



Traditional Wealth Management Questions

An excerpt from

Wealth with a Why

Part 2: The Purposeful Investment Landscape

Presented by Stephanie & Stuart Mills and Partners

"We offer you our story of how we reignited our love of land and sea when we asked ourselves, 'Can we do better with our money?' This question spearheaded our deep dive into the world of sustainable finance."

The Small Print

The views represented here are those of Stuart and Stephanie Mills.

The guide resonates with their practice, but they recognise that your needs may differ and that there will be other resources available to you, specific to your interests, location, or needs. It aims to help you identify the types of services and financial vehicles to seek in order to meet your financial needs and values whilst serving the planet.

Traditional Wealth Management Questions

ASK YOURSELF:

- **How comfortable am I with potentially different levels of financial return if it means achieving greater positive impact?** This is a crucial consideration. Impact investments can have a broad range of financial and impact goals.
- **Across all my financial holdings (bank accounts, pensions, ISAs, investments), where is my money currently held, and what could it be funding?** It's good to get a baseline understanding of your current financial footprint.
- **How important is it for me to know that my investments are creating a tangible, positive difference (additionality)?** This will help determine if you want to explore impact investing more deeply.
- **Am I willing to actively engage with my wealth manager and financial institutions to push for more sustainable options?** Your voice as a client can be powerful.
- **What level of complexity and research am I comfortable with when it comes to understanding the ethical and sustainable credentials of my investments?** This will influence the types of investment vehicles you might consider.

ASK YOUR WEALTH MANAGER OR YOUR FINANCIAL ADVISER:

Setting and sharing an agenda in advance of meetings will ensure the matters that are important to you and which you wish to discuss are not rushed, and attention inevitably starts to fade. It will also give your adviser time to research or prepare if necessary, making it more likely that you can have an informed discussion. You may be asking questions or making suggestions that your adviser has never encountered before, and they will appreciate not being "put on the spot."

Questions for Your Wealth Manager

- **Do you offer investment strategies that explicitly consider ethical, social, and environmental (ESG) factors?** Don't just accept a 'yes' – dig deeper.

- **How do you define 'sustainable'?** Understand their criteria and if they go beyond basic ESG integration.
- **Can you explain your firm's approach to sustainable and responsible investing?** Understand their philosophy and how it translates into investment choices.
- **What options do you have for screening out harmful investments based on my values (e.g., fossil fuels, tobacco, arms)?** Ask about their exclusion policies and revenue thresholds.
- **Do you integrate ESG analysis into your standard investment selection process, or is it only for clients who specifically ask for it?** This shows how central sustainability is to their approach.
- **Can you give me examples of when ESG considerations have influenced your investment decisions (e.g., not buying a certain stock or selling due to ESG concerns)?** This helps gauge the practical application of their ESG approach.
- **Do you offer 'sustainable' or 'best-in-class' investments that intentionally seek out companies with strong sustainability characteristics?** Try to be as clear as possible with what you would consider 'best'.
- **Are you familiar with thematic investing focused on long-term environmental and social trends (e.g., clean energy, sustainable agriculture)?** This can be a way to actively invest in solutions.
- **Do you offer any impact investment options that aim to create measurable positive social and environmental impact alongside financial returns? If so, can you explain how 'additionality' is created and measured?** Be wary of greenwashing and push for concrete examples.
- **Are you a signatory to the UN Principles for Responsible Investment (PRI) or other relevant sustainability initiatives?** This can indicate a commitment to responsible investment practices.
- **What is your approach to stewardship? Do you actively engage with the companies or fund managers you invest in to encourage sustainability improvements? Do you have a stewardship policy and escalation strategy?** Active ownership is important for driving change.
- **Can you provide sustainability reporting on my portfolio, such as carbon footprint, alignment with net-zero goals, or other relevant metrics? How are these figures calculated, and what do they actually mean?** Transparency is key to understanding the impact of your investments.

- **What are the fees associated with your sustainable and impact-focused investment options compared to your traditional offerings?** Understand the cost implications.
- **Do you have in-house sustainability specialists or rely on external partners for ESG expertise?** This can indicate the depth of their knowledge.
- **Have you received any independent evaluations or accreditations for your sustainability capabilities?** Third-party validation can be helpful.



As part of the typical investing process, an adviser will often expect you to answer around 20 questions about how you would react to the value of your investments going up and down. It is not unreasonable for you to ask them how they will approach the risks that personally concern you.

Questions for Your Financial Adviser

There are three options that you may encounter when working with a financial adviser:

- 1. They offer no ethical, sustainable, or impact investment options.*
- 2. They offer the above investment options, which they have created in-house.*
- 3. They select options or partner with investment management firms to serve their clients' values-based investment needs.*

*If **option 1** applies and you wish to invest in line with your values, then you either need to change your adviser or make your adviser change! With **option 2**, the questions for wealth managers work well. For **option 3**, where an adviser offers investment funds, portfolios, and products managed by other firms, the following questions are useful:*

- **How many options do you have in your core investment proposition for clients who want to invest in line with their values or have a positive impact?**
- **How and why have you selected the investment providers that you work with?**
- **Do you facilitate bespoke options for clients with more specific ethical investment preferences or who wish to have an impact in a focused area?**
- **How do you determine which options are suitable for which clients?**
- **What are the key differences between the sustainable portfolios you offer: from a cost, risk, performance basis, or positive impact/avoidance of harm basis?**

- **How often do you review the products available to you, and how have your sustainable and impact investment options evolved?**
- **Typically, what percentage of your clients invest in ESG, sustainable, or impact solutions? How do you see this changing in the future?**
- **How much information can you give me about my fund or portfolio? Will I receive any data about alignment with environmental and social outcomes?**
- **Are you able to find out about all the underlying companies held in the funds or portfolios?**
- **How do you assess whether or not investment providers are guilty of greenwashing?**
- **Which of the investment solutions you use has one of the sustainability fund labels, and what is the reason for those that don't have labels?**
- **Can you help me with philanthropic or charitable giving?**
- **Has the firm ensured that its advisers are knowledgeable about sustainability issues and sustainable, ESG, and impact options? When did you last undergo training in this area?**
- **What is your firm's view on climate and nature risks, and how do these affect future investment returns? How do you seek to mitigate this?**
- **What steps have you taken as a firm to have a positive environmental or social impact in your profession or amongst your local community?**
- **How do you think the finance profession can do better to deliver positive social and economic outcomes?**

By asking these kinds of questions, you can start a meaningful dialogue with your wealth manager or financial adviser and ensure that your financial strategy aligns with your desire for a more purposeful and sustainable future. Don't be afraid to challenge jargon and demand clear, understandable answers. Remember, it's your money, and you have the right to understand how it's being used and the impact it's having.