

Investing in a Better World

Survey Results

September 2019

Contents

1 Overview

2 Key findings

3 Survey methodology and sample characteristics

4 Full survey results: Behaviours

5 Full survey results: Responsible and impactful investments

6 Full survey results: Pensions

7 Full survey results: Sustainable development goals

8 Driver analysis: The motivations, enablers and barriers of different groups

Introduction

1

Overview and objectives

Overview

The Department for International Development (DFID) leads the UK's work to end extreme poverty. DFID's Investing in a Better World initiative was established to understand whether people in the UK want to invest their money in ways that help to achieve the Sustainable Development Goals (SDGs).

This involved a comprehensive survey of the UK public's attitudes to sustainable investing. This document outlines the results of this survey.

To complement the survey, broader consultation with over 2,000 people took place through digital feedback forms and events. A range of stakeholders and members of the investment industry were consulted through five roundtables and 44 interviews.

The results are published in a report *Investing in a Better World: Understanding the UK public's demand for opportunities to invest in the Sustainable Development Goals*.

Objectives

All survey respondents were asked the same 36 questions, which aimed to understand more about:

- the values people have and how they act on things they care about;
- their level of awareness of the concept of responsible and impactful investing;
- their interest in the impact that their own savings and investments have;
- the choice people would make if responsible and impactful investing was available to them;
- the most important factors influencing people when selecting investments;
- the factors which would motivate, enable or prevent people from making responsible and impactful investments;
- their understanding of pensions and whether they would like their pensions to be responsible and impactful;
- their levels of awareness of the Global Goals and interest in investing in poorer countries.

Want to find out more or get involved?

To learn more about the UK's progress on achieving the Goals, read the June 2019 report [Voluntary National Review of Progress towards the Sustainable Development Goals](#).

Learn more about the global goals online at: globalgoals.org

Contact us at: InvestingInSDGs@dfid.gov.uk

Or tweet us: @DFID_UK

#InvestinaBetterWorld

Survey methodology and sample characteristics

2

Methodology and sample characteristics

The process

The sample size of the survey is over 6,000 people. 5,123 of the sample is nationally representative of the UK population by gender, age and region. The remaining 1,018 respondents formed a booster group of people with at least £25,000 of investable assets¹. This booster sample was designed in order to capture a large sample of people who are more likely to currently invest, as the nationally representative sample includes people who do not invest. Overall, 2,445 of the total respondents are people with over £25,000 assets.

All respondents were asked the same questions. Where the responses for the booster group differ from the nationally representative sample (at 99% significance), these results are shown in this slide deck. Some demographic analysis was done to compare results by gender and age. This data is also shown when the difference is statistically significant at 99%.

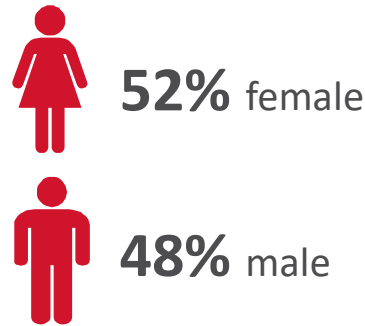
The surveys were conducted using an online panel methodology from 9 May to 6 June 2019.

Please note:

- Percentages may not add up to 100% due to rounding.
- The margin of error on 5,123 nationally representative group is +/-1.37%. The margin of error on the booster group (people with assets over £25,000) is +/-1.98%

¹ Investable assets is defined as: any saving an investment excluding property and pension.

Question 1: Gender

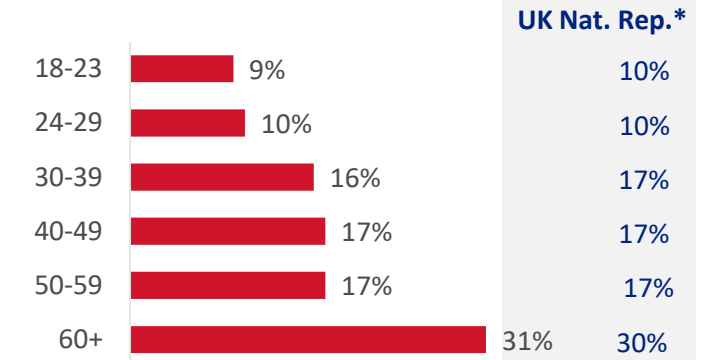


UK Nat. Rep.*

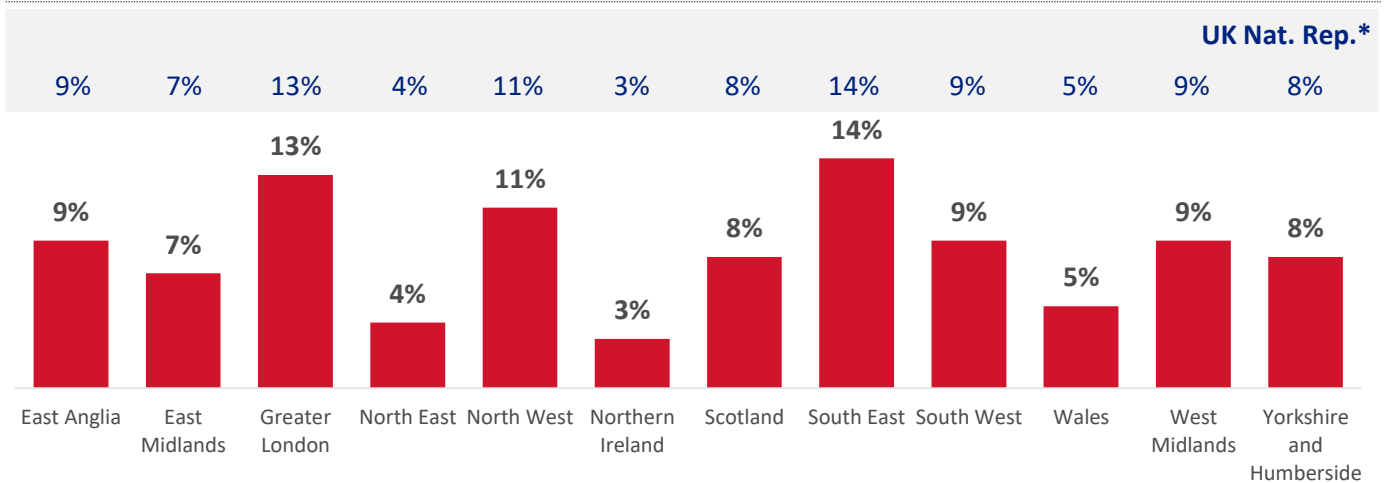
51%

49%

Question 2: Age



Question 3: Location

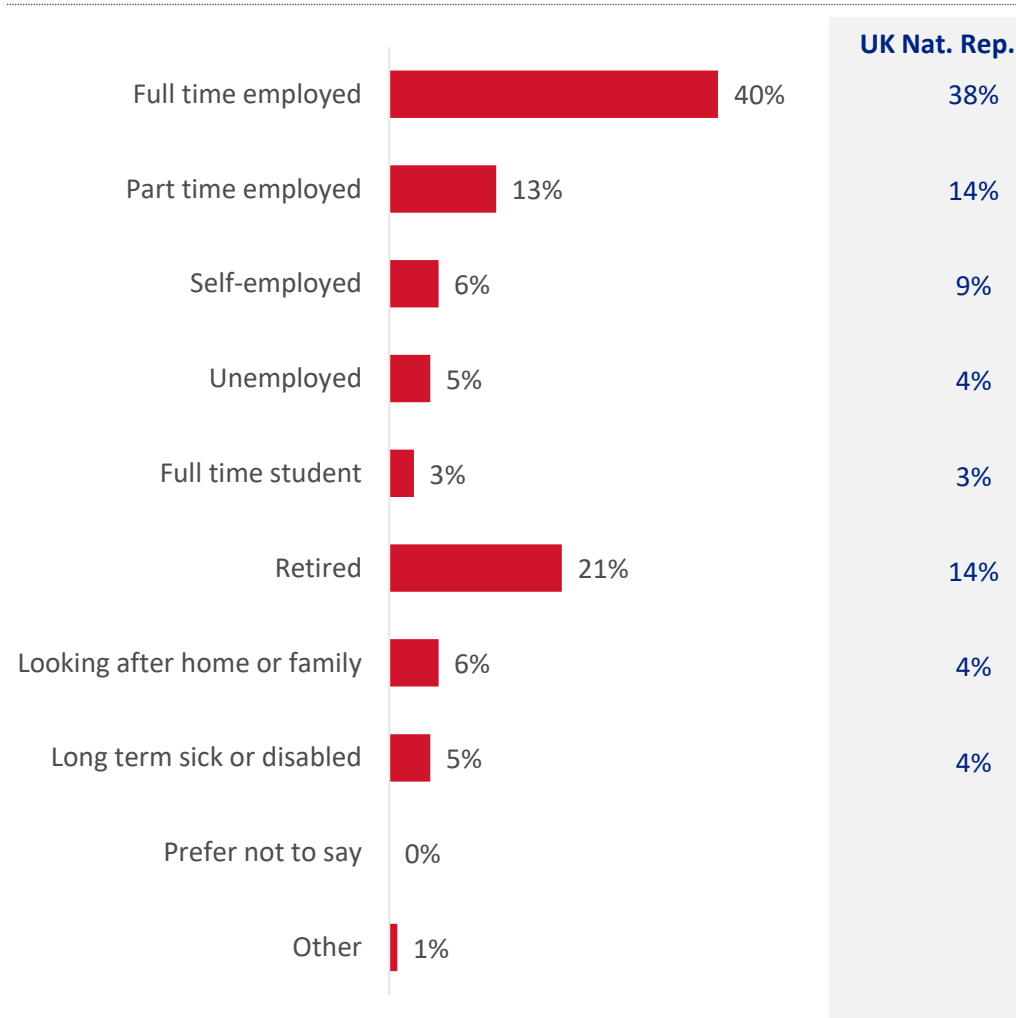


*UK Nat. Rep. indicates official national statistics for gender, age, location in the UK.

Source: Census 2011, Office for National Statistics

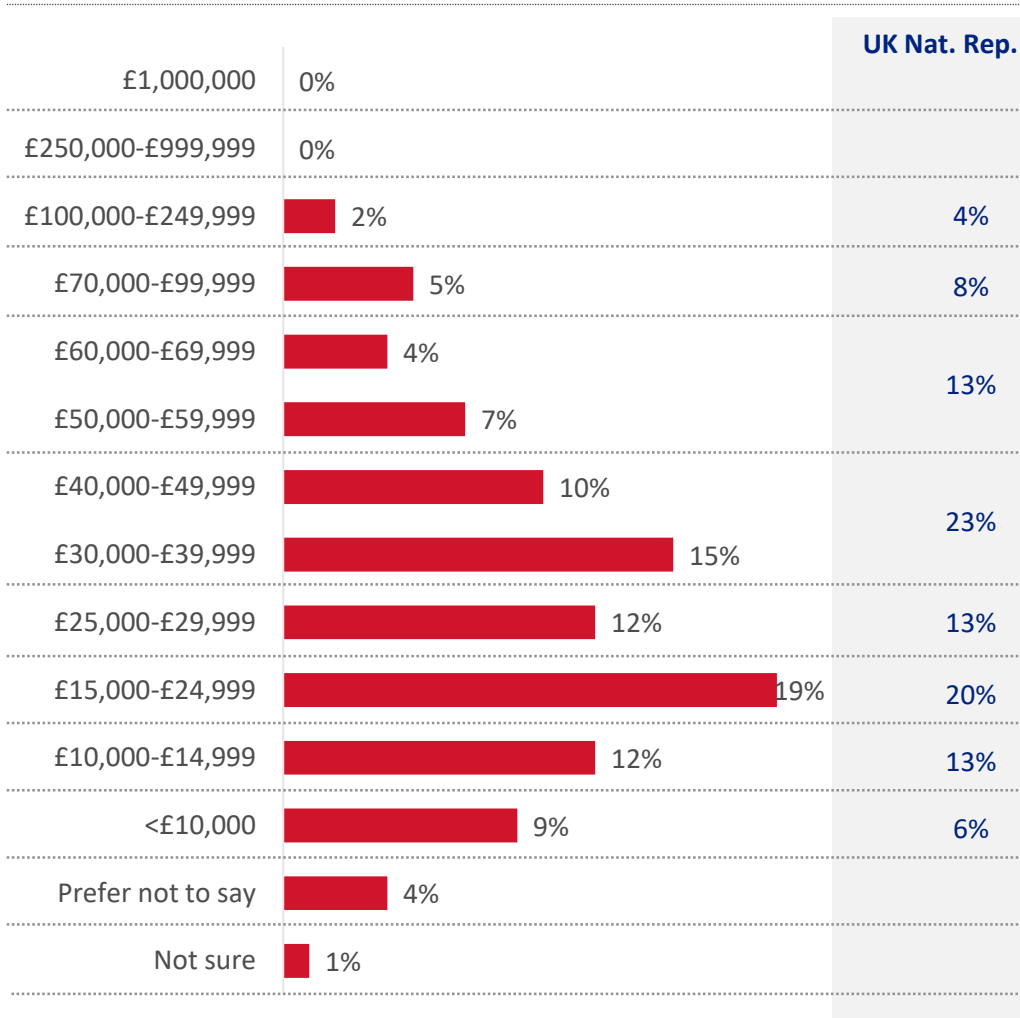
Sample characteristics: employment and household income

Question 4: Employment status



Source: Census 2011, Office for National Statistics

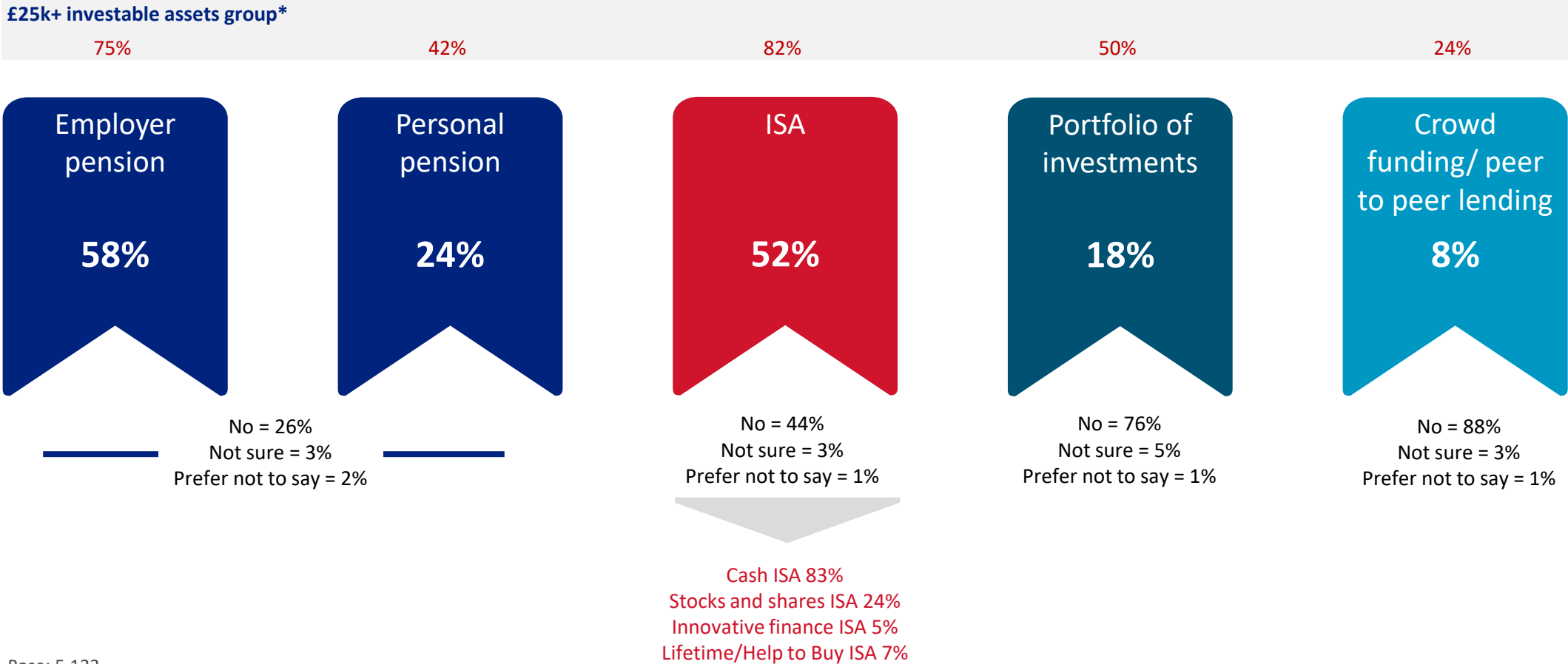
Question 5: Gross annual household income before tax



Source: 2017 Household Disposable Income and Inequality/Living Costs and Food Survey Office for National Statistics

Over half of all respondents have employer pensions and ISAs, rising to three-quarters for those with assets over £25,000

Question 6: When you set aside money to save - for example, in a bank or another financial institution - that money can be invested in companies with the hope of achieving a profitable return to grow your savings. Do you currently hold:

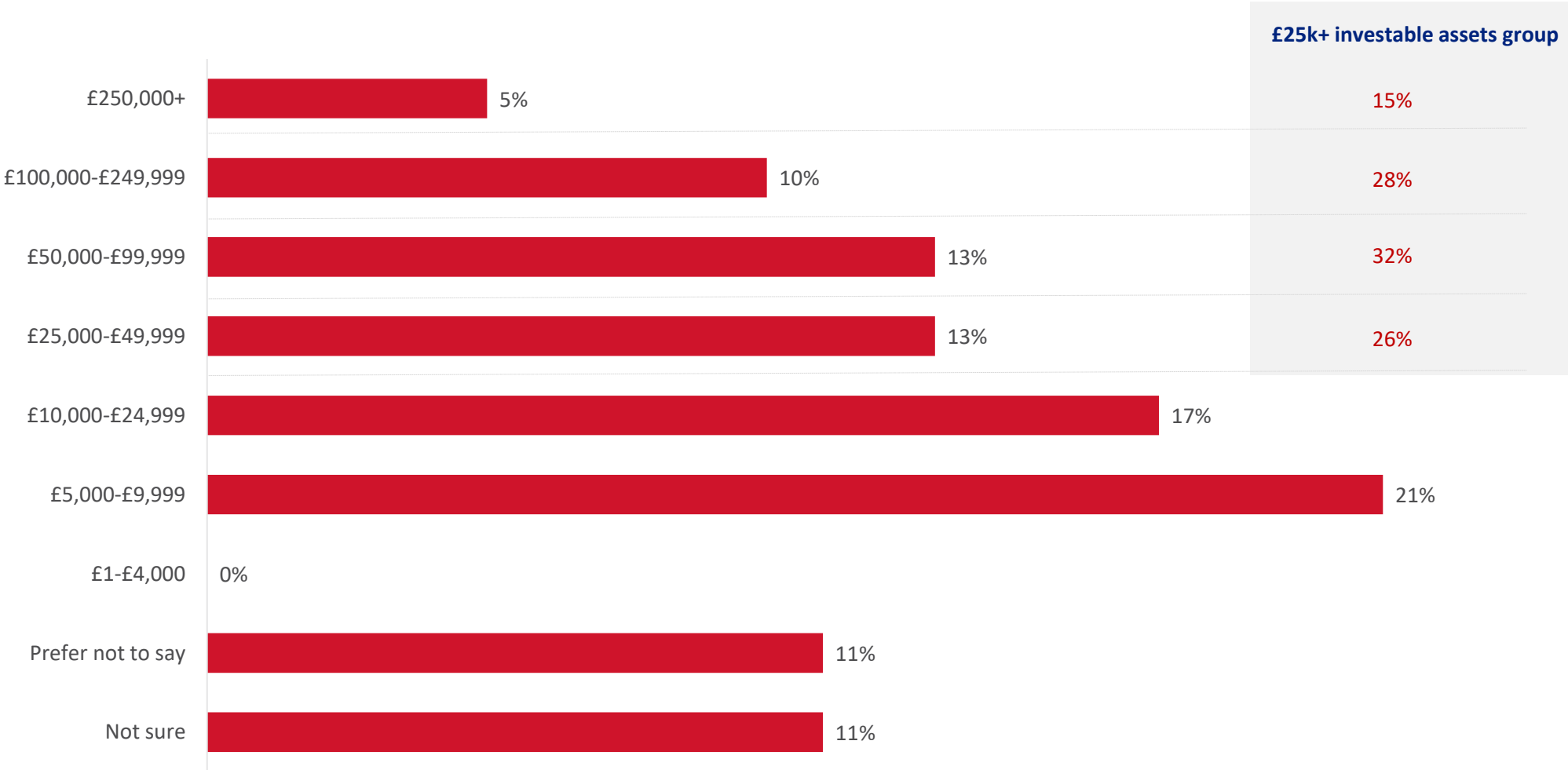


Base: 5,123

* Where the result for this group is a statistically significant different score than for the total population, at 99%.

Over four in ten respondents hold savings or investments of at least £25,000

Question 7: What is the estimated value of your savings and investments excluding the value of any property or pension?



Base: 3,515

Key findings

3

Key findings

1. The majority of people in the UK say they care about people and the planet, and exhibit this through sustainable behaviours, such as recycling and reduced plastic use.
2. 3 in 5 people say it is important businesses and financial institutions do good and avoid harm to people and the planet.
3. More than 50% of people say they are interested in investing sustainably now or in the future, with a quarter interested in investing in Africa.
4. Almost 30% of people who currently hold investments place impact on people and planet among their top 5 most important factors when making an investment decision.
5. Wealthier people (£25k+ investable assets group), millennials and women are more likely to opt for responsible and impactful investments and pensions when given the choice.
6. Almost half of respondents would want their pension to be switched if they found out it was invested in a way that was against their values.
6. 56% of people say they would opt for a fully or partially sustainable pension if they were given the choice.
7. Despite more than half the population saying they are interested in responsible and impactful investing, stated take up and awareness of responsible and impactful investment products is low.
8. People say they would be motivated to save and invest more if they knew it would make a positive difference, including if doing so helped to lift people out of poverty and protect the planet.
9. While having impact does not necessarily require a trade off in returns, 28% of people would make a responsible and impactful investment even if the returns they received were lower than other investments if they knew the investment made a difference to something they really care about.
10. People say that greater availability of products, more information and evidence of impact would motivate and enable them to make responsible and impactful investments.

Definitions

The survey referred to “responsible and impactful investing”. This was defined as:

When deciding to invest in a company, financial institutions consider factors like the company’s financial performance and how the broader economy may impact it. They can also consider the company’s impact on people (e.g. use of child labour or fair wages for workers) and the planet (e.g. conserving natural resources like water, or causing toxic pollution).

For the Investing in a Better World project, the research took a broad view of what it means to invest in a better world that includes responsible, sustainable and impact approaches. In the report, the research uses the term “sustainable investing” to refer to this spectrum of activity.

Full survey results: Behaviours

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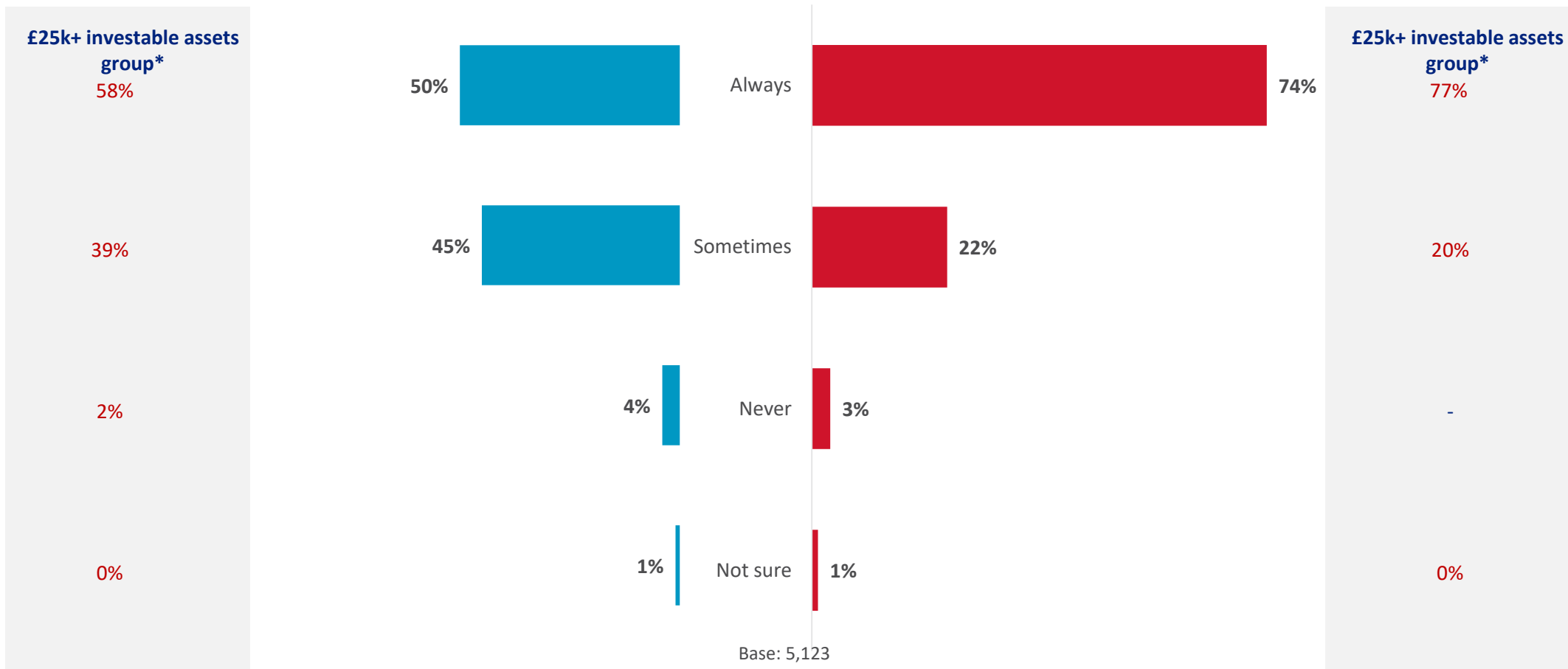
Almost all respondents say they sometimes or always try to reduce plastic usage and recycle

Women are more likely to say they demonstrate sustainable behaviours

76% of women say they always make a conscious effort to recycle; 4% of men say they never make a conscious effort to recycle

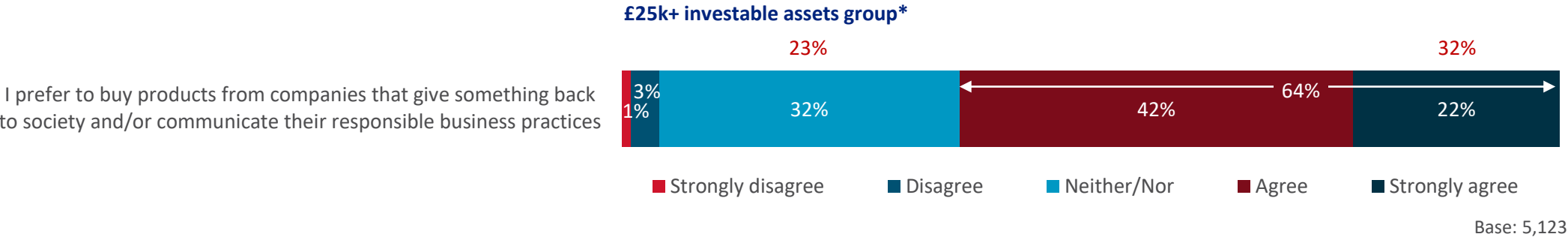
Question 8: To what extent do you take steps to reduce plastic usage, such as carrying a reusable water bottle, reusable coffee cups or taking your own bag to the supermarket?

Question 9: To what extent do you make a conscious effort to recycle your household waste?

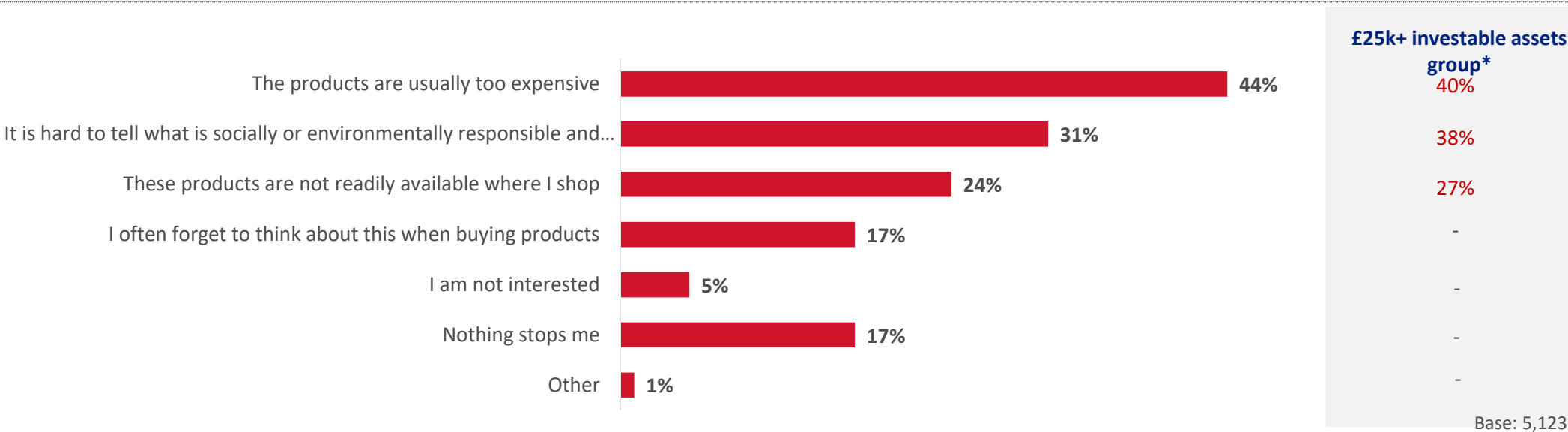


Almost two thirds of respondents agree that they prefer to buy products from companies that give something back to society

Question 10a: To what extent do you agree or disagree with the following statement?



Question 10b: If anything, what stops you from buying products from companies that give something back to society and communicate their responsible practices?



* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Two thirds of respondents say they donate to charity

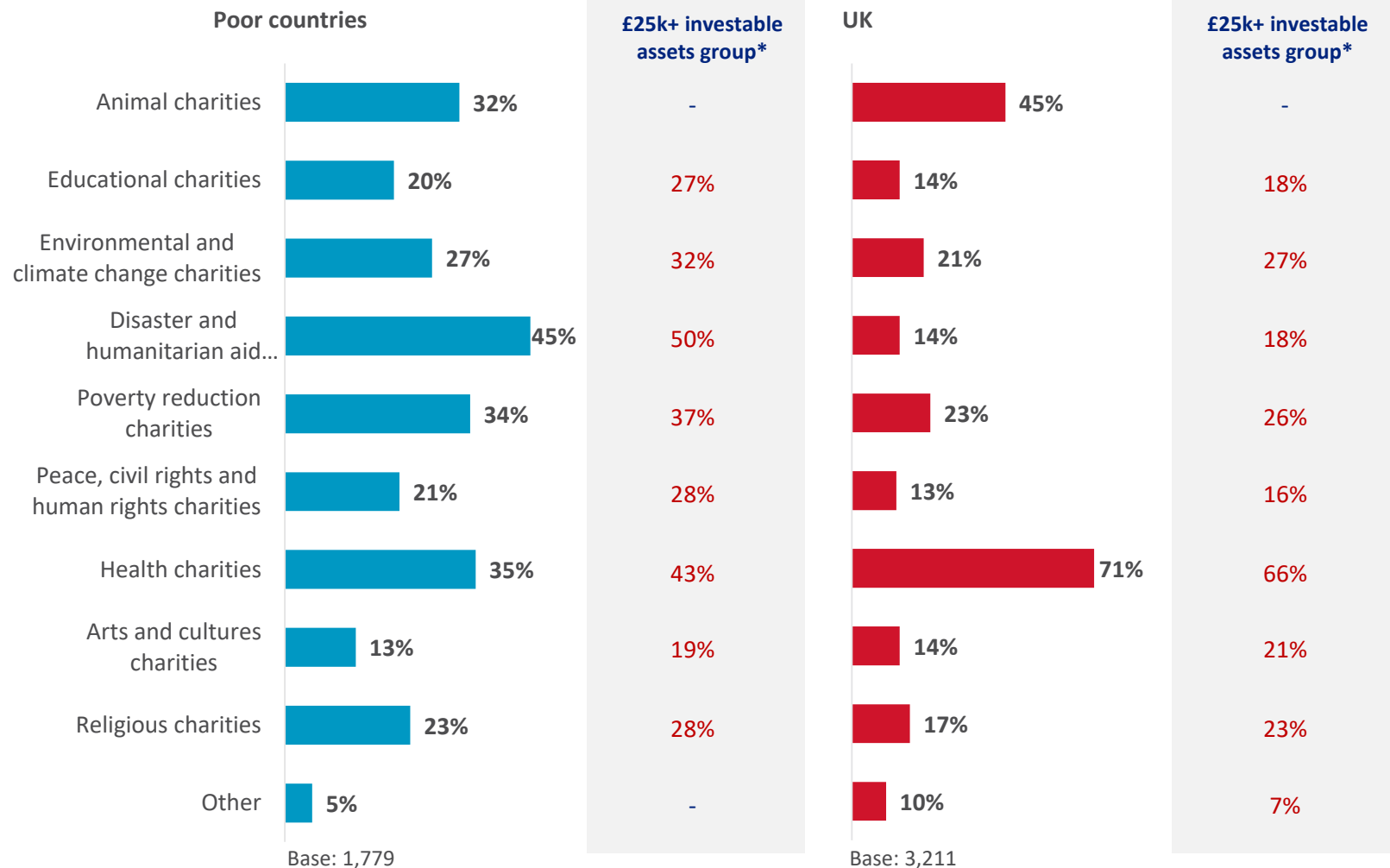
Question 11: Have you donated money (through donation or sponsorship) to any charities in the past year?

67%
donate to charities

Rises to **70%** for women

And to **79%** for £25k+ investable assets group (both men and women)

Question 12: Which types of charities have you donated to in the past year?



Base: 5,123

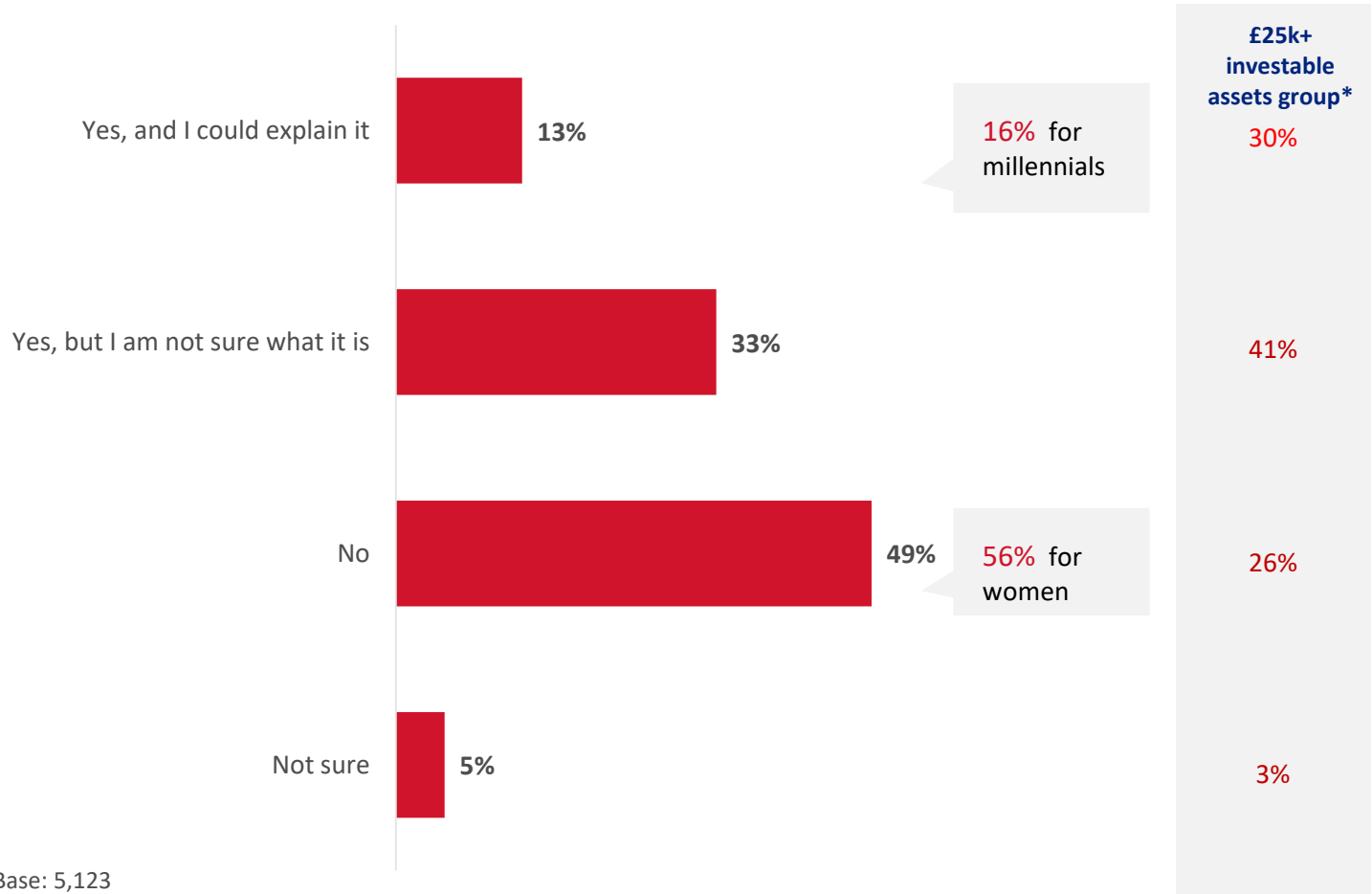
* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Full survey results:
Responsible and
impactful investment

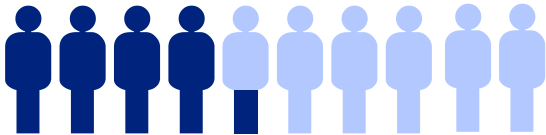
5

Fewer than half of respondents say they are aware of responsible and impactful investment and just over one in ten stated they could explain it

Question 13: Have you heard of responsible or impactful investment (also referred to as ethical, sustainable, or socially responsible investment)?



Base: 5,123



46%
are aware of responsible of impact investment

Lowers to **38%** for women; rises to **54%** for men

And to **70%** for those with investable assets of £25k+

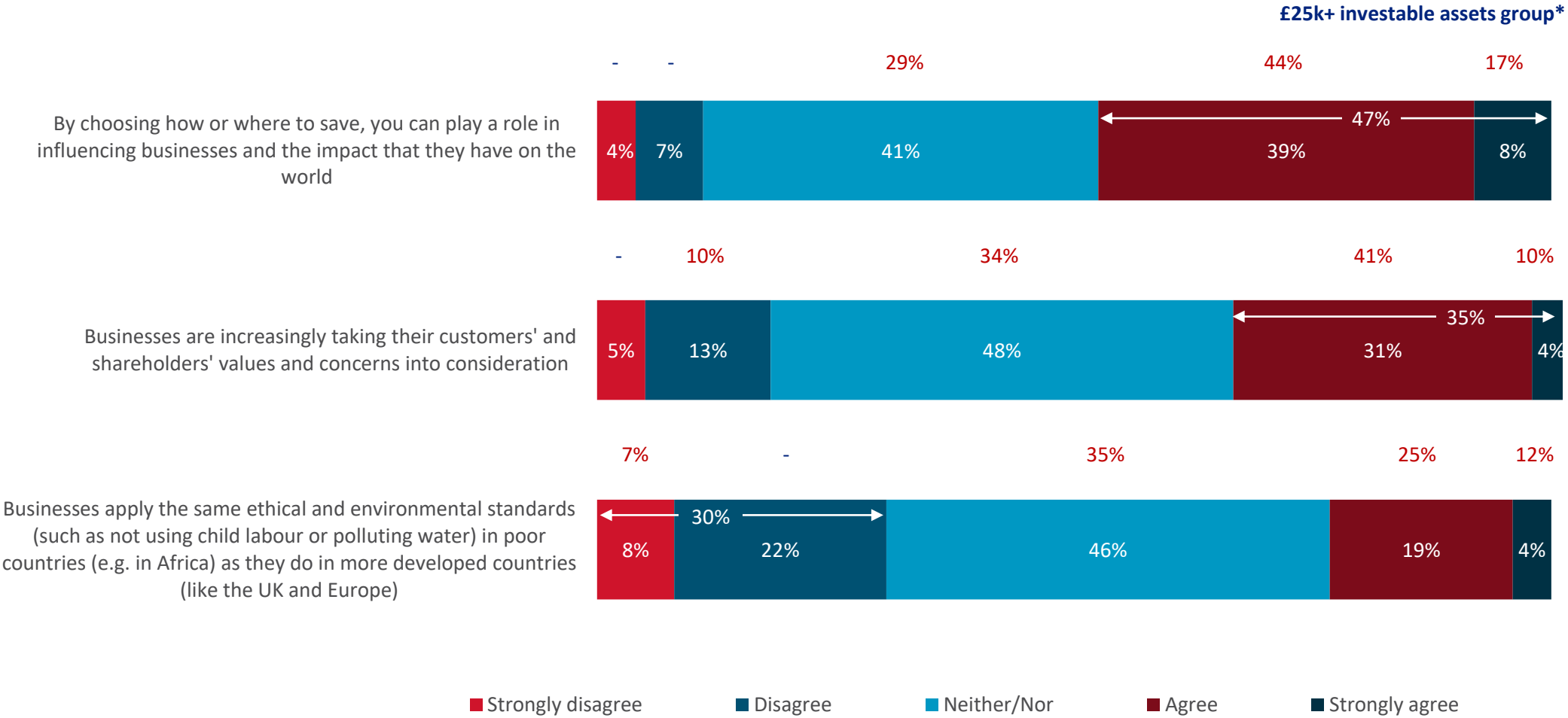
Women are less likely to say they have heard of this type of investment

Men and millennials are more likely to say they have heard of it and could explain it

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Almost half of respondents say they believe that they have a role to play in influencing businesses and the impacts that they have on the world

Question 14: To what extent do you agree or disagree with the following statements about business practices?

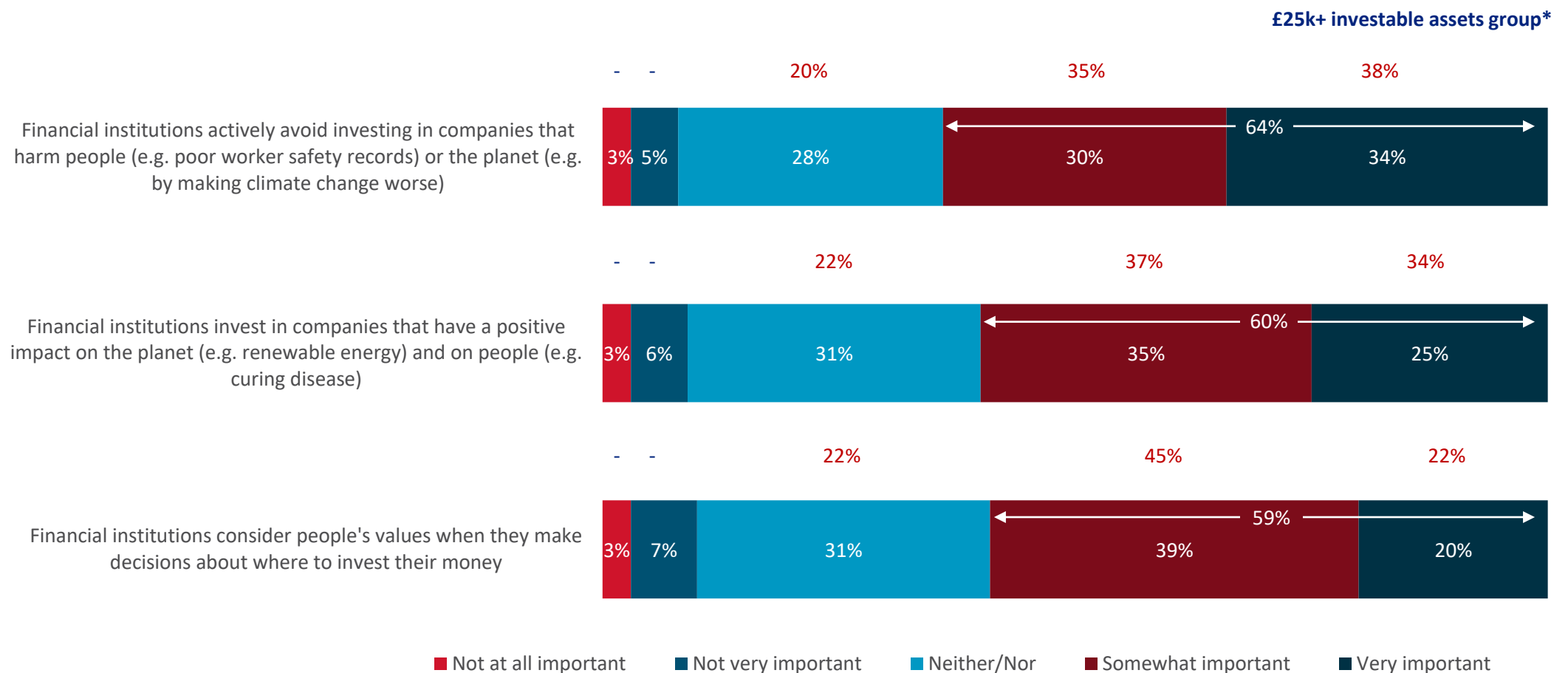


Base: 5,123

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

The majority say it is important that financial institutions consider people's values and avoid investing in harmful companies

Question 15a: How important to you are the following statements about what financial institutions do with your people's savings and investments?



Base: 5,123

3 in 10 people who invest rank the impact considerations as one of the top five factors influencing their investment decisions

Question 15b: Which of the following factors are the most important in influencing your decision to invest or save? Please select up to 5 factors only, with the top one being the most important.

	% of respondents who ranked as important (based on those who currently invest)	£25k+ investable assets group* (based on those who currently invest)
How much money you could make from the investment (i.e. financial return)	71%	69%
The level of potential risk (i.e. how much money you risk losing from making the investment)	65%	69%
The reputation of the financial institution you will invest with	54%	57%
How quickly you can take out your money from the saving or investment	46%	41%
The cost of the fees	46%	42%
How long you would need to invest for before earning a financial return	46%	43%
Your familiarity with the financial product (such as an ISA or pension) that you want to invest or save in	45%	50%
The impact that the investment could have on the planet	30%	-
The impact that the investment could have on people	27%	29%
The geography of the investment (where the businesses are located that the investment goes towards)	21%	30%

Over 70% of people say they want their investments to avoid harm and achieve good for people and the planet

Question 16: If you were to save or invest in a responsible and impactful way in the future, what, if anything, would you like your investments to avoid and what you would like your investments to achieve?

Investments to avoid...

76% avoid harm to people, for example

- Companies that contribute to human rights abuses, e.g. using child labour
- Companies that treat their employees badly, e.g. who do not pay a fair wage
- Companies that have poor business practices and governance, e.g. bribery and corruption

80% for £25k+ investable assets group*

70% avoid harm to the planet, for example

- Companies that cause significant harm to the planet, e.g. through deforestation or polluting water sources
- Companies that contribute significantly towards climate change, e.g. companies which are not reducing carbon emissions and making climate change worse

No difference for £25k+ investable assets group*

Investments to achieve...

75% achieve good for people, for example

- Addressing inequalities, e.g. by providing affordable and accessible basic services including housing, healthcare, and education
- Providing small financial loans to entrepreneurs in poor countries

77% for £25k+ investable assets group*

70% achieve good for the planet, for example

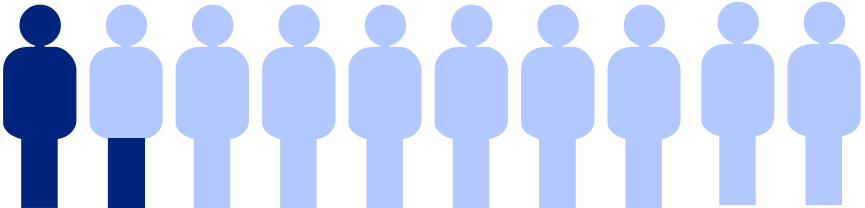
- Combat climate change by developing green/clean energy solutions
- Contribute to sustainable use of resources (e.g. companies involved in recycling and reusing materials)

No difference for £25k+ investable assets group*

Base: 5,123

Half of respondents say they are interested in responsible and impactful investing, but few people currently have responsible and impactful investments

Question 17: Do you currently hold any responsible and impactful investments or savings?



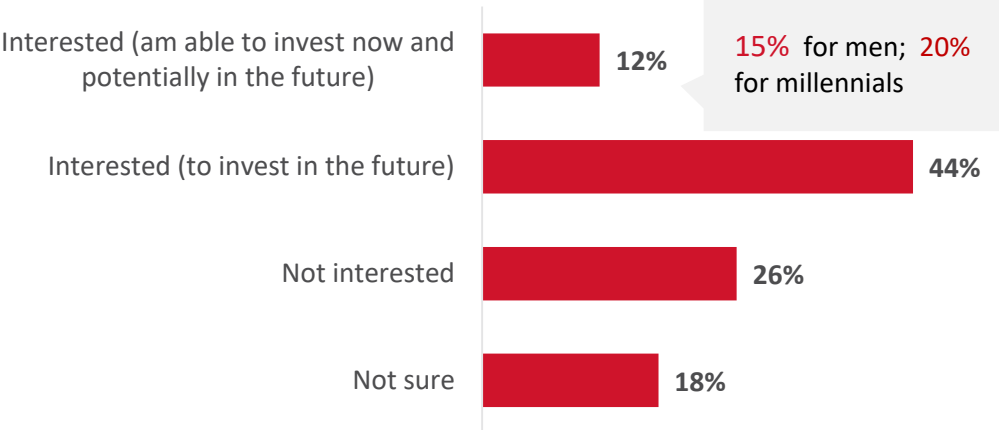
13% Rises to **30%** for those with investable assets of £25k+

currently hold a responsible and impactful investment or savings product

67% stated 'No'

20% stated 'Don't know'

Question 18: How interested are you in making responsible and impactful investments



56% Rises to **71%** for millennials and **74%** for those with investable assets of £25k+

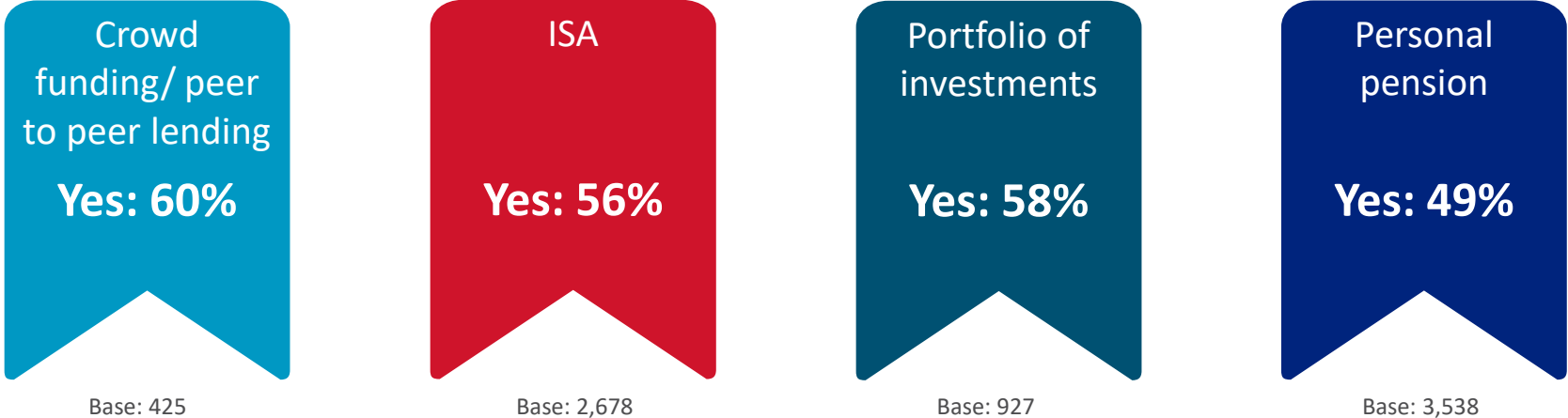
are interested in make responsible and impactful investments

Men and millennials are more likely to say are interested and are able to invest now

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Around half of those who hold investments are interested in learning more about the impact these have

Question 19: You previously indicated that you hold the following investments/savings [filtered depending on answer to question 6]. Would you be interested in learning more about how your savings are invested and what social and environmental impact this has?



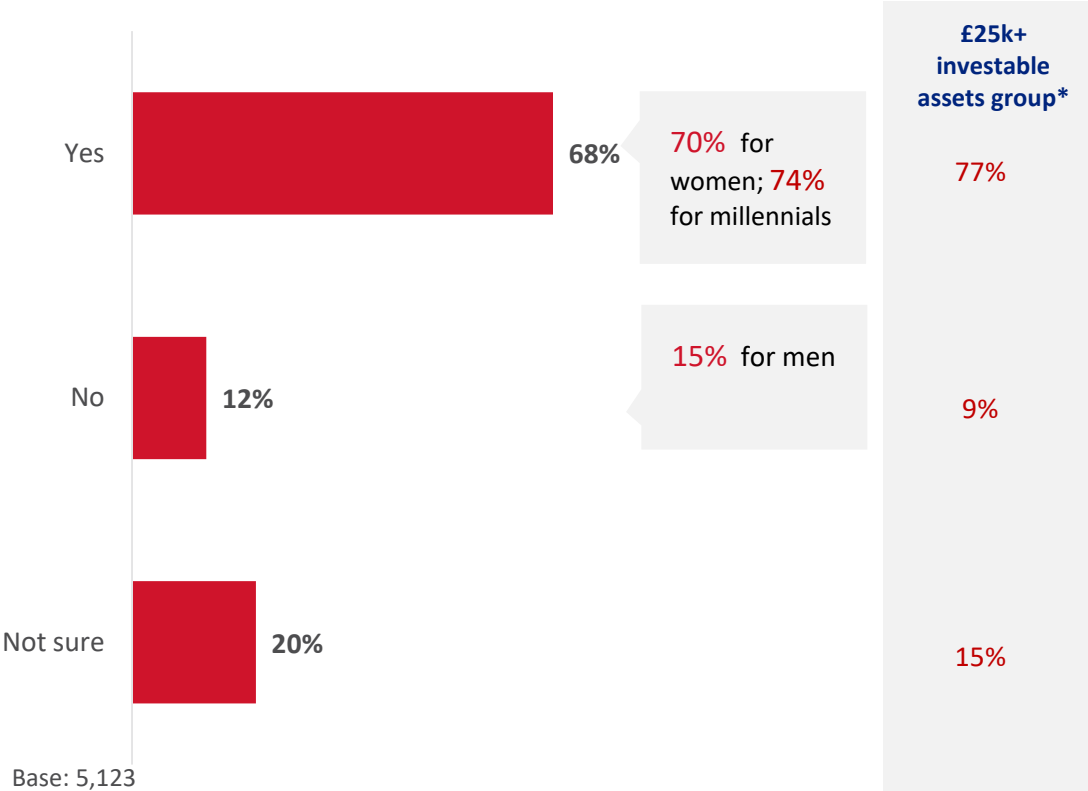
£25k+ investable assets group*			
-	62%	66%	61%

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

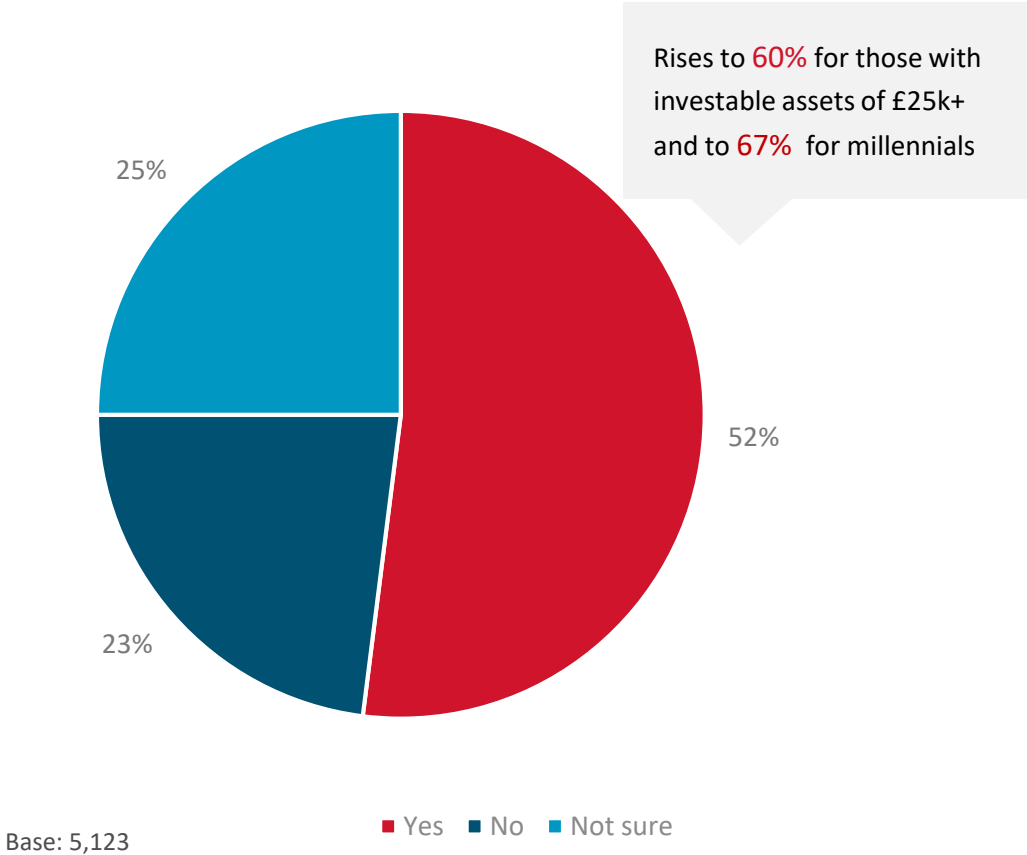
Two thirds of people say they would like their investments to have a positive impact and more than half say this would motivate them to invest more

Question 20: In the future, if you were going to save or invest and were given the following option, would you be likely to select this option?

I would like my investment to be responsible and impactful and have a positive social or environmental impact



Question 21: If you knew your savings and investments made a positive difference in the world, would you be motivated to try to save and invest more money?

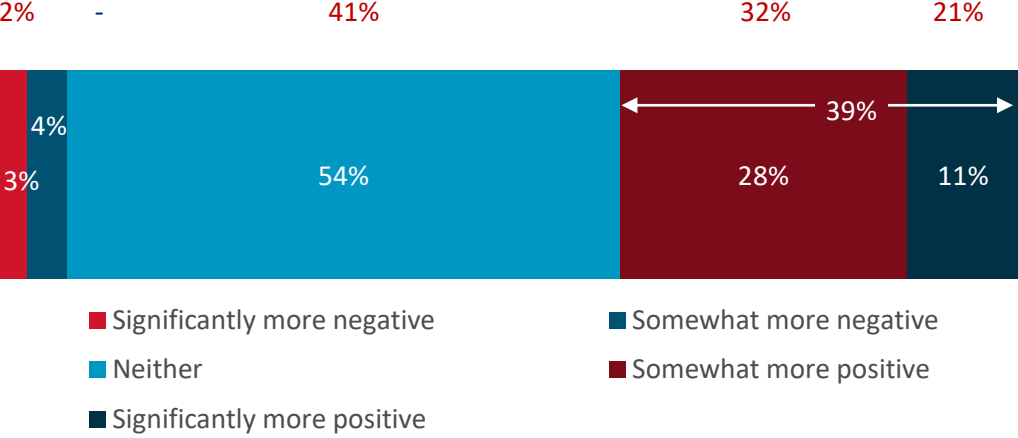


* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

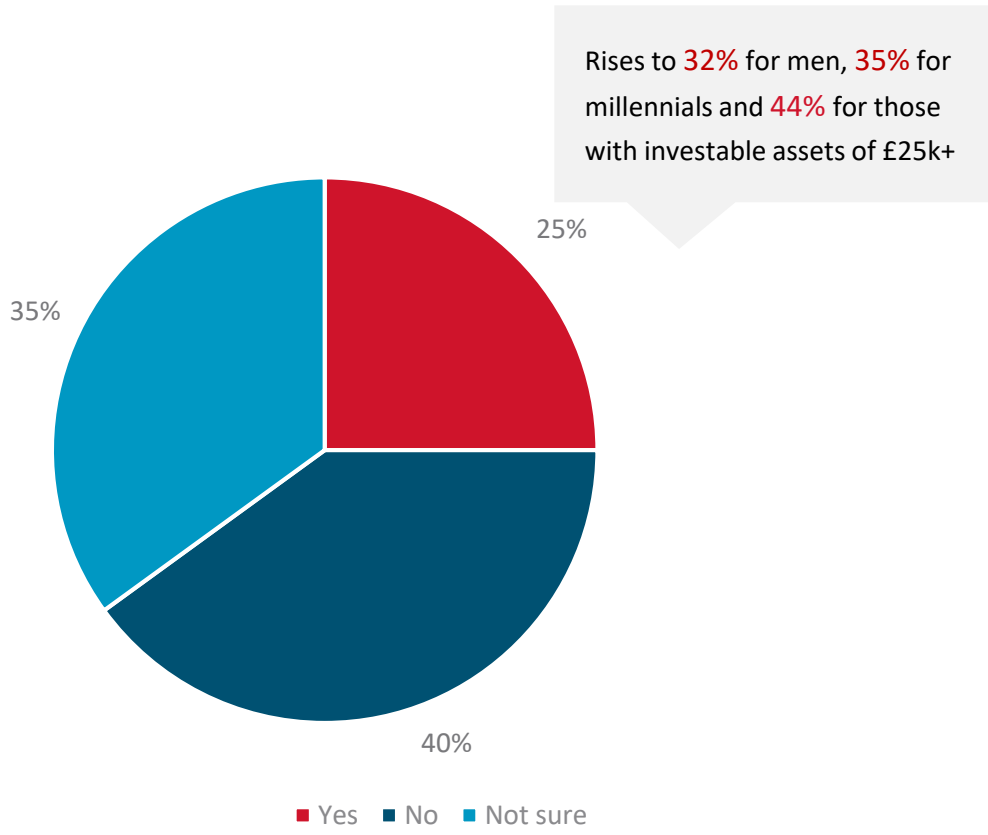
Decision making is influenced by perceptions - almost 40% of people have a more positive view of Africa after they learn of high growth rates, and 44% of people with assets over £25,000 are open to investing some of their money in Africa

Question 22: Almost half the world’s fastest-growing developing countries are in Africa, to what extent does this affect your perception of the opportunities to invest in Africa?

£25k+ investable assets group*



Question 23: Would you be open to investing some of your money (for example, a part of your ISA) in Africa?

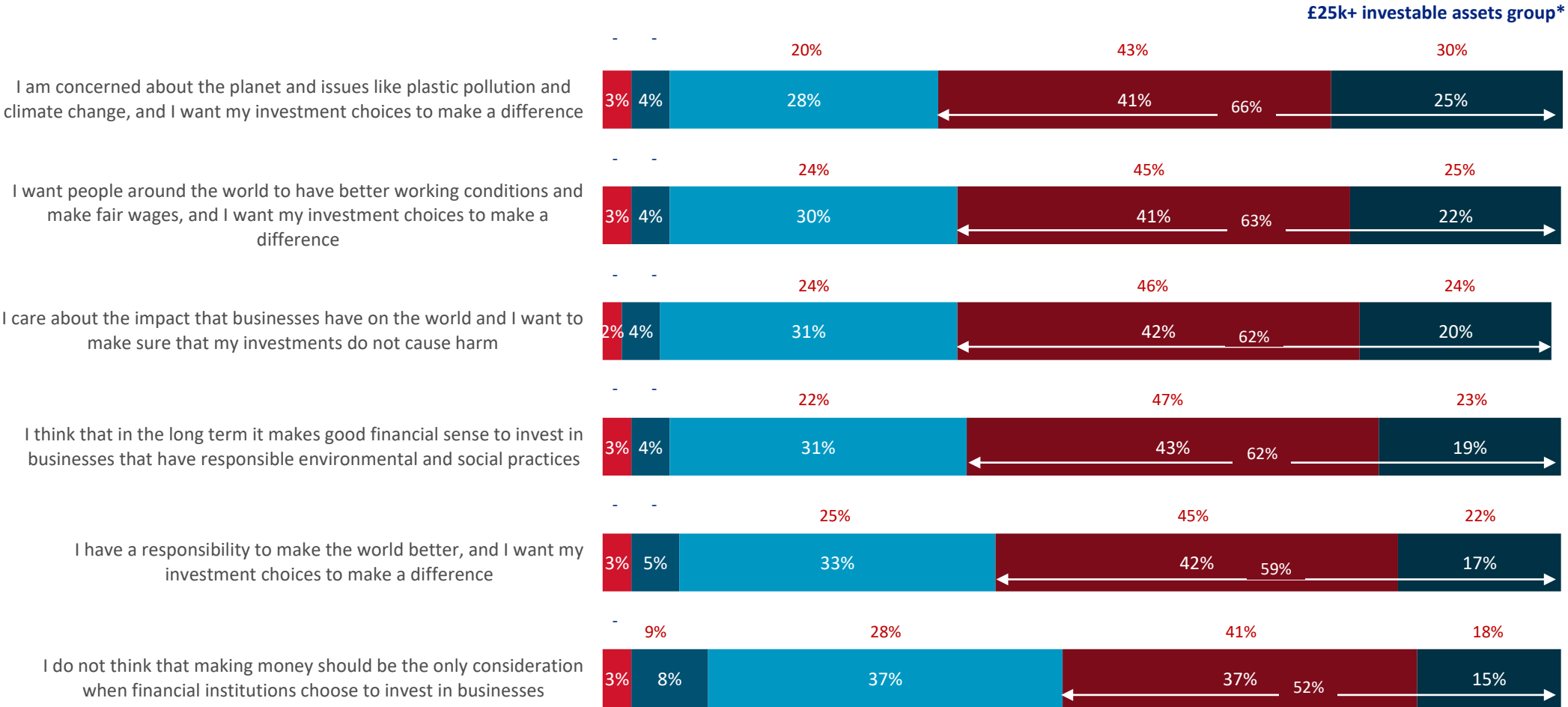


Base: 5,123

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Concern for the planet and concern for working conditions and wages are the main motivations for making responsible and impactful investments

Question 24: To what extent do you agree or disagree with the following statements about your motivations for making responsible and impactful investments either now or in the future?



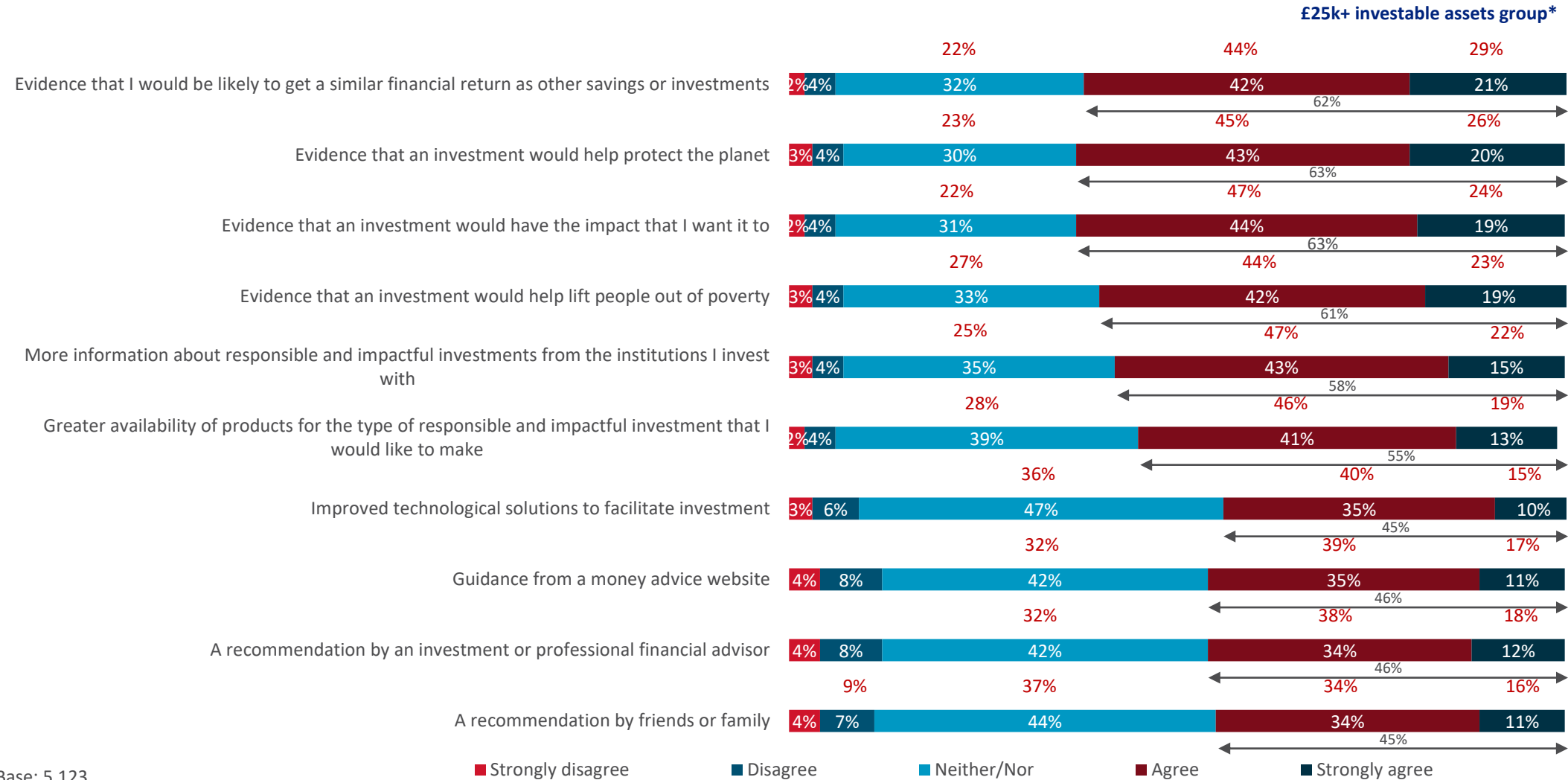
Base: 5,123

■ Strongly disagree ■ Disagree ■ Neither/Nor ■ Agree ■ Strongly agree

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Over 60% say they would be more likely to make a responsible and impactful investment if they had evidence on returns and impact

Question 25: To what extent do you agree or disagree with the following statements? I would be more likely to make a responsible and impactful investment if I had...

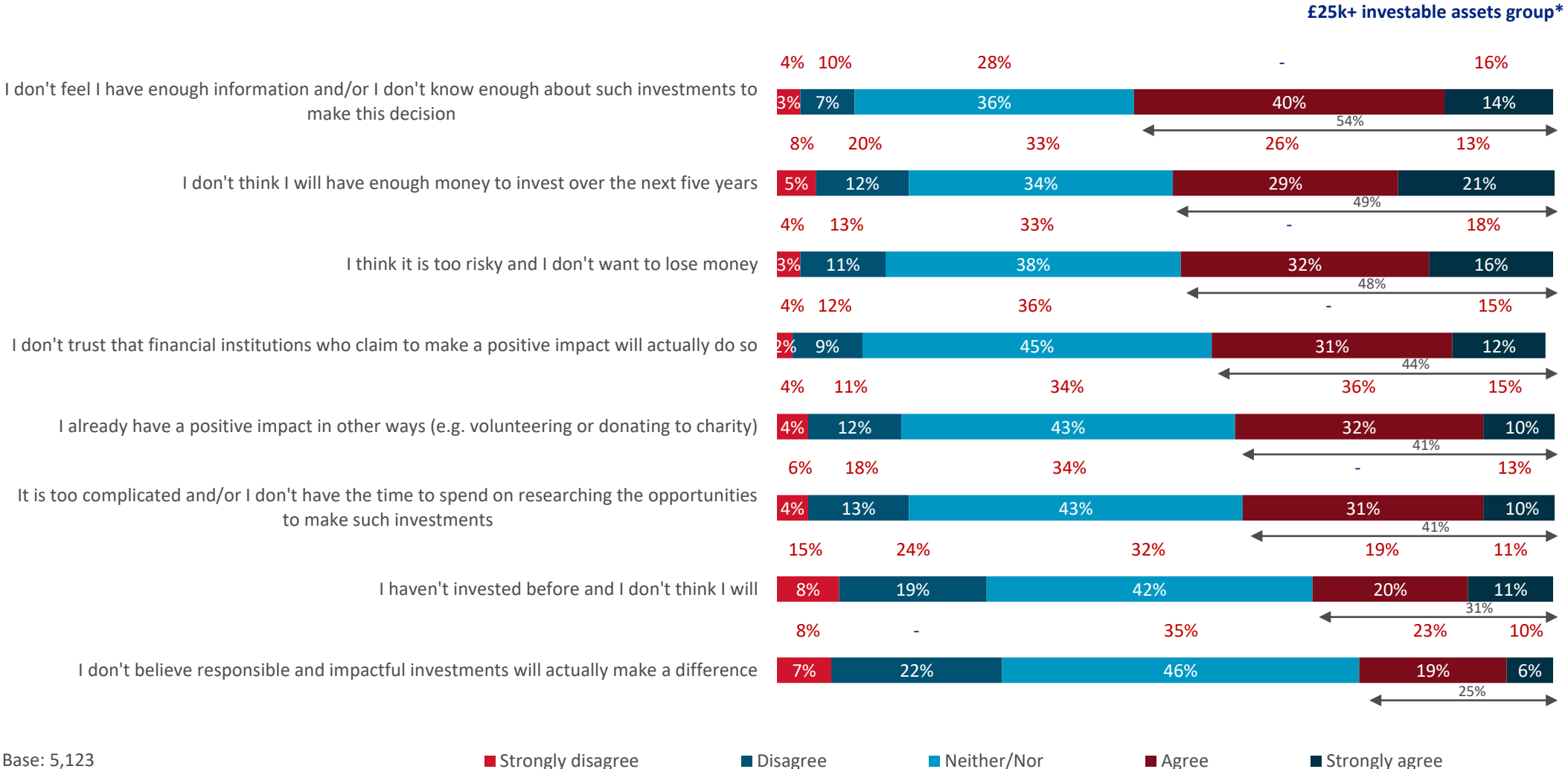


Base: 5,123

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

The most frequently cited barrier to making a responsible and impactful investment is lack of information

Question 26: To what extent do you agree or disagree with the following statements? I am unlikely or less likely to make a responsible and impactful investment because...



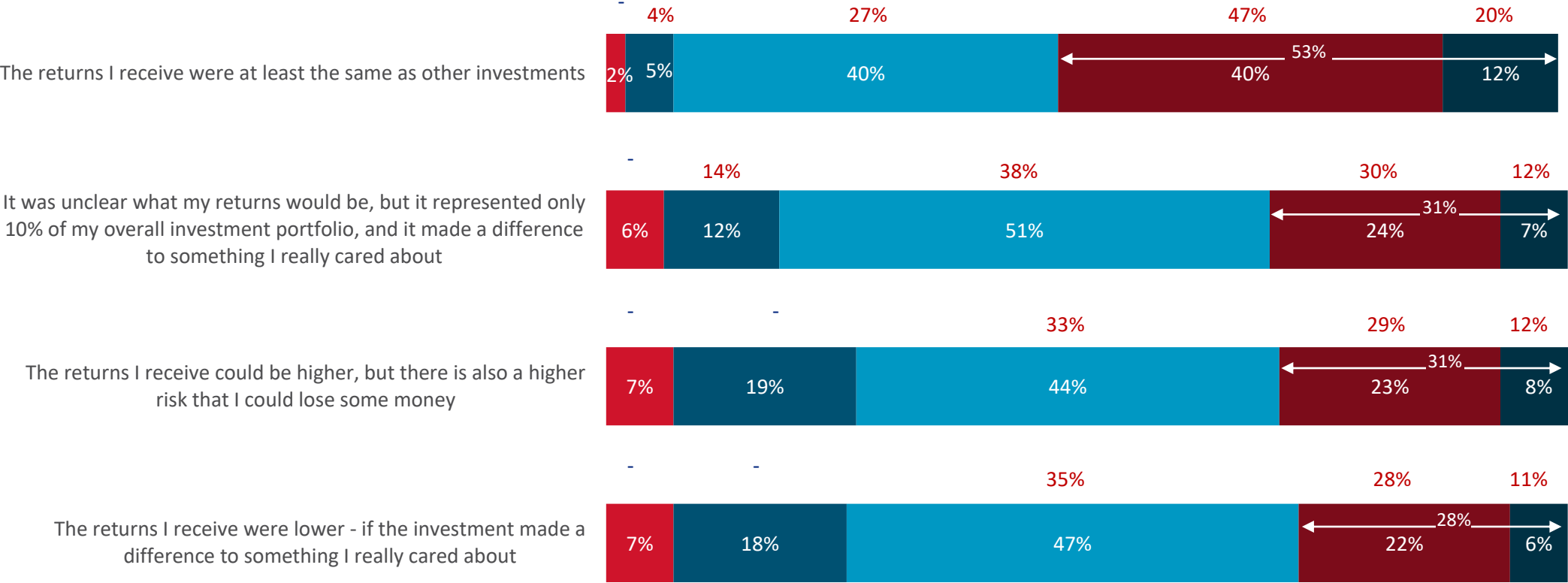
Base: 5,123

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Over half the population say they would make a responsible and impactful investment if the returns received were at least the same as other investments

Question 27: To what extent do you agree or disagree with the statements below regarding the financial returns of a responsible and impactful investment? I would make a responsible and impactful investment if...

£25k+ investable assets group*



Base: 5,123

■ Strongly disagree
 ■ Disagree
 ■ Neither/Nor
 ■ Agree
 ■ Strongly agree

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

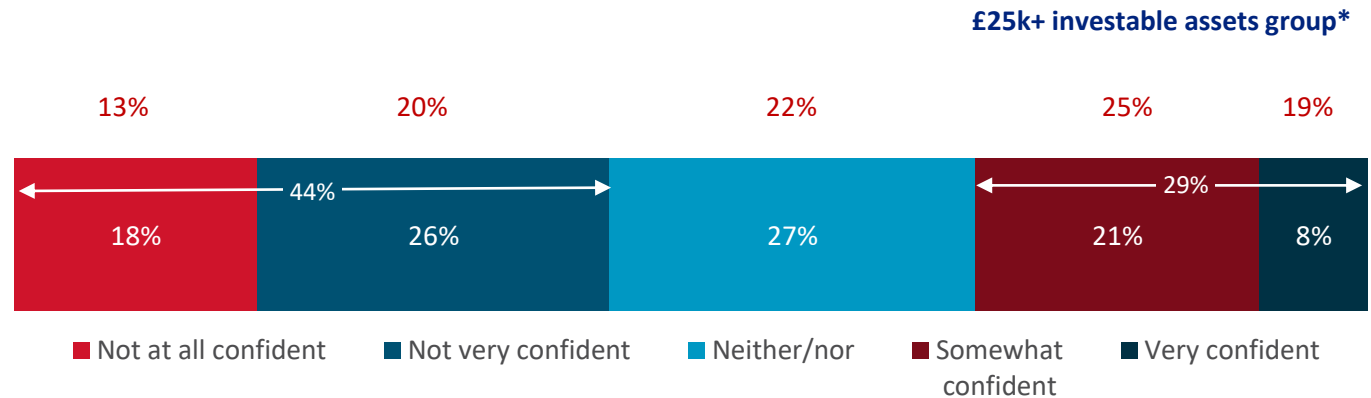
Full survey results:

Pensions

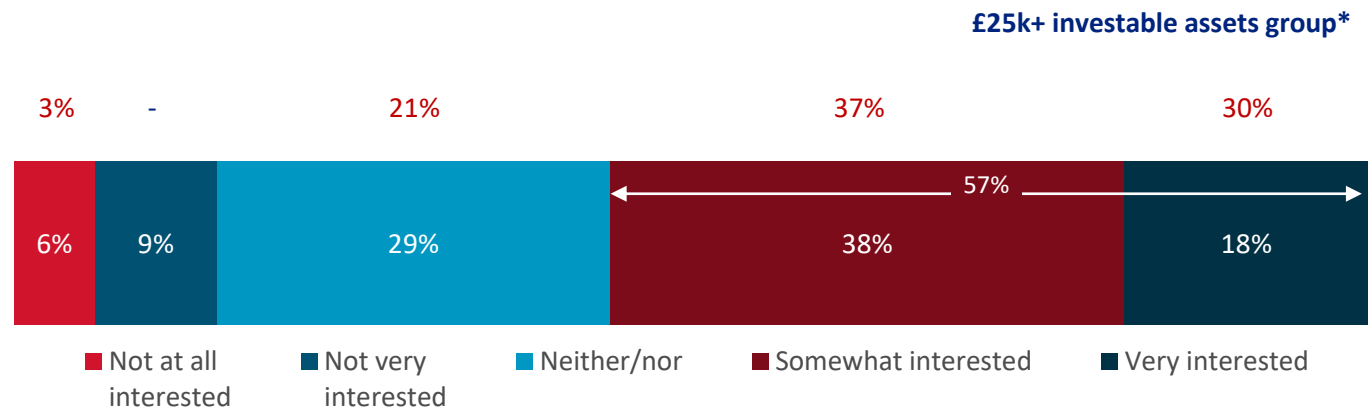
6

44% of people do not feel confident to explain what their pension scheme does with their money, but 57% are interested in understanding more about the impact their pension savings have on people and the planet

Question 28: How confident would you be to explain what your pension scheme does with your money while it is being saved?



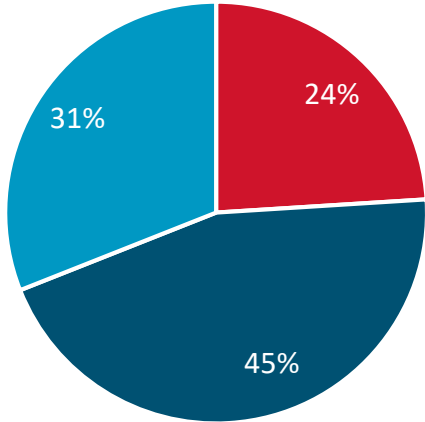
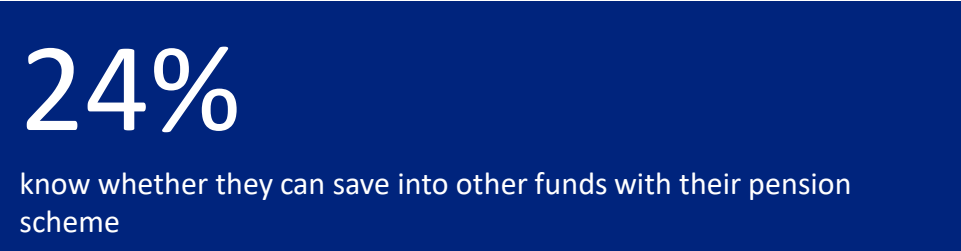
Question 29: Your pension money is invested in businesses by your pension scheme in order to increase the amount saved by the time you retire. How interested would you be in knowing what impact these investments have on people and the planet?



Base: 3,538

Less than a quarter of people know whether they can choose to save into other funds in their pension scheme, but 47% state that they would want to switch to a different fund if they found out it was invested against their values

Question 30: Do you know whether you can choose to save into other funds within your pension scheme?

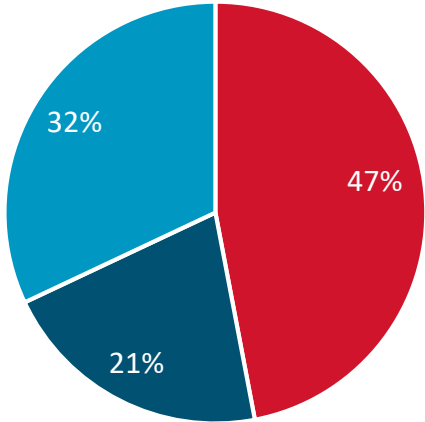
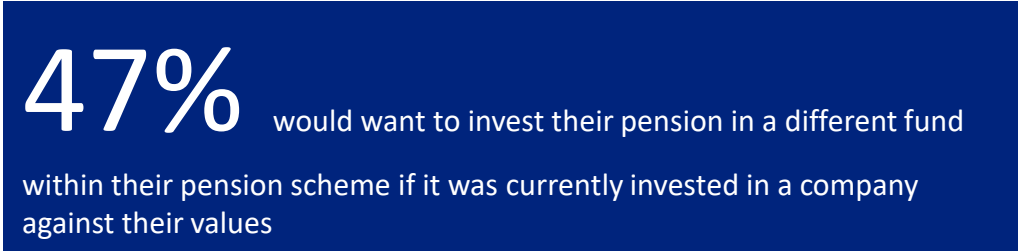


40% for those with investable assets of £25k+

Base: 3,538

■ Yes ■ No ■ Not sure

Question 31: If you found out that your pension was being invested in a company that went against your values, would you want to switch to a different fund within the pension scheme you save into?



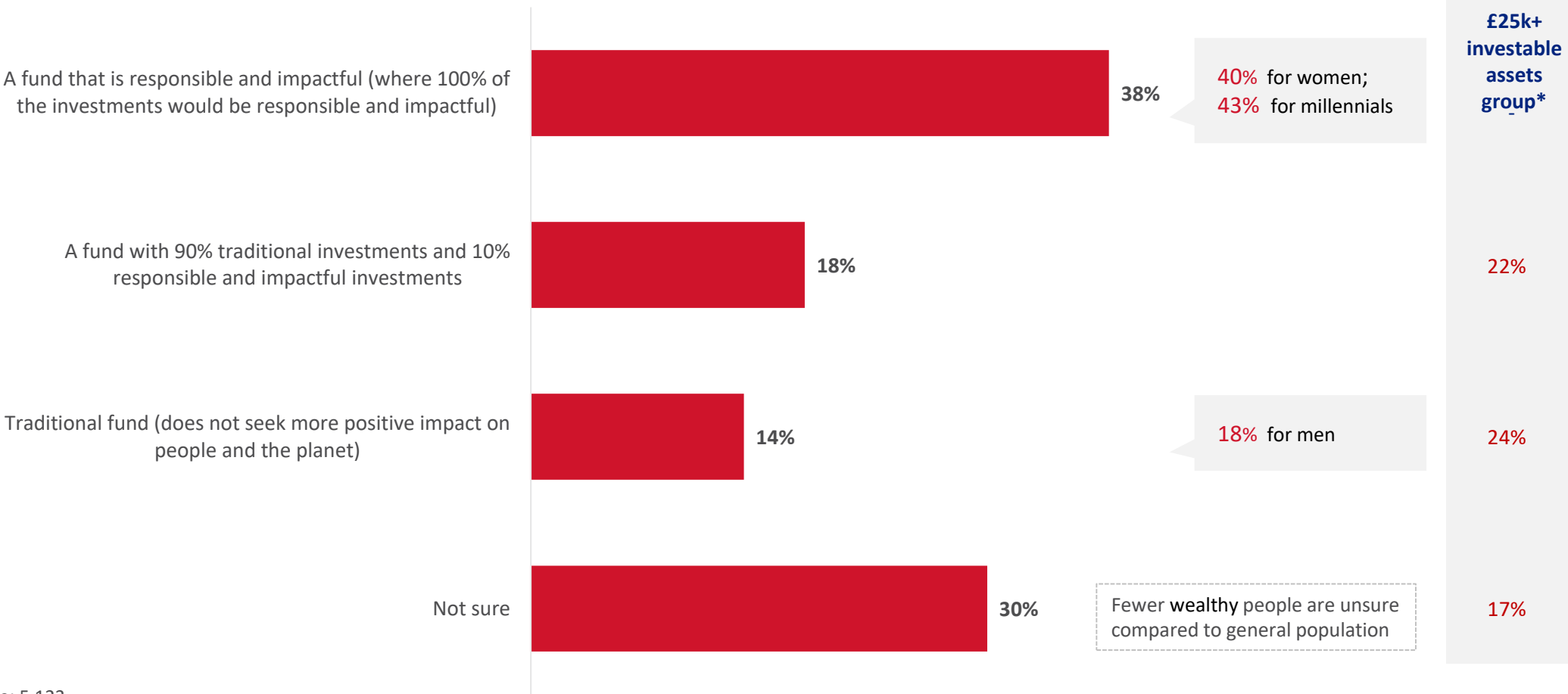
52% for those with investable assets of £25k+ and 58% for millennials

Base: 3,538

■ Yes ■ No ■ Not sure

Only 14% of people would choose a fund that does not consider positive impact if given the choice. Whereas, 56% say they would be likely to choose a fully or partially responsible and impactful pension fund

Question 32: Imagine you start a new role at a new company and you have the following three fund options for your pension scheme, which would you be most likely to choose?



Base: 5,123

Base: 3,515

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

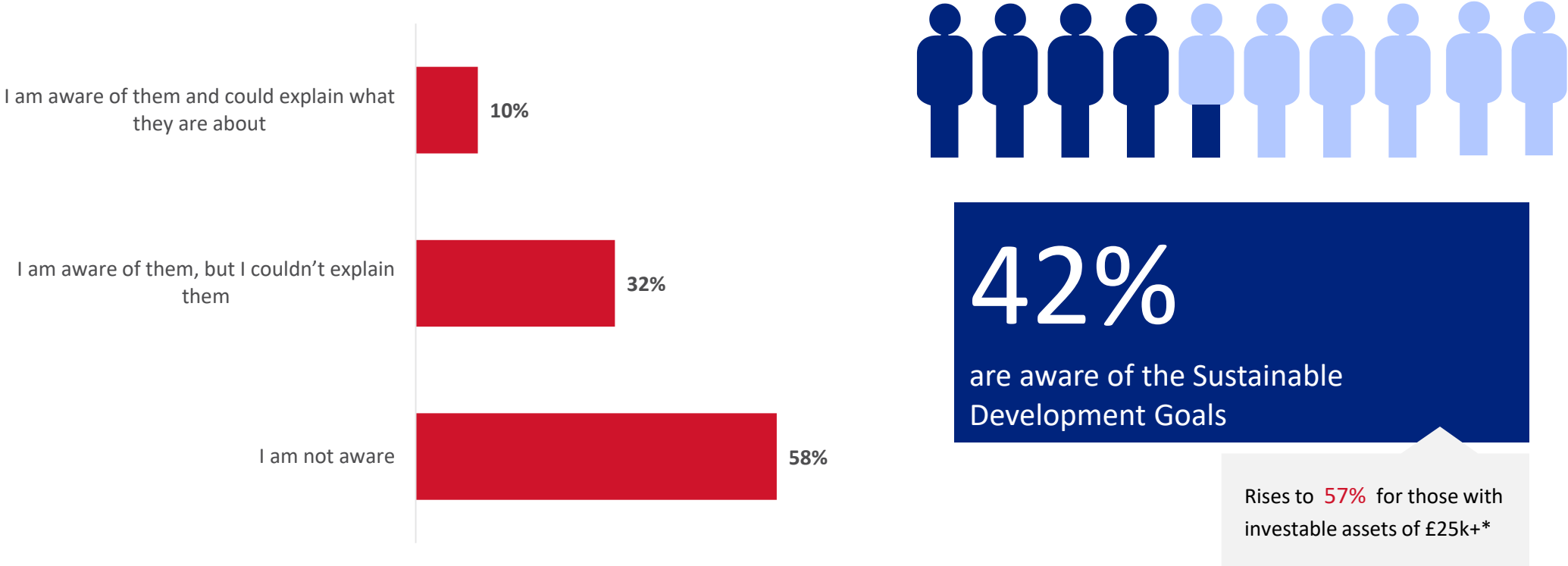
Full survey results:

Sustainable development goals

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Less than half of respondents are aware of the Sustainable Development Goals (SDGs)

Question 33: How aware are you of the United Nations (UN) Sustainable Development Goals or Global Goals?

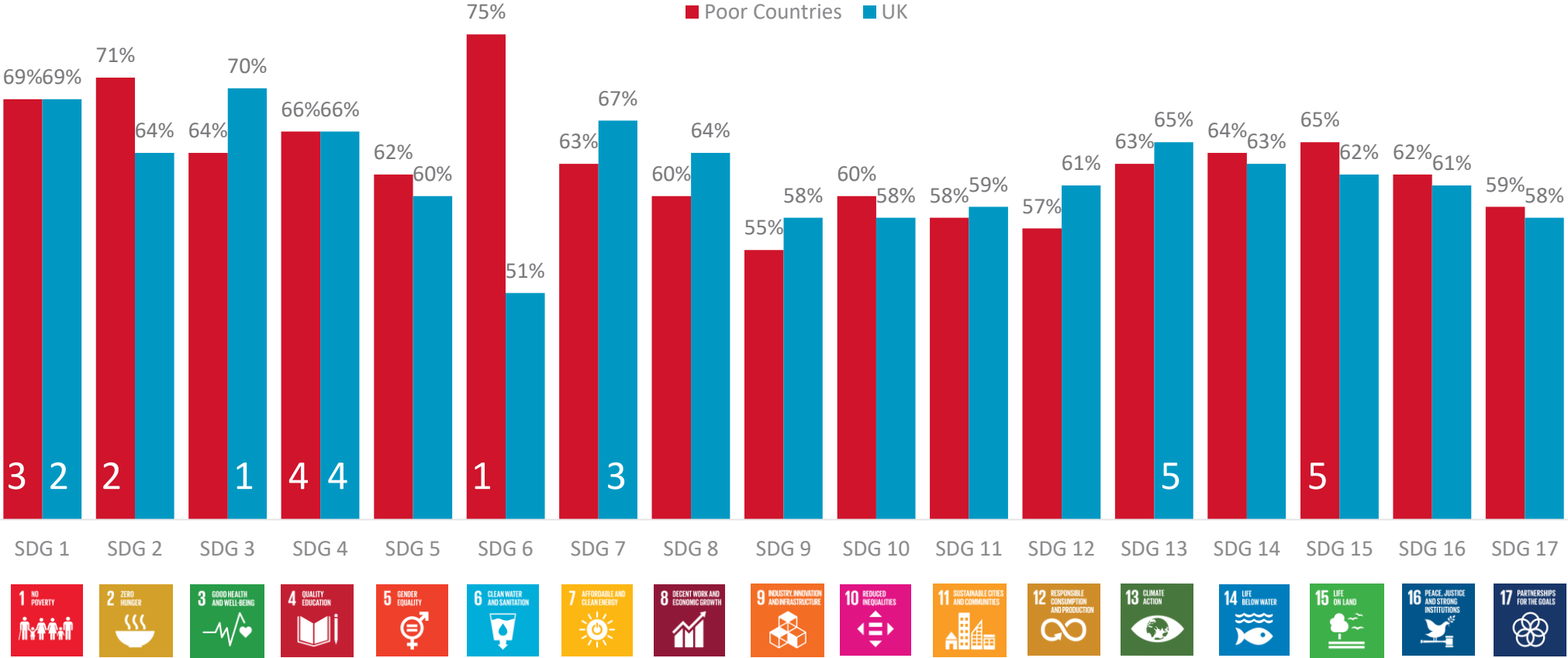


Base: 5,123

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Clean water and sanitation is rated as the most important SDG for poor countries, with good health and well-being most important for the UK

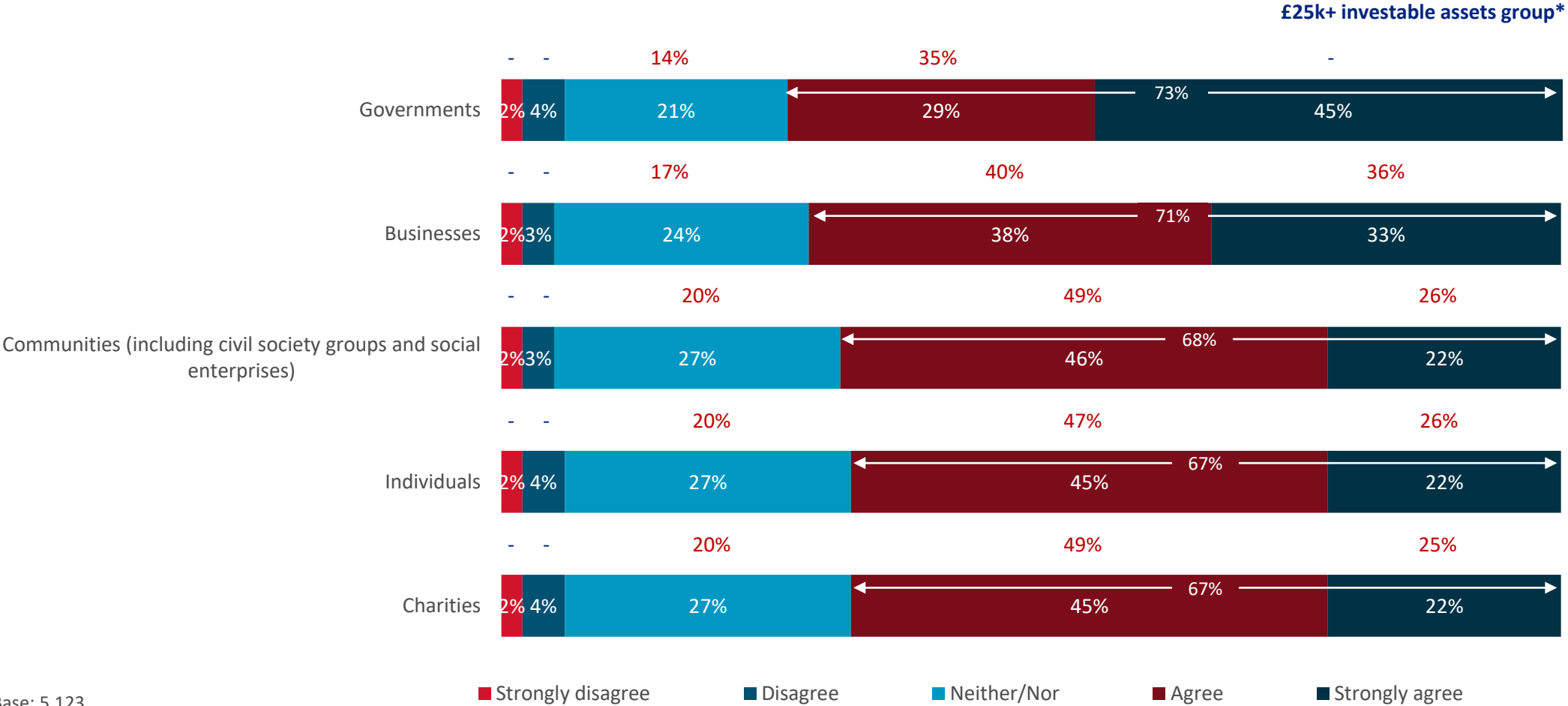
Question 34: Below is a list of the 17 Sustainable Development Goals. Please tick the Goals that you think are important (separately for the UK and for poor countries)



Base: Poor countries: 4,582; UK: 4,999

Respondents say that governments, businesses, communities, individuals and charities all have a role to play in achieving the SDGs

Question 35: To what extent do you agree or disagree that the following groups have a role to play in achieving the Sustainable Development Goals?

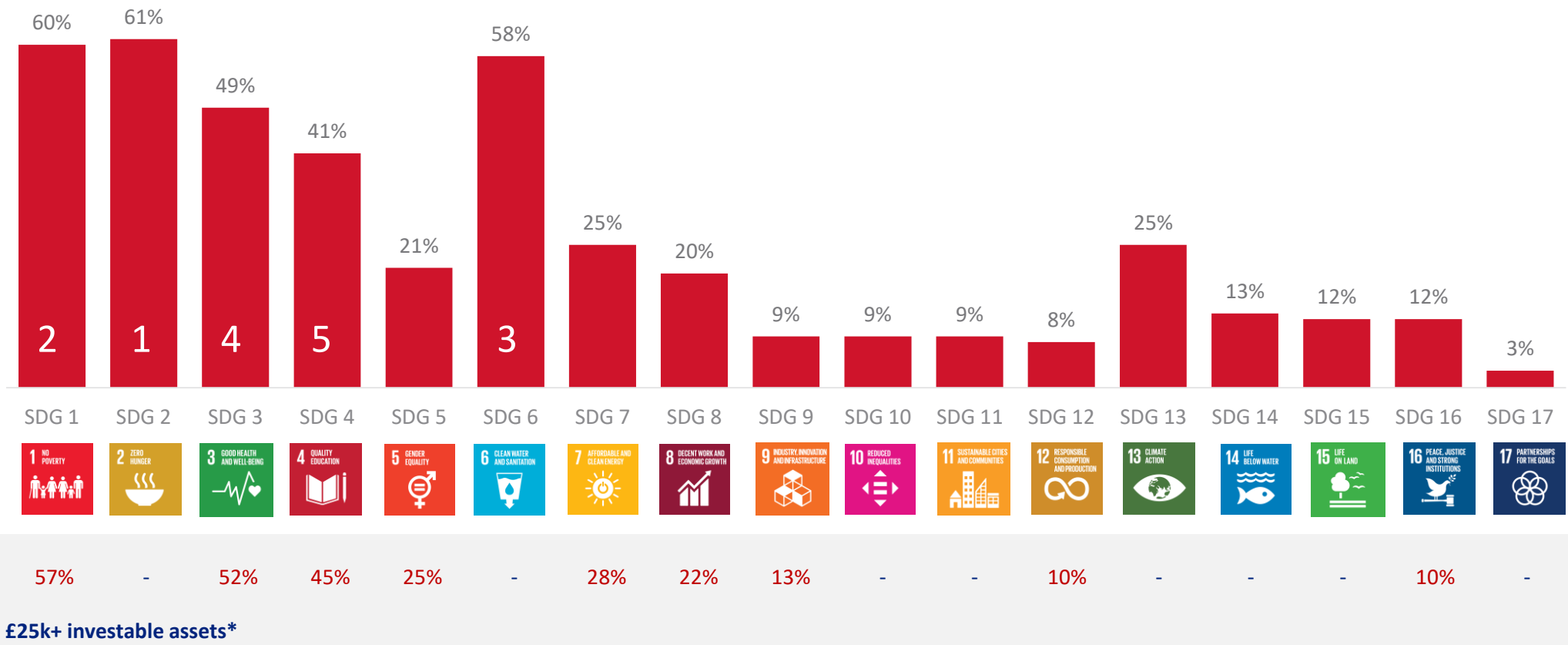


Base: 5,123

* Results shown where the result for this group is a statistically significant different score than for the total population, at 99% significance.

Zero hunger, no poverty and clean water and sanitation were ranked as the top three most important SDGs to invest in

Question 36: Below are the 17 Sustainable Global Goals. It is estimated that around \$2.5 trillion is needed every year to achieve the Global Goals in poor countries and emerging markets by 2030. That sounds like a lot, but globally the largest financial institutions manage almost \$100 trillion. Of the below, which do you think are the most important 5 Goals to invest in?



Driver analysis:

The motivations, enablers and barriers of different groups

Driver analysis: Methodology

Driver analysis involves statistical interrogation of key 'drivers' for subsets of the survey sample.

Driver analysis was performed on the data using regression. This analysis allows us to model the relationship between a target variable and a number of other explanatory variables. The results show each group's strongest drivers – i.e. the strongest relationships between those respondents and the answers available.

The 2 target variables analysed were:

- the 56% of individuals who **are interested** in holding a responsible and impactful investment
- the 26% of individuals who are **not interested** in holding a responsible and impactful investment

The explanatory variables analysed included the 28 statements across questions that sought to understand:

- Motivations, enablers and barriers for making responsible and impactful investments
- Return on investment factors that would encourage respondents to make a responsible and impactful investment

The slides that follow represent the drivers for each of the 2 target variables listed above. The numbers shown against each statement relate to the position of the driver for that target group, with '1' being the main driver.

The top drivers for the interested group are financial considerations and greater availability of products

Drivers for the 56% of individuals who are interested in making a responsible and impactful investment

Return on investment: Would make a responsible and impactful investment if...

- 1** The returns I receive were lower - if the investment made a difference to something I really cared about
- 3** The returns I receive were at least the same as other investments
- 12** The returns I receive could be higher, but there is also a higher risk that I could lose some of my money

Motivations: Motivations for making a responsible and impactful investment

- 4** I have a responsibility to do my part to make the world better, and I want my investment choices to make a difference

Barriers: Would be unlikely/less likely to make a responsible/impactful investment because...

- 11** I don't feel I have enough information and/or I don't know enough about such investments to make this decision

Enablers: Would be more likely to make a responsible and impactful investment if I had...

- 2** Greater availability of products for the type of responsible and impactful investment that I would like to make
- 5** A recommendation by an investment or professional financial advisor
- 6** Improved technological solutions to facilitate investment
- 7** A recommendation by friends or family
- 8** Guidance from a money advice website
- 9** Evidence that an investment would help protect the planet
- 11** More information about responsible and impactful investments from the institutions I invest with

The top drivers for those not interested are lack of investment experience and not having enough money to invest

Drivers for the 26% of individuals who are not interested in making a responsible and impactful investment

Barriers: Would be unlikely/less likely to make a responsible/impactful investment because...

- 1 I haven't invested before and I don't think I will
- 2 I don't think I will have enough money to invest over the next five years
- 3 I think it is too risky and I don't want to lose money
- 4 I don't believe responsible and impactful investments will actually make a difference
- 5 It is too complicated and/or I don't have the time to spend on researching the opportunities to make such investments

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