



# SCQF Level 9 Financial Philosophy & Ethics

## Qualification Specification

### Welcome to SCQF Level 9 Financial Philosophy & Ethics.

SCQF Level 9 Financial Philosophy & Ethics is a single unit qualification which aims to develop the competence and capability of UK retail Investment Advisers, including their ethical reasoning, critical thinking, and metacognition within a financial planning context.

This qualification can be informally broken down into three themes:

1. **Creative philosophy and ethics**, where learners have freedom to research their own stories (which may or may not be interlinked) and formulate their own philosophical and ethical conclusions which can be applied within financial planning.
2. **Specialist philosophy and ethics**, where learners can choose from a shortlist of specialist subjects and demonstrate their ability to research, reflect, and apply their philosophical and ethical conclusions to enhance their business.
3. **Ethical financial planning**, where learners must demonstrate broad knowledge and understanding of ethical decision-making within the financial planning process, drawing from their work in topics 1 and 2.

Throughout their assessments, learners must demonstrate metacognition and epistemological curiosity (thinking about why and how they form judgements), while remaining grounded in financial planning practice.

### Entry Guidance

While there are no formal entry requirements for SCQF Level 9 Financial Philosophy & Ethics, it is expected that learners have completed their RQF Level 4 Diploma with the CII, CISI, or LIBF (comparable to SCQF level 7) or equivalent knowledge/experience. Learners should be comfortable with extended written analysis. This qualification assumes familiarity with the financial planning process and regulatory environment. It is assumed that Learners are currently working either as a Financial Adviser, or in a related support role.

### Qualification Level

Financial Philosophy & Ethics has been credit rated by Qualifications Scotland at Level 9 on the Scottish Credit and Qualifications Framework (SCQF). This is the same level as a bachelor's degree, and broadly comparable to RQF Level 6 in England and Northern Ireland. Financial Philosophy & Ethics provides 15 SCQF credits, which means that most Learners are expected to spend around 150 hours completing this qualification. Once enrolled, Learners have twelve months to complete their assessment.

### Learning Outcomes

Upon completion, Learners will be able to:

1. **Critically evaluate published media** to establish philosophical and ethical lessons which can be practically applied within a financial planning context.
2. **Critically evaluate the philosophy and ethics of a specialist subject relevant to financial planning**, demonstrating advanced and in-depth critical thinking, epistemology, metacognition, and philosophical and ethical application to financial planning.
3. **Explain the ethical decisions made by Financial Advisers and support staff during the financial planning process**, and how these interlink with regulation and good client outcomes.

# Key Concepts

## Financial Philosophy & Ethics

Financial philosophy is the practice of critical inquiry into the purpose, meaning, moral assumptions, and knowledge claims underlying financial activity, both at the individual and societal level.

It asks not merely how finance works or how it's regulated, but:

- What finance is for.
- What values it serves or undermines.
- What kinds of lives and societies it helps to create.
- What claims to knowledge, rationality, and objectivity finance relies upon.

In short, financial philosophy examines the reasons and the outcomes of financial decisions, not just the technical means or regulation.

What distinguishes financial philosophy from other forms of financial academia is that it:

- Interrogates assumptions, including its own.
- Clarifies concepts before arguing about them.
- Demands reasons, not just opinions.
- Accepts uncertainty as a legitimate outcome.

Financial philosophy complements other financial study, for example, regulatory and technical qualifications.

## Epistemology

Epistemology is the branch of philosophy concerned with knowledge, belief, and justification. It asks how we know what we claim to know, and whether we are entitled to that confidence.

Core epistemological questions include:

- What counts as knowledge?
- What distinguishes knowledge from belief or opinion?
- What justifies a belief?
- What are the limits of human understanding?

Traditional epistemology often analyses knowledge as justified true belief, then tests where this definition breaks down.

It examines:

- Sources of knowledge (perception, reason, testimony, memory).
- Standards of justification (evidence, coherence, reliability).
- Scepticism and doubt.
- Bias, power, and standpoint (who gets to be believed, and why).

Epistemology matters in financial planning because recommendations depend on assumptions about knowledge. If we misunderstand how knowledge works, we risk mistaking authority, confidence, and consensus for truth, accuracy, and certainty.



## Financial Ethics

Financial ethics is the branch of financial philosophy concerned with how financial professionals ought to conduct business, and interact with clients, colleagues, peers, and regulators. It examines questions of right and wrong, good and bad, virtue and vice, justice and harm, and responsibility and obligation.

At its core, financial ethics asks:

- What should I do?
- What kind of financial professional should I be?
- What do I owe to myself, clients, colleagues, peers, and regulators?

Financial ethics operates at several levels:

- **Normative ethics** develops principles or frameworks for judging actions.
- **Applied ethics** applies those principles to real-world issues.
- **Meta-ethics** investigates what moral claims mean, and whether moral truths are objective, subjective, cultural, or constructed.

Importantly, financial ethics is not just about following rules laid down by a regulator. It concerns character, intention, power, social context, and moral uncertainty. Ethical reasoning often involves balancing competing goods under imperfect knowledge rather than discovering a single “correct” answer.

## How Philosophy, Epistemology, and Ethics Interrelate

**Philosophy** is the overarching discipline. **Epistemology** asks *what we can know and how*. **Ethics** asks *what we should do*, given what we think we know.

In practice, our ethical conclusions are only as sound as our epistemology, and our epistemology is shaped by deeper philosophical commitments. That interdependence is why these concepts are taught together, and why serious ethical work always involves philosophical humility.

## Metacognition and Applied Ethics

If financial philosophy, epistemology, and ethics is *what you need to demonstrate* in your assignments, then metacognition and applied ethics is *how you need to demonstrate them*.

Metacognition is the capacity to reflect on, understand, and regulate your own thinking processes. It is, quite literally, thinking about thinking. It enables you to evaluate, guide, and improve your thinking and decision-making.

At its core, metacognition asks:

- How am I reasoning right now?
- What do I know, what don't I know, and how confident should I be?
- Are my methods of thinking appropriate to this task?

Metacognition involves both awareness and control of cognition. To complete this qualification, candidates must demonstrate sound metacognitive regulation.

This is the active management of thinking, including:

- **Planning:** choosing how to approach a problem.
- **Monitoring:** checking understanding and progress while thinking.
- **Evaluating:** assessing outcomes and adjusting future strategies.

This is where reflection becomes actionable, not merely introspective.

## Applied Ethics in Financial Planning

Applied ethics in financial planning is the systematic use of ethical reasoning to guide real-world financial advice and decision-making, where client interests, professional duties, commercial incentives, and uncertainty intersect.

It examines not only what is technically permissible or compliant, but what is justified, responsible, and defensible in the lived circumstances of clients' lives.

At its core, it asks:

- What should a financial planner do in this specific situation?
- Whose interests are being prioritised, and why?
- How should competing duties be balanced under uncertainty?

Applied ethics in financial planning recognises that advice occurs within regulatory frameworks, firm incentives and remuneration structures. It considers client vulnerability, asymmetry of knowledge, and emotional pressure. Ethical reasoning therefore extends beyond rule-following to professional judgment under constraint.

While client interests are central, applied ethics also asks:

- When should client preferences be challenged?
- How should short-term desires be weighed against long-term welfare?
- What obligations exist to third parties, dependants, or future selves?

This prevents “client-first” language from becoming ethically hollow.

Ethical decisions in financial planning rarely rest on a single principle. Applied ethics draws on **consequences** (outcomes, risk, harm, sustainability), **duties** (competence, due diligence), and **character** (integrity, courage, professional identity). The aim is defensible judgment rather than moral perfection.

Applied ethics in financial planning explicitly engages with forecasting uncertainty, model risk and overconfidence, and behavioural biases in both clients and advisers. Ethical practice includes recognising what cannot be known or guaranteed and communicating that honestly.

Most ethical failures in financial advice do not arise from ignorance of rules, but from incentives overwhelming judgment, overconfidence, and silence where challenge was required. Applied ethics provides the framework for recognising those moments and acting deliberately.



# Your Assignments

## Coursework Assignment 1 Creative Philosophy & Ethics

Critically evaluate between 3 and 5 stories or pieces of media, and from each of them, derive at least one practical application of philosophy and/or ethics within a financial planning context. Each evaluation may, for example, include themes of managing behavioural biases, establishing trust-based client relationships, or regulatory compliance.

Learners' stories or media sources may be explicitly financial, or non-financial from which they can derive ethical conclusions and apply them within a financial planning context. They may be from any source, and may be fact or fiction, for example, movies, TV shows, songs, or real-life news stories. Learners may include up to one personal story. Non-personal stories must be comprehensively referenced.

Learners' critical evaluation must demonstrate metacognition and epistemological curiosity, while remaining grounded in financial planning practice.

Word count limit: 3,000.

## Coursework Assignment 2 Specialist Philosophy & Ethics

Choose from the themes of artificial intelligence (AI), cryptocurrency, financial crime, business failure, and sustainable/impact investment. Critically evaluate that theme within the context of financial philosophy and ethics. Learners are encouraged to research and critically evaluate between 3 and 5 individual stories or concepts within their chosen theme, establish their ethical principles within a financial context, and provide a minimum of three ethical lessons that can be practically applied within a financial planning business to ensure better client outcomes and develop a more ethical culture.

While Assignment 1 encourages breadth and creativity across different stories or media, Assignment 2 focuses on developing deeper ethical insight within a single specialist theme. Learners are expected to demonstrate increased coherence, depth of analysis, and integration of ethical principles across their chosen topic.

Learners' critical evaluation must demonstrate metacognition and epistemological curiosity, while remaining grounded in financial planning practice.

Word count limit: 3,000.

## Professional Discussion

A thirty-minute professional discussion with an assessor on the application of financial philosophy and ethics within a financial planning context. The discussion draws from the work in Learning Outcomes 1 and 2 and incorporates them into an explicit financial planning context. The assessment includes a range of talking points and questions relating to managing behavioural biases, regulatory compliance, cost and value, meaning, cashflow modelling, and investment performance.



## Coursework Assignments: Marking Criteria

The overall pass mark for the two coursework assignments is **50%**. Due to the weighting of philosophical and ethical reasoning and practical application, a submission cannot pass without demonstrating meaningful ethical competence and critical engagement.

**Important:** The critical evaluation for each story/piece of media is graded individually. To achieve a pass for the overall assignment, Learners must achieve the pass mark for each story/concept in isolation based on the marking criteria. This avoids situations in which Learners achieve an overall pass mark for, for example, one or two strong evaluations and two or three fails. It ensures a consistent pass-standard across all evaluations, demonstrating achievement of the wider Learning Outcome rather than mastery of a particular story or single philosophical/ethical concept.

Subject	Marks Available	Guidance
Factual Information & Framing	10%	<p>This criterion assesses the learner's ability to accurately summarise and contextualise the chosen stories or media. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Accurate representation of key facts, themes, or narratives.</li> <li>• Clear framing of each story to support subsequent ethical analysis.</li> <li>• Demonstrating sufficient understanding without excessive description.</li> </ul> <p>At SCQF Level 9, factual information is expected to support critical evaluation, not replace it.</p>
Philosophical and Ethical Reasoning	50%	<p>This is the most heavily weighted criterion and forms the core of the assessment. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Depth and quality of ethical analysis.</li> <li>• Engagement with philosophical or ethical concepts.</li> <li>• Consideration of alternative viewpoints or interpretations.</li> <li>• Justification of conclusions reached.</li> <li>• Evidence of metacognition and reflective judgement (thinking about why and how ethical conclusions are formed).</li> </ul> <p>Strong philosophical and ethical reasoning demonstrates independence of thought, critical challenge, and intellectual maturity appropriate to Level 9.</p>
Formulating practical guidance	25%	<p>This criterion assesses the learner's ability to translate philosophical and ethical reasoning into meaningful professional practice. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Identifying clear, relevant ethical lessons arising from each evaluation.</li> <li>• Applying those lessons within a financial planning or advisory context.</li> <li>• Demonstrating how ethical insights could influence behaviour, decision-making, client outcomes, or firm culture.</li> </ul> <p>Ethical lessons should be practical, proportionate, and grounded in real financial planning considerations.</p>
Formatting, presentation, and structure	10%	<p>This criterion assesses the clarity and professionalism of the submission. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Logical structure and clear progression of ideas.</li> <li>• Effective use of headings and signposting.</li> <li>• Professional presentation appropriate to an advanced qualification.</li> </ul> <p>This is not an assessment of writing style, but of coherence, clarity, and organisation.</p>
Referencing	5%	<p>This criterion assesses transparency and academic integrity. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Clear referencing of all non-personal sources.</li> <li>• Provision of direct links to media, including timestamps where relevant.</li> <li>• Sufficient referencing to allow verification of sources.</li> </ul> <p>Learners are not assessed on the volume of references, but on clarity and accuracy.</p>

## Professional Discussion: Question Bank

In assessing Assignment 3, we have a bank of 10 questions. Learners will be asked 6 of them, and each question should take 4-5 minutes to answer for a half-hour Professional Discussion.

Question	What it's Testing
Where do you see the most significant ethical judgements being made in the financial planning process, and why are these moments ethically important rather than purely technical?	The Learner's understanding that ethics is embedded into the advice process, not separate from it.
How should a financial adviser balance client autonomy with professional responsibility when a client wishes to pursue a course of action you believe is sub-optimal or risky?	The Learner's ability to manage ethical tension, pursue good client outcomes, and make sound ethical decisions.
In what ways can behavioural biases influence both client decision-making and adviser judgement, and what ethical responsibilities arise from this?	The Learner's understanding of bias, power imbalance, and their ability to intervene ethically.
How do cost, value, and meaning interact ethically in financial planning, particularly under Consumer Duty?	The Learner's understanding of financial and non-financial cost and value, the need to tether money to purpose, and the relationship between regulation and client experience.
Can you describe an example where advice is technically competent, procedurally correct, and defensible on paper, but does not guarantee an ethical outcome for a client? How should an adviser respond in such situations?	The Learner's ability to distinguish between technical competency and ethics and identify where competence and compliance tick-boxes alone are insufficient to ensure ethical outcomes.
How should advisers ethically approach uncertainty and imperfect information when giving financial advice?	The Learner's epistemological awareness and professional humility.
What ethical considerations arise when using tools such as cashflow modelling or risk profiling, and how can advisers avoid false certainty?	The Learner's understanding of the features and limitations of everyday financial planning tools and software, their ability to evaluate appropriate assumptions and stress-tests, and to challenge inaccurate, incomplete, and out-of-date information.
How do short-term performance pressures conflict with long-term client outcomes, and how should advisers ethically manage this tension?	The Learner's ability to effectively manage conflicts of interest arising from personal financial stress, firm culture, contingent charging structures, and management pressure, so that clients are treated fairly and their outcomes are ethical.
What role does trust play in the adviser-client relationship, and how can it be strengthened or undermined through everyday advisory decisions?	The Learner's understanding of fiduciary ethics and relational judgement.
How should ethical responsibility be shared between advisers, senior managers, and support staff within a financial planning firm?	The Learner's understanding of organisational ethics and culture, not just individual behaviour.

## Professional Discussion: Marking Criteria

The overall pass mark for this assignment is **50%**. Due to the weighting of ethical reasoning and practical application, a Professional Discussion cannot pass without demonstrating meaningful ethical competence and critical engagement.

**Important:** The Professional Discussion is graded as a whole, not on each question in isolation. It is reasonable that, given the difficulty of verbal reasoning under pressure, that some questions will be answered to a higher standard than others by different Learners. Further, Learners will be answering six questions, testing a broad range of topics. This is a sufficiently diverse pool of questions with which to test the overall achievement of the Learning Outcome based on a 50% overall pass mark. Theoretically, it could be argued that Learners could achieve 100% on three questions and 0% on three questions and still pass. This is correct, but considering the diversity of the questions, this would demonstrate the achievement of the Learning Outcome. However, factoring the Level 9 standard demanded, it would be a statistical impossibility for such an outcome to occur.

Subject	Marks Available	Guidance
Technical, factual, and regulatory information	30%	<p>This criterion assesses the learner’s understanding of the regulatory and technical environment in which ethical decisions are made. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Demonstrating accurate knowledge of the financial planning process and relevant regulation (e.g. FCA Conduct Rules, Consumer Duty, suitability, cost and value).</li> <li>• Correctly referencing technical tools and concepts such as cashflow modelling, risk profiling, or investment performance.</li> <li>• Grounding ethical discussion in real advisory practice.</li> </ul> <p>Strong performance goes beyond naming rules and shows how regulation informs professional judgement. Weak performance relies on vague references, inaccuracies, or rule-quoting without understanding.</p>
Ethical Reasoning	60%	<p>This is the most heavily weighted criterion and forms the core of the assessment. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Critically evaluating ethical issues rather than describing them.</li> <li>• Demonstrating reflective judgement and metacognition (thinking about why and how decisions are made).</li> <li>• Recognising ethical tensions, trade-offs, and uncertainty.</li> <li>• Engaging with alternative perspectives or competing priorities.</li> <li>• Distinguishing between technical correctness, compliance, and ethics.</li> <li>• Focusing on client outcomes, power imbalances, and professional responsibility.</li> </ul> <p>Strong performance shows independence of thought, intellectual maturity, and the ability to apply ethical reasoning. Weak performance treats ethics as synonymous with compliance or relies on simplistic “right answers”.</p>
Delivery	10%	<p>This criterion assesses the Learner’s ability to articulate ethical reasoning clearly and professionally. Marks are awarded for:</p> <ul style="list-style-type: none"> <li>• Communicating ideas coherently and logically.</li> <li>• Responding directly to questions asked.</li> <li>• Explaining reasoning in a way that would be understandable to clients or colleagues.</li> <li>• Maintaining a professional tone appropriate to financial planning practice.</li> </ul> <p>Delivery refers to clarity, coherence, and professional articulation of ideas, not accent, confidence of personality, or rhetorical style.</p>

# Your Qualification Team



**Michaela Pashley FPFS PoFP®**  
Managing Director & Internal Verifier

Michaela is our Managing Director. She runs PFE day-to-day, is the author of the PIP and Financial Philosophy & Ethics textbooks and assessments, monitors performance of the assessors to ensure consistent marking, delivers training, and provides our AdviserStream services.



**Dr Alan Whittle PhD MSc MA FPFS**  
Head of Assessment

Alan is our Head of Assessment. He works closely with Michaela, setting assessment standards, assessing our qualifications candidates, and consulting on the development of the PIP and Financial Philosophy & Ethics qualifications.

