

## Executive Summary

Research Aim: To examine the ethical concerns and values of our clients in relation to current national and international issues.

There have been significant changes across the world since we last issued a survey in 2019. It is important to ensure that we are up to date with our clients' current concerns to guarantee that we are offering the correct financial options to them. We intend to use the results of this survey to inform our own practice as to the services we offer and to understand where our clients' ethical appetites lie.

Our survey was sent out to 263 active Ethical Futures clients and garnered 78 responses. The survey covered four topics: Sustainability Disclosure Requirements, Conflict, Politics and Taxation.

### **Key findings:**

- ❖ The data showed us that our clients lack confidence in investment funds. The majority of clients believe that there is either a high level of greenwash or a bit of greenwash.
- ❖ Despite the high level of attention that our sector has been paying to the SDR, most of our clients had not heard of the initiative. However, 50% believed that an SDR label would make them more likely to invest.
- ❖ Although the FCA did not set out to create a hierarchy in the labels, our clients perceive there to be one.
- ❖ Overall, there is confidence in the SDR, but there remains scepticism.
- ❖ Despite increased talk of defense spending, the majority of our clients do not want to invest in the arms industry at all and 14% believe that what they pay towards defense in their taxes is enough.
- ❖ The vast majority of our clients want to avoid investing in countries associated with Israel with more than half actively taking part in political or consumer boycotts.
- ❖ Overall, our clients feel a sense of hope towards the new Labour government and believe that they will create more opportunities for environmental and social investing.
- ❖ Our clients are concerned about the upcoming US election with the main concern being the potential for a second Trump presidency.
- ❖ Our clients believe that taxation on wealth should be the same as earned income and they do not wish to avoid higher taxes.
- ❖ However, many clients would still like to avoid or mitigate the impact of Inheritance Tax on their estate.
- ❖ Alongside the main issues surveyed, our clients are concerned about a wide range of issues with the environment and the climate crisis being the most common issue.

This research offers initial insights into the views and concerns of ethical investors. The information identified provides useful information for financial professionals to highlight specific areas of concern. Please see our full report for more details.