

Client Preference Toolkit

(Overview and Where to Start)

What this toolkit is

This toolkit provides practical documents to support clear, consistent and proportionate conversations about client investment preferences. It is designed to help firms:

- support informed client decisions
- explore and record preferences clearly
- reflect those preferences appropriately within suitability

The toolkit is:

- process-led — designed to fit within your existing advice process
- neutral — it does not promote any particular investment approach
- flexible — all documents can be used as-is, adapted, or integrated into your existing materials

It may also support firms in meeting **Consumer Duty** expectations by helping clients understand their options and make informed decisions.

Key principles:

Client preferences form part of the overall suitability assessment and can be considered in ways that support informed client decisions. They can be considered alongside:

- financial objectives
- attitude to risk and capacity for loss
- time horizon
- and wider personal and financial circumstances

Not all clients will have specific preferences, and a simple approach is often appropriate.

Overview: How the toolkit fits together

The toolkit is designed to follow the natural flow of the advice process.

1. Introduce preferences (ideally before the meeting)

Document: [Investment Preference Pathway — Quick Guide](#)

Use this to:

- help clients think about what matters to them
 - introduce the different investment approaches in a simple way
 - allow clients to arrive at the meeting with an initial view
- Most clients will not need more than this.

2. Support the conversation (during advice discussions)

Document: [Investment Preference Pathway — Additional Information](#)

Use this only where needed:

- if the client wants more detail
 - if clarification is required
 - or where preferences are more specific
- This document is optional and should not be used as a default.

3. Explore detail (only if appropriate)

Documents: [Preference Questionnaires \(Sustainability, Ethical/Values-based, United Nations Sustainable Development Goals\)](#)

Use these where a client:

- expresses clear or strong preferences
 - wants to define specific exclusions, themes or outcomes
 - or would benefit from a more structured discussion
- Questionnaires are optional and should be used proportionately.
- Not all clients will need them.

4. Record preferences and evidence suitability

Document: Investment Preference Pathway — Record

Use this to:

- capture the client's preferences and level of detail
 - document how those preferences have been applied
 - record any trade-offs or limitations
 - support suitability evidence
- This forms part of your suitability process.

5. Support adviser approach and consistency

Document: Investment Preference Pathway — Adviser Guidance Notes

Document: Using the Preference Questionnaires — Adviser Guide

Use these to:

- support consistent conversations across advisers
- help interpret client responses
- ensure preferences are applied appropriately within suitability

6. Support vulnerable clients and complex situations

Document: Vulnerability, Protected Characteristics & Client Values — Practical Guide & Checklist

Use this to:

- understand how preferences may link to vulnerability
- recognise emotional or values-based responses
- support clients proportionately
- reduce the risk of unintended harm

→ This document is intended to support adviser judgement and client understanding to help achieve good outcomes.

7. Support firm-level implementation

Document: Client Preference Readiness Quadrant

Document: Firm-Level Review & Gap Analysis Tool

Use these to:

- understand your firm's current approach
 - identify gaps or inconsistencies
 - support gradual, proportionate implementation
- There is no single "correct" starting point.

8. Set expectations (optional)

Document: Terms of Business — Client Preferences

Use this to:

- explain that preferences will be explored
 - set expectations about trade-offs and limitations
 - clarify the adviser's role
- This helps ensure clients understand the purpose of the conversation from the outset.

Where to Start

How to get started (simple approach)

Firms do not need to implement everything at once. A simple starting point is:

- (1) Provide the Quick Guide to clients before meetings
- (2) Discuss preferences at a high level during the meeting
- (3) Record the outcome using the Preference Pathway Record

→ This will be sufficient for many clients.

You can then introduce the following, if needed:

- Additional Information
- Questionnaires

Proportionate use

This toolkit is designed to be used proportionately. In practice:

- some clients will have no specific preferences (this will still need to be recorded)
- some will want a simple approach
- some will want more detail

All of these are valid outcomes. The aim is not to capture every possible preference, but to:

- support informed decision-making
- and reflect what matters to the client within a suitable recommendation

Important considerations

- There is no hierarchy between investment approaches
- Preferences may be broad, detailed, or absent
- Not all preferences can always be applied exactly as requested
- There may be trade-offs with diversification, risk, cost and available solutions
- Where relevant, limitations should be clearly explained

Final note

This toolkit is designed to support better conversations — not to add unnecessary complexity. Used well, it can:

- improve clarity and consistency
- support good client outcomes
- and provide clear evidence of how preferences have been considered within suitability

If you would like support implementing the toolkit within your firm, please get in touch.

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