

# Understanding your customers' sustainable investing preferences

**Sustainability is an increasing focus in our society. Understanding how each customer views sustainability in their investments has never been more important.**

With sustainable investing increasingly prominent in the financial services sector and a key area of regulatory focus, it's vital that advisers and product providers understand each customer's preferences.

Regulators in the UK and elsewhere have made clear that understanding a customer's attitude to sustainable investing is a crucial part of assessing the suitability of investment advice, alongside considerations of risk and return.

Sustainable investing can be complex and customers may struggle to articulate their requirements. To support advisers in this area, A2Risk has developed a new Attitude to Sustainability Questionnaire (ATSQ) that can be used to assess and document investor sustainability preferences, and help you to design appropriate investment portfolios.



The ATSQ facilitates suitability discussions by providing a clear and actionable assessment of a customer's attitude to sustainable investing. The outputs from the ATSQ questions can help advisers direct customers to suitable products.

The questionnaire can be coded for use in the firm's existing systems – becoming a core part of suitability assessments and customer onboarding processes.

## Introducing the ATSQ

Like our well-established Attitude to Risk Questionnaire, the ATSQ enables a rich and structured conversation between the adviser and client about sustainable investing preferences. It also provides a consistent way of demonstrating compliance with suitability requirements.

Consisting of 10 psychometric questions, the ATSQ evaluates the strength of the customer's preferences for sustainable investments, including how they trade off sustainability relative to risk and return. The questions are simple and do not require any prior knowledge of sustainable investing.

To what extent do you agree or disagree with the following statement?  
(Please select the option that best applies)

**I try to lead my life in a sustainable way**

<b>Strongly agree</b>	<b>Agree</b>	<b>Neither agree or disagree</b>	<b>Disagree</b>	<b>Strongly disagree</b>
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**I'm not prepared to accept higher investment risk in order to invest sustainably**

<b>Strongly agree</b>	<b>Agree</b>	<b>Neither agree or disagree</b>	<b>Disagree</b>	<b>Strongly disagree</b>
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Additional filter questions identify any specific views on environmental and social issues, and on impact investment, exclusionary approaches, and ESG integration.

Each question has been tested on a representative sample of potential customers to ensure it is clear and concise. We expect the questionnaire to take only 5-10 minutes to complete and it can be completed with the adviser or independently. It is also suitable for use in online advice and guidance journeys.

Our scoring algorithm produces a score for each customer based on the questionnaire responses. The client is allocated to a category and a description is also provided which can be aligned to regulatory fund labels. Sense checks flag where there are inconsistent patterns of answers.

### Find out more

For more information, visit our website or contact us – we'll be happy to show you how the Attitude to Sustainability Questionnaire can help you.

Website: [www.a2sustainability.com](http://www.a2sustainability.com)

Contact: [info@a2risk.com](mailto:info@a2risk.com)

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