

More and better sustainable financial advice

Adfiz work programme sustainable development

Contents

- 1. Reason and task:** financial advice contributes to sustainable development
- 2. Vision:** more and better sustainable financial advice
- 3. Strategy:** collaborating on awareness and action on four themes
- 4. Work programme:** inspiring, motivating and facilitating sustainable financial advice



1. Reason

Financial advice contributes to sustainable development

Financial advice can contribute more to sustainable development

Reason

- **We want to contribute to a greener world.**
- **Sustainable financial advice is increasingly necessary.** We see that more attention is being paid to sustainable development, so that laws and regulations as well as the expectations of customers, politicians and partners are changing.
- **Many financial advisers want to work on the theme and need support.**¹ Adfiz wants to inspire, motivate and facilitate advisers in contributing to a greener world.



2. Vision

More and better sustainable
financial advice

We do business in a greener world

Financial advisers say that they find sustainable development to be an important theme. The motivation to get to work may be intrinsic or extrinsic in nature.

Increasing social and ecological problems






The theme of sustainable development has become more important due to, among other things, the energy crisis, the consequences of price increases for the financial health of households, problems in the labour market (including aging) and alarming news about the consequences of climate change.

Intrinsic motivation

Many financial advisers have become convinced of the importance of sustainable development and see it as their responsibility to take concrete steps.

Doing business in a greener world

Apart from our own beliefs, sustainable development is increasingly a necessity (*licence to operate*) due to the changing expectations of customers, politicians and partners.

	Drivers	Expectations	Current situation
	Customers	Customers find sustainability important	<i>Ensure the affordability of sustainability steps of homes for lower-income customers</i>
	Employees	Sustainable employment policy is essential for recruiting and retaining employees	<i>Young people find relevant work and sustainable development important</i>
	Partners	Consequences for collaboration because partners are already working on sustainability, and that impacts the collaboration and our advice	<i>Insurers are working on greening their portfolios via the Net-zero Insurance Alliance</i>
	Costs	A greener context and climate risks impact commercial risks	<i>Energy costs are exploding for individuals and companies</i>
	Laws and regulations	Staying relevant requires keeping up with shifting social issues	<i>At the European and national level, work is being done on measures to realise improved sustainability</i>

More value with Adfiz

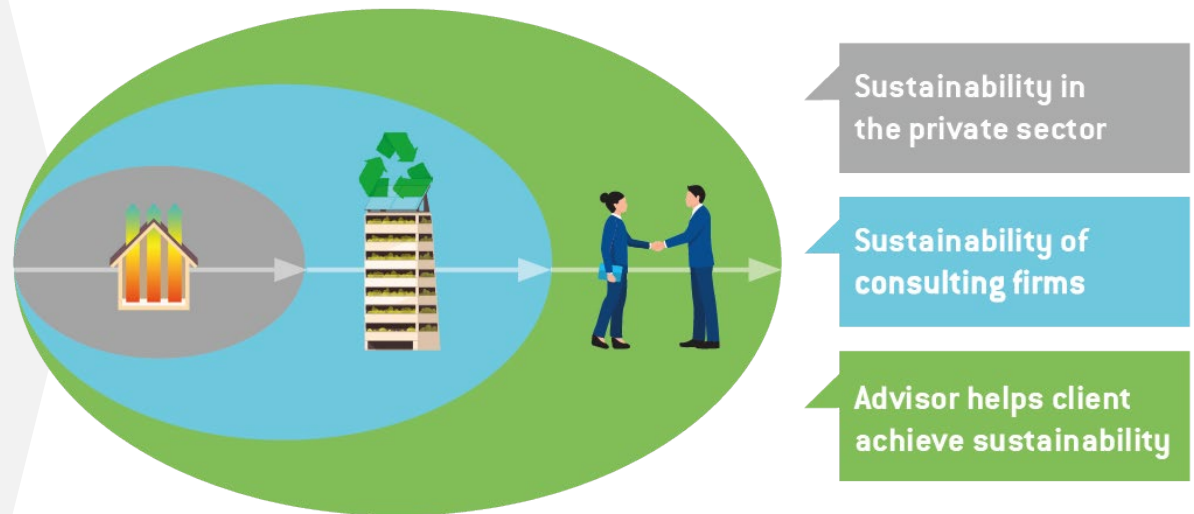
Lobby Knowledge Quality

Financial advisers can significantly contribute to sustainable development

As citizens, we have our own responsibility with regard to sustainable development. As entrepreneurs, we are responsible for improving the sustainability of our offices (buildings, sustainable employment policy). And experience shows that when you start by working on sustainability with your own office, it is also easier to give sustainable financial advice to your customers.

As an industry association, we want

- to inspire and equip the sector to work on sustainable development and
- communicate with society and the government about the value and possibilities of sustainable financial advice.



Sustainable financial advice makes a big difference

Wealth advice



- A green pension is 21x more effective than not flying, becoming a vegetarian and switching energy suppliers combined.
- 54% of consumers are open to 'green' finance but need more information.

SME advice



- Sustainable development is an important part of the business strategy for 61% of SMEs.
- Advisers help the SME entrepreneur with a variety of sustainability questions.

Residential advice



- Raising awareness of sustainability measures increases the number of buyers who become more sustainable by 20%
- Home buyers have most of their conversations about sustainability with their mortgage adviser.

Financial fitness



- 1.2 million households in the Netherlands may face payment problems when prices remain persistently high.
- Three quarters of employees find it important to help employees with financial difficulties.

8 out of 10 advisors consider sustainable development important for themselves, the company and their clients.

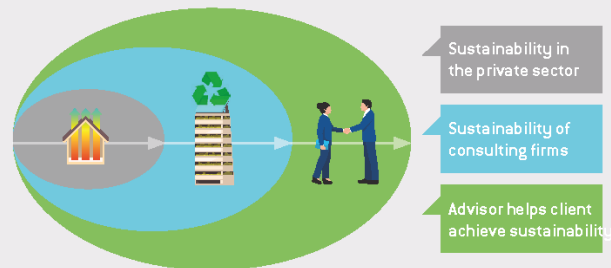


Figure 1: Impact increases with the range of actions.

Clients
93% of consumers expect sustainable financial services to become standard.

Employee
88% of employees prefer to choose an organisation with sustainability high on its agenda.

Partners
79% of companies have taken measures this year to make their business operations more sustainable.

Costs
Sustainable solutions are paying for themselves at an increasingly faster rate - Chamber of Commerce (KvK)

Laws and regulations
Many regulations are on the way to encourage and manage the transition to sustainability in the financial sector – Financial Markets Authority (AFM)

Figure 2: Wide variety of reasons to embed sustainable development in business strategy.

Sustainable development is discussed during 60% of consultations with private clients and 50% of consultations with SME entrepreneurs.

Wealth advice
A green pension is 21x more effective than not flying, becoming a vegetarian and switching energy suppliers combined. **21x**

Residential advice
Raising awareness of sustainability measures increases the number of buyers who become more sustainable by 20%. **+20%**

SME advice
Sustainable development is an important part of the business strategy for 61% of SMEs. **61%**

Financial fitness
1.2 million households in the Netherlands may face payment problems when prices remain persistently high. Three quarters of employers want to help. **1,2 million**

Figure 3: The impact of sustainable financial advice across different consultancy areas.

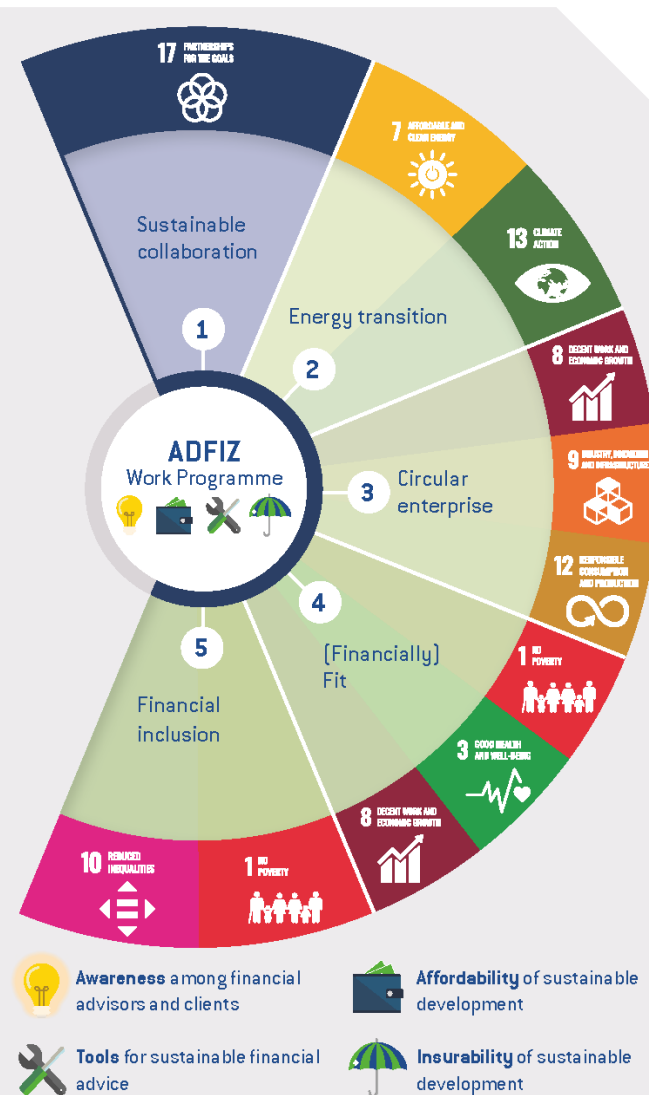


Figure 4: Adfiz Work Programme: moving towards sustainable advice and sustainable financial products.





3. Strategy

Collaborating on awareness
and action on four themes

The adviser contributes to sustainable development across four themes

SDGs as a source of inspiration in our contribution to sustainable development

In 2015, the United Nations launched the *Sustainable Development Goals* (SDGs): 17 economic, social and ecological goals to make the world a better place. The SDGs offer a common framework for governments and organisations to set and reach sustainability goals. In a context of increasing climate risks, changing laws and regulations and rising costs, there is a growing need among clients for sustainable financial advice. To support financial advisers, we are working on raising awareness, and we offer a guide by developing a work programme on the themes below.¹

THEME	CONTRIBUTION TO SDGS	OUR GOAL
Energy transition	 	Promote the energy transition and make it more affordable and more insurable
Circular enterprise	  	Boost circular enterprise and make it more affordable and more insurable
(Financially) Fit	  	Help (employees of) customers to become more (financially) fit
Financial inclusion	 	Make financial insight available to everyone
		



¹ The themes are selected because they sit close to the profession and the experience of financial advisers. Financial advisers can of course choose for themselves which themes (also outside this group) they want to work on.

Collaborating on raising awareness and action for sustainable financial advice and insight

Working on awareness and action

We want financial advisers to become more aware of the contribution they can make to sustainable development. We share knowledge, bring parties together, devote attention to sustainable development in our communications and offer practical instruments. This is intended to provide an action perspective and inspiration.

We want to work with our partners on the insurability and affordability of sustainable development.



Awareness of financial advisers and customers



Instruments for sustainable financial advice



Affordability of sustainable development



Insurability of sustainable enterprise



Insight into green products and investments

Apart from the four selected themes, advisers can include the sustainability preferences of their customers in the product choice (investments, insurances etc.). This requires insight into which financial products and providers are more or less green.



4. Work programme

Inspiring, motivating and facilitating sustainable financial advice

Theme 1: promote the energy transition and make it more affordable and more insurable



As entrepreneurs, financial advisers contribute to the energy transition by improving the sustainability of their own business; as advisers, they help their individual and commercial clients to make greener choices. The insurability and affordability of this transition deserve special attention.

Problem analysis

Action lines



Awareness: insufficient knowledge for financial advisers to improve sustainability of their own office

1.1 **Survey among members** about the possibilities and status of improving office sustainability, sharing knowledge and facilitating intervision



Instruments: insufficient (knowledge of) possibilities for advice regarding the energy transition

1.2 **Tools for talking with customers** about the necessity, opportunities and possibilities of the energy transition



Affordability: insufficient (knowledge of) financing resources for the energy transition

1.3 **Sustainable development lobby** to work on affordability (supervisors, government, lenders) and insurability (insurers) of the energy transition







Insurability: insufficient (awareness of) affordable insurances for the risks of the energy transition

Theme 2: boost circular enterprise and make it more affordable and more insurable





In addition to using renewable energy, circular enterprise includes reducing, reusing and recycling raw materials, products, parts and labour. This requires innovation, which leads to new technologies, dependencies and liabilities. That requires a new perspective (incl. insurance positions) of risks, also because it is likely that new regulations will be enacted in the coming years in order to stimulate circular enterprise.¹

Problem analysis	Action lines
 <p>Awareness: insufficient view of circular enterprise and the consequences for risk profiles</p>	<p>2.1 Explore the contribution of financial advice to circular enterprise and work out an action plan for 2024</p>
 <p>Instruments: insufficient (knowledge of) advice possibilities relating to circular enterprise</p>	<p>2.2 Implement action plan following the example of action lines for the energy transition</p>
 <p>Affordability: insufficient (knowledge of) financing resources for circular enterprise</p>	
 <p>Insurability: insufficient (awareness of) affordable insurances for risks of circular enterprise</p>	

Theme 3: Help (employees of) customers to become more (financially) fit



Financial fitness and physical and mental health are closely related. From the employer’s perspective, this means that employees with financial problems are less happy and less productive and incur higher leave costs. For individuals, financial advice can offer financial peace of mind and thus improve mental and physical health. In a broader sense, financial advisers can engage with employers about a vitality policy in the context of the sustainable employability of their employees (leave, incapacity for work and sick leave costs).

Problem analysis	Action lines
 <p>Awareness: insufficient (knowledge of) the role of financial advice in relation to (financial) fitness</p>	<p>3.1 Integrate (financial) fitness in the education of financial advisers</p> <p>3.2 Communication about (financial) fitness, in line with current communications with employers and the government</p> <p>3.3 Raising awareness and inspiration of vitality policies: survey among members into the possibilities and status of the vitality policy for their own office, develop guides and knowledge sharing</p>
 <p>Instruments: insufficient (knowledge of) advice possibilities in relation to (financial) fitness</p>	<p>3.4 Develop instruments for financial advisers: guides for engaging with employers and individual clients about financial fitness</p>

Theme 4: financial insight available for everyone



Many people who can benefit from financial advice do not take advantage of it. Costs (or the perception thereof) and a limited realisation of the added value of financial advice can present a barrier. A lack of financial self-awareness is another barrier: self-overestimation or a lack of self-confidence, not knowing who to trust or where to get good advice and thinking that one's own financial situation is not suitable for extra financial advice. Embarrassment can also stand in the way of asking for advice. Specific target groups experience additional barriers that can be removed.

Problem analysis	Action lines
<p>Instruments: Information insufficiently aligns with the added value of financial advice, perception of when advice is needed/available, a migrant background, women and young people, or with the experience of embarrassment and a sense of taboo</p>	<p>4.1 Communication about the value of financial advice: provide guides to financial advisers for diversification of communication, advice and product development</p>
<p>Affordability: insufficient (knowledge of) financing resources for financial advice</p>	<p>4.2 Unlocking and improving financing options for financial advice: investigation of the current possibilities and wishes for improvement, knowledge sharing</p>



Overarching: insight into green financial products



Apart from the four selected themes, advisers can include the different sustainability preferences of clients in the product choice (investments, insurances, investment policy providers etc.). This requires insight into which financial products and providers are more or less green.

Problem analysis

Action lines



Awareness: insufficient insight into the relative sustainability of different financial products and providers

5.1 **Develop a star system for sustainable financial products** based on existing tooling, in collaboration with partners



5. Planning

Theme 1: accelerate the energy transition and make it affordable and insurable (1)



Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1.1 Greening of offices	a. Survey among members: what can greening your office mean? What are you doing? 1) Self-assessment for offices 2) Insight into possible ambassadors 3) Collect knowledge to be able to share								
	b. Unlock ambassadors (announcement of ambassadors for members)								
	c. Unlock knowlege via portal, tooling, webinars, Advice in Figures, magazine etc.								
	d. Facilitate intervison between offices (regionally), poss. train the trainer								
	e. Optionally long term: certification of sustainable business and advice								
1.2 Developing engagement instruments	a. Guide for engaging clients (1): checklist of laws and regulations for the energy transition (What's required?)								
	b. Guide for engaging clients (2): checklist of opportunities of the energy transition (What's possible?)								
	c. Guide for engaging clients (3): checklist of environment (What do employees, partners etc. want?)								
	d. Guide for engaging clients (4): checklist of subsidies (What possible financing sources are there?)								

Theme 1: accelerate the energy transition and make it affordable and insurable (2)



Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1.3 Sustainable development lobby	a. Set goals and map stakeholders (insurers, lenders, brokers, government, consumers, supervisors)								
	b. Set up and implement a lobbying plan as part of ongoing lobbying activities								

Thema 2: boost circular enterprise and make it more affordable and more insurable



Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2.1 Explore the contribution of financial advice	a. Explore the meaning and role of circularity for the insurance sector and brokers								
	b. Work out action lines for circular enterprise for 2024 in an action plan following the example of the energy transition								
2.2 Implement the action plan	a. Implement the action plan following the example of the energy transition								



Theme 3: a financially fitter Netherlands (1)

Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.1 Integrate (financial) fitness in education	a. Speak with inspectors/certifiers of educational programmes about a required financial fitness module for financial advisers								
	b. Speak with educators about the place of financial fitness in the course range								
3.2 Communication about (financial) fitness	a. Speak with the government about pension communication as a reason to look at the full scope of financial fitness								
	b. Speak with employer organisations about using communication moments (pension, healthcare collective, income insurance) to look at the full scope of financial fitness of employees								
	c. Support Adfiz members with model communication to engage about financial fitness following changes in the pension legislation								
3.3 Raising awareness and inspiration for a vitality policy	a. Survey among members: What is a vitality policy? What are you doing? 1) Self-assessment for offices 2) Insight into possible ambassadors 3) Collect knowledge to be able to share								
	b. Work out with ambassadors what the possibilities are for a vitality policy (What is it? What are the possibilities?)								
	c. Work out guides in a 'cafeteria model' for members and offer knowledge via portal, tooling, webinars, Advice in Figures, magazine etc.								



Theme 3: a financially fitter Netherlands (2)

Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.4 Developing instruments	a. Map the landscape of existing instruments and resources for financial fitness (cafeteria model): 1) information/awareness tools and resources and 2) solutions that can be identified								
	b. Collaborating with Geldfit for referral of SME to financial advisers in relation to financial fitness								
	c. Develop and provide guides for suitable software for financial advice in relation to financial fitness								
	d. Work out guides for financial advisers in relation to affordability of financial advice (routing based on research from action line 4.2)								

Theme 4: make financial advice available for everyone

Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
4.1 Communication about the value of financial advice	a. Determine target groups based on stage of life and background (migration, gender) for diversification in communication								
	b. Provide guides for advisers for communication, advice and product development per established target group. Include content (model communication) and form (social media campaign, mailing etc.)								
	c. Financial advisers use communication models to engage clients in a targeted and segmented way								
4.2 Unlock and improve financing options	a. Investigate what space there is within existing financing sources (CLAs, healthcare insurances etc.) for financial advice in relation to (financial) fitness								
	b. Communicate with members about existing financing options								
	c. Investigate the wishes and possibilities for improving financing options in laws and regulations								
	d. Speak with stakeholders (government, employers) to investigate improving financing options for financial advice based on research								

Overarching: insight into sustainable financial products



Action lines	Actions	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5.1 Star system for green financial products	a. Market analysis: investigate existing rankings and tooling, investigate current market providers and products								
	b. Policy: set up policy plan in relation to requirements for the introduction of a star system (tooling, organisation, planning)								
	c. Implementation: introduction (and continued development) of star system								