

**SKILLS FRAMEWORK FOR FINANCIAL SERVICES
TECHNICAL SKILLS AND COMPETENCIES (TSC) REFERENCE DOCUMENT**

TSC Category	Sustainable Finance					
TSC	Sustainable ¹ Investment Management					
TSC Description	Lead organisation's strategies on sustainable investment and implement sustainable investment concepts and approaches on portfolio management					
TSC Proficiency Description	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
			Understand and explain the application of sustainable investment concepts, principles and practices to the products and services offered by the organisation	Analyse and apply key sustainable investment concepts, principles and practices with ability to support integration of sustainable factors into investments	Shape and lead the organisation's sustainability investment strategies, including adoption and management of new sustainable investment approaches and sustainable funds within the organisation and customers	
Knowledge			<ul style="list-style-type: none"> • Key sustainable investment strategies or investment approaches and governance practices • Sustainable asset classes universe • Approaches to take into account sustainable factors in investment process • Sustainable investment trends including new approaches and challenges • Sustainable investment principles and best practices • Leading global and regional sustainable investment initiatives, coalitions and pledges 	<ul style="list-style-type: none"> • Main sustainability-related business codes and agreements • Relevant sustainability factors and developments by sector/industry and across regions • Sustainable targets and metrics in portfolio construction • Rationale, evidence and analysis of when and why different investment concepts are applied • Approaches and best practices to integrate sustainability factors into investment decisions across different asset classes, and to screen and select companies suitable for the portfolio • Methodologies to analyse and measure sustainability impact on 	<ul style="list-style-type: none"> • Organisation-wide sustainability strategies • Approaches to set quantitative and qualitative sustainability targets and parameters in sustainable investment portfolio construction • Techniques to ensure sustainability investment portfolio construction is aligned with sustainability targets and metrics set • Approaches to determine which sustainability investment concept(s) to apply in the design and launch of a new sustainable investment portfolio across asset classes • Methodologies to quantify impact of sustainability decision on the performance of the 	

¹ Includes green investments

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				<p>the valuation of the invested company</p> <ul style="list-style-type: none"> • Approaches to interpret and apply structured and unstructured sustainability data for use in sustainable investment processes across asset classes • Approaches to ensure organisation's sustainable investment processes are aligned with international standards and best practices 	<p>sustainable investment portfolio vis-a-vis other investment factors where relevant</p> <ul style="list-style-type: none"> • Methodologies to quantify impact of sustainability decision on the invested company and global green and sustainability outcomes 	
<p>Abilities</p>			<ul style="list-style-type: none"> • Explain the different sustainable investment approaches and its application to the organisation's portfolio strategies to customers • Identify the appropriate sustainable investment concepts that can be applied together, and which may be contradictory • Research and support the inclusion of sustainability factors in the portfolio construction process 	<ul style="list-style-type: none"> • Assess and explain the different sustainable investment approaches and provide suitable recommendations to customers • Research and analyse sustainability industry trends and the impact on the sustainable investment portfolio's performance and risk • Research and recommend companies for inclusion into a sustainable investment portfolio • Support the alignment of sustainable investment portfolio with the sustainability targets and metrics set for the portfolio • Ensure that strategies and investment processes are compliant with international standards and best practices • Support the monitoring, reporting and conduct of performance attribution 	<ul style="list-style-type: none"> • Identify new and emerging sustainability considerations and issues • Lead the factoring of these new issues and trends into the investment strategy's portfolio construction • Set material sustainable targets, metrics and outcomes for the green and sustainable investment portfolio • Lead the inclusion of sustainability factors and approaches in existing strategies, whilst ensuring alignment of sustainable outcomes with targets set client's requirements • Enhance the sustainability performance of the portfolio • Pioneer and launch new sustainable investment portfolios, whilst ensuring alignment with sustainable outcomes 	

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				of sustainability factors in the portfolio	and set targets and customers' requirements <ul style="list-style-type: none"> • Lead the monitoring and reporting of portfolio performance, including analysis of performance attribution and sustainability quality • Incorporate sustainability issue within organisational governance structures to facilitate a consistent approach to sustainable investment policy and process implementation and product development 	
Range of Application	Sustainable investment approaches may include, but not limited to: <ul style="list-style-type: none"> • ESG exclusion • ESG integration • Impact investing • Thematic investing Sustainable asset classes may include, but not limited to: <ul style="list-style-type: none"> • Fixed income • Loans • Corporate equity • Private equity Sustainable investment principles and best practices may include, but not limited to: <ul style="list-style-type: none"> • UN Principles for Responsible Investment • Operating Principles for Impact Management by IFC • Green Fund Labels Sustainability-related business codes and agreements may include, but not limited to: <ul style="list-style-type: none"> • Equator Principles • Paris Agreement • UN Global Compact 					