

The role of advisers: preferences, suitability, documentation

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

Sustainable finance has changed the daily work of the Geneva adviser. The Swiss Bankers Association's self-regulation requires the adviser to ask each client whether they have sustainability preferences, to document them and to take them into account in recommendations. The Financial Services Act, for its part, requires that these recommendations be suited to the client's profile.¹ The adviser must therefore understand the sustainability approaches, explain what each product does and does not do, and avoid promising an impact that the product does not demonstrate. The financial centre's training institutes have added sustainability to their programmes, and the professional certifications now include it.

This requirement has an effect on the relationship. Private clients, in particular the generations inheriting the fortunes managed in Geneva, hold convictions on climate, biodiversity or human rights, and expect their adviser to translate them into investments without sacrificing prudence. The adviser who knows how to conduct this conversation, with data and without rhetoric, gains the heirs' trust, whereas the one who treats it as a formality loses them. Sustainability has thus become, for Geneva private banking, an instrument for passing relationships from one generation to the next.

Worked example. A Geneva independent asset manager manages CHF 400 million for 120 families. Following the self-regulation on sustainability preferences, it surveys each client: 45 per cent express a preference, of whom one third want a simple exclusion of controversial sectors, one third an integration or climate alignment approach and one third impact investments. The manager adapts its management guidelines, selects funds documented in accordance with the fund managers' self-regulation and publishes the Swiss Climate Scores of the portfolios concerned. The cost of implementation, covering data, training and documentation, comes to

The role of advisers

around CHF 150,000 in the first year. This cost is offset by the retention of several families whose heirs had been considering a change of manager.

1 Notes

1. Swiss Bankers Association guidelines for financial service providers on the integration of ESG preferences and ESG risks into investment advice and portfolio management, in force since 1 January 2023 (Allnews, 28 June 2022), revised with effect from 1 January 2025 (swissbanking.ch); Art. 10 to 14 of the Financial Services Act (FinSA) (duty to verify, appropriateness and suitability assessment; droit-bilingue.ch). ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/geneva-the-role-of-advisers-preferences-suitability-documentation