

Financial Promotions Compliance Support

Introduction

At IQ-EQ, we understand the ever-changing landscape of financial promotions globally, with increasing guidance on new forms of communications, such as social media and podcasts, and the increased focus by regulators on ESG matters and anti-greenwashing.

We recognise the importance of assisting you in meeting your regulatory obligations. We offer expertise in developing and integrating practices and controls, mitigating the risks posed by financial promotions to your business in accordance with jurisdictional regulations and industry best practices.

Financial promotion compliance services provided by IQ-EQ are designed to assist financial institutions in navigating the complex and evolving landscape of regulatory requirements.

Firms making claims surrounding ESG, and particularly sustainability-related claims, are facing a large overhaul of the financial promotion and greenwashing rules, specifically in how those apply to the alternatives investments sector. The new SDR labelling regime will restrict the labelling of funds unless they are registered using one of the FCA's new sustainability labels. This means further rules and disclosure obligations. Alongside the labelling regime, the new anti-greenwashing rule is set to take effect from **31 May 2024** and will apply to **all firms that make sustainability references**, requiring all such references to be fair, clear and not misleading, and proportionate to the sustainability profile of the product or service.

Financial promotions has been an area of focus for the FCA in the last 18 months, and we expect that to continue, following a number of regulatory changes, including:

- The announcement of the anti-greenwashing rule along with the introduction of the SDR labelling rules
- Financial Promotions Gateway
- New requirements for promoting high-risk investments to retail investors
- FCA consulted on potential updates to its social media guidance in 2023, along with providing guidance in collaboration with the ASA for 'Fin-fluencers' on social media
- New financial promotions regime for cryptoasset firms

We seek to understand each firm we partner with, so we can effectively assist you in the development and integration of financial promotion procedures and best practice in line with jurisdictional regulations, while keeping pace with the latest regulatory and enforcement trends.

How we can help

In light of the recent changes, we have created a financial promotion review service that is designed to assess a firm's systems and controls across its client communications.

Key features and benefits:

1. Tailored solution: Our services are tailored to the specific needs and size of your institution, whether you are a small financial firm or a large institution with a diverse range of financial products and services. The scope of the service can be tailored to cover the highest risk areas or to have a broader focus across all areas of financial promotion risk. Our review methodology allows us to RAG-rate all applicable regulatory requirements for the following areas: anti-greenwashing; SDR; SFDR; COBS
2. Risk-based approach: Our process will enable your firm to identify areas of higher risk and those which may need remedial action
3. Training and education: Equip your staff with the knowledge and skills required to understand the increasingly important impact of ESG on marketing, including greenwashing and green bleaching, as well as broader impact of SDR and SFDR

Why IQ-EQ

Expertise

Our team comprises experienced professionals with in-depth knowledge of financial regulations and industry best practices.

Timeliness

We provide timely updates on regulatory changes and offer swift responses to emerging issues.

Efficiency

Our services are designed to provide cost-effective compliance solutions, reducing the risk of financial penalties.

Bespoke support and proportionality

We tailor our services to meet the unique requirements and challenges of your institution. Our support is backed by a risk-based approach. Only relevant issues are raised and addressed.

Peace of mind

With our support, you can focus on your core business activities while trusting that your compliance needs are well-managed.

We stay up to date with the latest regulatory and enforcement trends, and our team of compliance professionals is here to address your queries and assist with any issues highlighted by prospective investors.



Risk-based approach



Assistance in the implementation of new compliance processes



Responsiveness to regulatory updates



Key management information

Don't leave your institution vulnerable to regulatory risks. Partner with us to ensure your firm's financial stability, reputation, and compliance with relevant rule requirements. Contact us today to discuss how our service can benefit your business.

Ongoing compliance assistance services

IQ-EQ offers a range of compliance solutions for traditional investment advisory firms, from authorisation services through to quarterly monitoring.

Our team of dedicated compliance consultants have extensive experience and will work with you to develop a long-term strategic partnership to power your success.

Regulatory consulting



FCA authorisations/Variation of permission



Ongoing compliance support

- Regular monitoring – compliance monitoring programme
- Compliance documentation – manual and policies
- Ad-hoc advice/compliance support training
- FCA regulatory data reporting submissions/ preparation of FCA returns
- Regulatory updates – new regulation horizon scanning
- PRIIPs/KIDs preparation

Project work

- Secondments
- FCA authorisations/Variations of permission
- Marketing NPPR, AIFMD, SFDR and Annex IV reporting
- Other FCA notifications
- FCA thematic compliance projects e.g financial promotions, conflicts reviews, FCA mock reviews
- Implementation projects for new regulations
- Compliance health checks
- Operational and vendor due diligence

Tailored compliance training

Our most popular training sessions include:

- Annual compliance training
- Senior Managers Certification Regime (SMCR)
- Environmental Social Governance (ESG)
- General Data Protection Regulation (GDPR)
- Financial crime and Anti-money laundering (AML) training
- Consumer Duty training

Our training can be delivered in person, remote or by way of online training platform modules.

ESG Services

ESG regulatory compliance forms part of our wider ESG client services

- **ESG Set Up**
Manage your ESG set up: ESG disclosures, policies and operating procedures
- **ESG Data Strategy**
Select your ESG data metrics powered by Novata
- **ESG Data Collection**
Administer your ESG portfolio data collection powered by Novata
- **ESG Reporting**
Produce sustainability, investor and regulatory reports to demonstrate your ESG performance

About us

IQ EQ® is a leading investor services group, employing over 5500 people across 25 jurisdictions and brings together that rare combination of global expertise and a deep understanding of the needs of clients. We have the know-how and the know you that allows us to provide a comprehensive range of compliance, administration, asset and advisory services to funds and asset managers, private wealth and institutional investors and global banks, insurance companies and corporations.

With a strategic focus of growing our Regulatory Compliance services globally, over the past couple of years we have acquired a number of specialist regulatory business in the U.S. and the UK, as well as growing our teams organically. We know that our clients are looking for a range of regulatory services including hosting and appointed representative, compliance advisory, filings and regulatory reporting, marketing support, operational due diligence reviews and secondments. With our large team of experts we are able to meet all your compliance needs across multiple regulated sectors including asset management, broker-dealers, banks, and digital assets, and have expertise in the key global regulatory regimes including the FCA, SEC, FINRA, CFTC/NFA, MAS, HKMA and SFC.

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*Data as of April 2024

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