



March 2022

ESG Knowledge & Know-How Product Workshops for product legal resources

Introduction

These sessions are aimed at product and legal staff and are delivered as a bespoke course for a whole in-house team and as public courses for a collection of individuals who represent different organisations.

*Fast-track and expand
know-how to get
immediate practical
ESG knowledge.*

Content & Format

All Product workshops can be tailored to provide a series of helpful and bespoke knowledge-building sessions for the time-poor legal teams in your organisation.

We also offer the opportunity for participants to buy a seat at the table with other individuals from the industry, in order to gain knowledge, share ideas and ask questions of their peers and the Merlys consultants.

(see how to book or find out more at the end of this document)

About your Course Tutor:

Before ESG and ‘greenwashing’ were recognised terms, our MD, Verena Charvet, ensured that clients were not creating products that were inadvertently non-compliant. She is used to talking to product developers as well as fund boards and helping them with articulating their product intentions, both as a lawyer in private practice and as in-house legal counsel of large asset management companies.

Most notably, over the last 7 years, Verena and her team have provided invaluable support leading up to **SFDR and EU Taxonomy regulations** coming into force:

- ❖ The Merlys team reviewed products in relation to the **SFDR legislation** and ensured that clients weren’t going to get caught out by the new regulations and find that their funds were identified as greenwashing.
- ❖ As a trusted partner, Merlys ensured clients applied the relevant rules to their product, shared best practices for drafting the fund documents and – throughout the product development process – assessed and reviewed to make sure the fund would be compliant.

Course Content

Part 1: Fund documentation

Aim

- This workshop will help attendees enhance their understanding of regulatory requirements.
- It is a means to ensure that the in-house team's familiarity with their products does not lead to lack of awareness of how the product may appear to investors and other third parties.

Key topics

- Verena and team review one of your standard template(s) to check that the descriptions, investment policies and objectives match what you have set out to achieve and what you're telling the FCA you are expecting to achieve. This review can then be used as a live 'case study'.

Duration: 40-60 minutes

Part 2: Fund Categorisation

Aim

You need to be prepared to be challenged over product/fund categorisation, as it pertains to Articles 6, 8 and 9 and be prepared to explain your categorisation.

Key topics

- In this session, Verena talks through 3 categories:
 - **Article 6 funds** – funds that do not integrate any kind of sustainability into the investment process and could include stocks currently screened and excluded from investment mandates by ESG funds, such as coal-fired power generation, mining, or tobacco companies: we look at how this classification may evolve over time.
 - **Article 8 funds** – also known as environmental and 'socially promoting' being "... where a financial product promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices." Investments may include energy companies with a mix of generation assets, and companies able to show clear progress towards better ESG practices. In this workshop, we discuss how to ensure that progress is maintained and what to do if it is not.
 - **Article 9 funds** – also known as 'products targeting sustainable investments', covers products targeting bespoke sustainable investments and applies "... where a financial product has sustainable investment as its objective and an index has been designated as a reference benchmark." Investments should have clear ESG benefits as a primary goal, rather than the benefits being incidental to the primary business activity. The workshop includes a discussion of how greenwashing may arise and the steps to take to avoid this.

Duration: 60-90 minutes

Part 3: Fund Performance

Aim

- We discuss how you expect performance to be achieved and what you must do, from a regulatory perspective, if performance goes off-track.

Key topics

- New wording “In this session, Verena talks about how regulators (in the UK and elsewhere) scrutinise performance expectations and she reviews the clear rules governing what they expect asset managers to do if issues arise. “

Duration: 40-60 minutes

Part 4: Your Target Market - Why segmentation is important

Aim

- We'll help you find the best ways to approach your target market and identify what they want from your product.

Key topics

- While aimed more at product managers, this session is intended to look at how target markets are segmented and why.

Duration: 40-60 minutes

Part 5: Product Review & Process Timeline

Aim

- We can review the process after your fund product is created and help you build a review and process timeline.
- While this can be provided as a generic session, it is intended to be bespoke and based on a case study relevant to your organisation.

Duration: 40-60 minutes

Booking and Prices

Bespoke Courses for your Team: These are created and priced according to your specific objectives. **Call us to discuss**

Generic Courses on our Public Workshop: Book your seat for just £150+VAT per person | Booking a place is easy - email us to find out the next date and we'll book you in.

Call us to talk about running a course for your firm on +44(0)20 7821 0191 or **Email us** at charles@merlys.uk if you have questions/queries; want to book or to know dates or to for our next public course

More...

- **We run Product Workshops too:** for Product and Legal resources. Take a look at our Technical Workshops [here](#)
- **More ESG Solutions:** There are a variety of ESG-focused solutions available in addition to our workshops: Click here to read more [here](#) or visit our website www.merlys.uk

Act now:

Call us to talk about running a course for your firm on +44(0)20 7821 0191

Email us at charles@merlys.uk if you have questions/queries; want to book or to know dates or to for our next public course



Verena Charvet MBA | Managing Director at Merlys Consulting

Connect: www.linkedin.com/in/verenacharvet/
Email: verena.charvet@merlys.uk
Call us +44 (0)20 7821 0191
Follow us: www.linkedin.com/company/merlys/
Website: www.merlys.uk

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