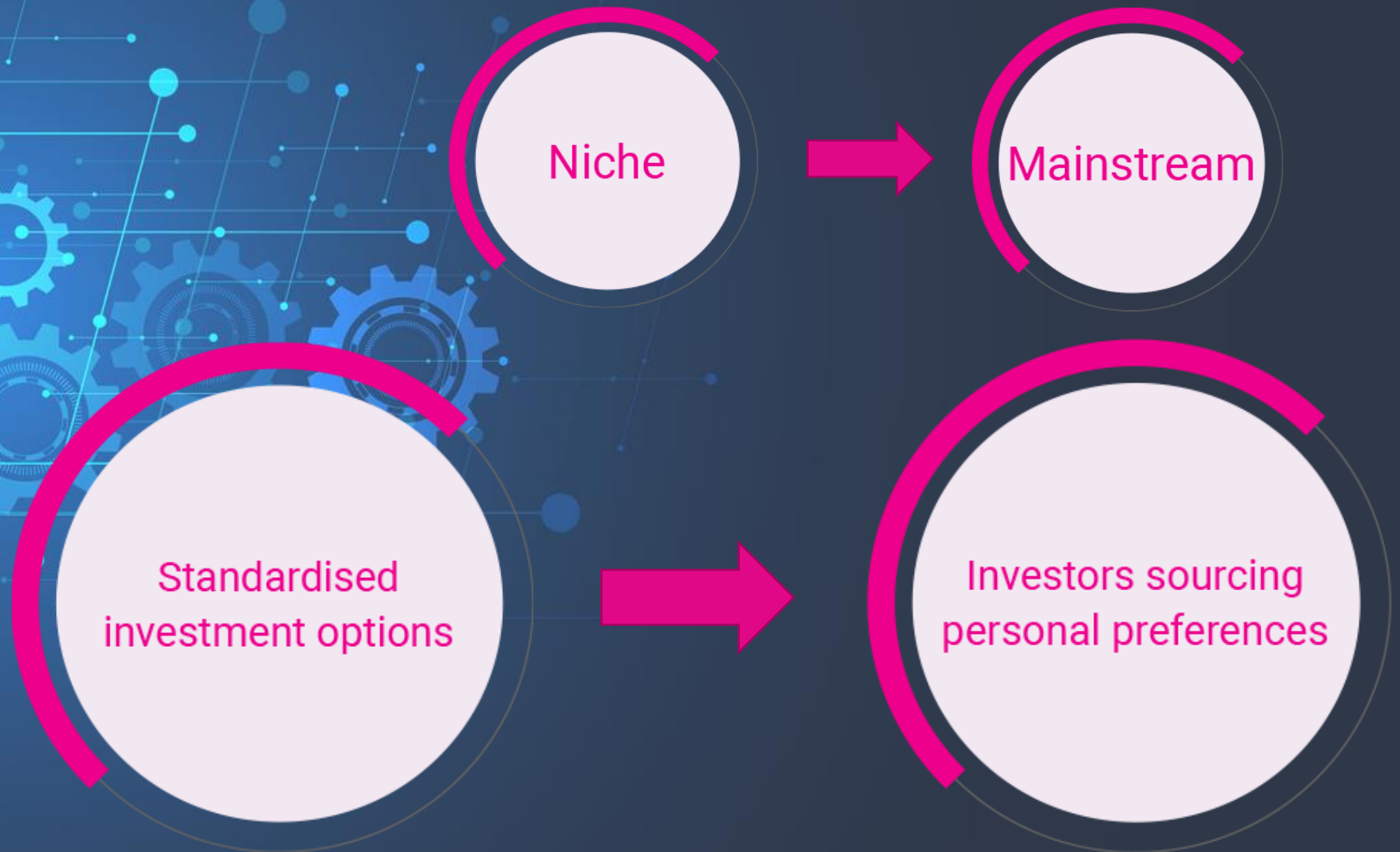
Of all ETF asset
Growth

\$53tr

End of 2021

New industries and suppliers to meet demand

Growth of the ESG Sector - **Market Development**



Growth of the ESG Sector – Investment Options

Breaking down historical barriers

Growth in the sector

23%

% of new SMA models
are ESG models

(Source: Praemium 2021)

Strong Investment Returns

92%

of ESG investors'
financial expectations
are being met or exceed
by their current
ESG investments

Source:
RIAA Benchmarking Impact Report 2020



Growth in the ESG Sector - **Legislation**

- » European Legislation: impact on Australia
- » Amendments to MiFID II
- » Sustainable Finance Legislation
- » Suitability and best interest

“To say that competitors are ‘disrupting’ your clients base is the wrong way to look at it. Competitors are servicing your client base by meeting their needs.”

Rita King, Director, Science House

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- » **3 Key Business Considerations**
- » How are platforms meeting this need?

3 Key Business Considerations



Business and Advice Strategy



Investment Philosophy



Implementation Strategy

△ 3 Key Business Considerations - **Advice and Business Strategy**



3 Key Business Considerations - Investment Philosophy

Investment Philosophy



Enhanced client engagement
and clarity of proposition



Individual investor needs
benchmarked and defined



Strong foundation for
Strategy Development



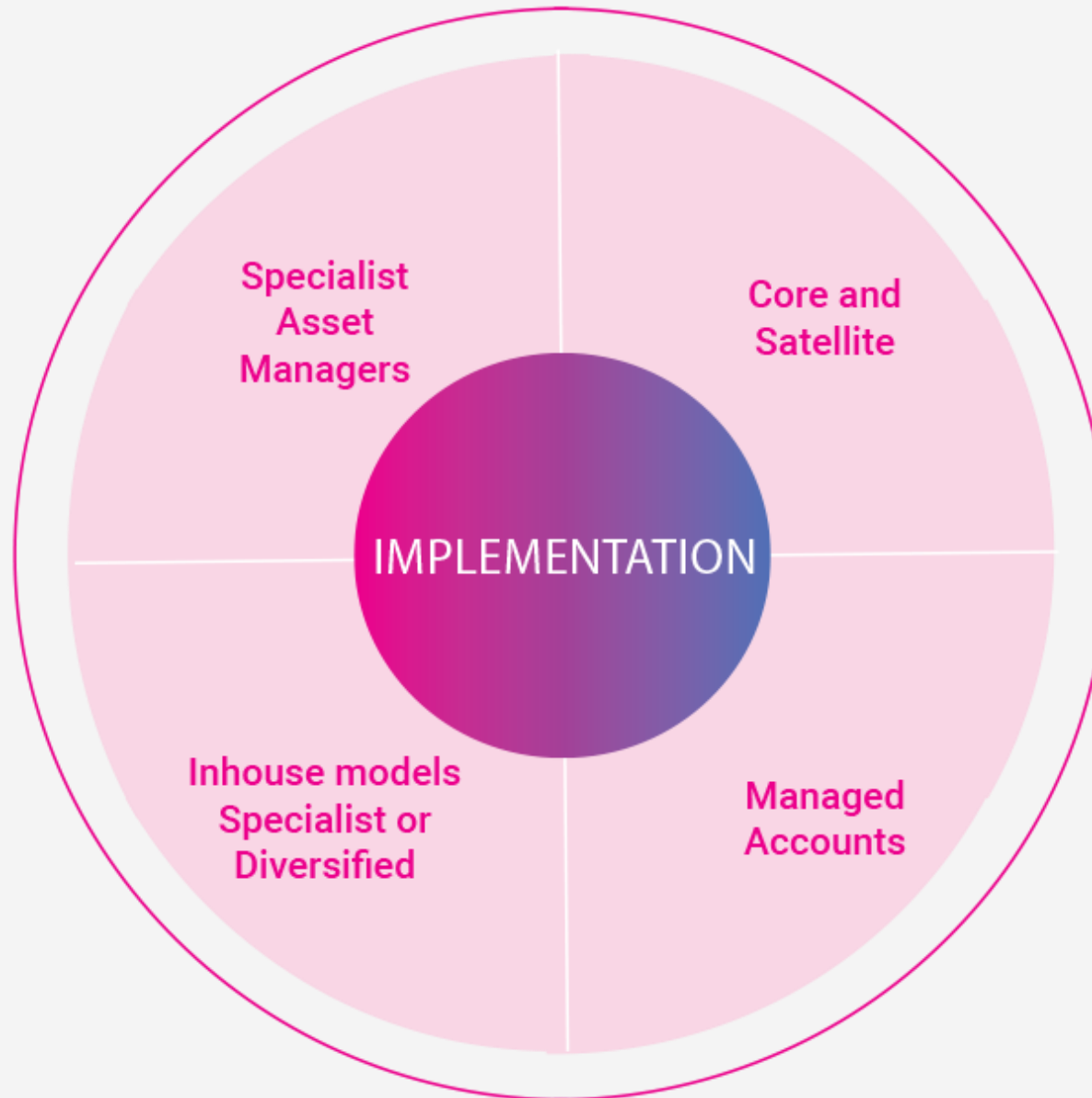
Articulate core beliefs to
commence discussion



Defined asset manager selection
and model compilation

3 Key Business Considerations

Implementation Strategy



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How are platforms meeting this need?

Greater portfolio
transparency

Enhanced reporting
and
engagement tools

Standard Portfolios
Investor
Customisations

Specialist
asset managers

MANAGED ACCOUNTS

How are platforms meeting this need?

ESG Category Exclusions



Adult Entertainment



Controversial Weapons



Oil Sands



Alcoholic Beverages



Gambling



Thermal Coal



Animal Testing



Oil & Gas



Tobacco Products



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