

Asset Management

## Act ESG: Closing the ESG knowledge gap

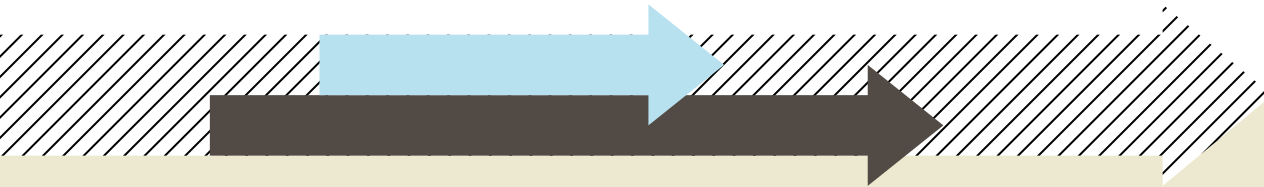
An opportunity for product  
providers and advisers  
to engage with end clients.

Focus market: UK

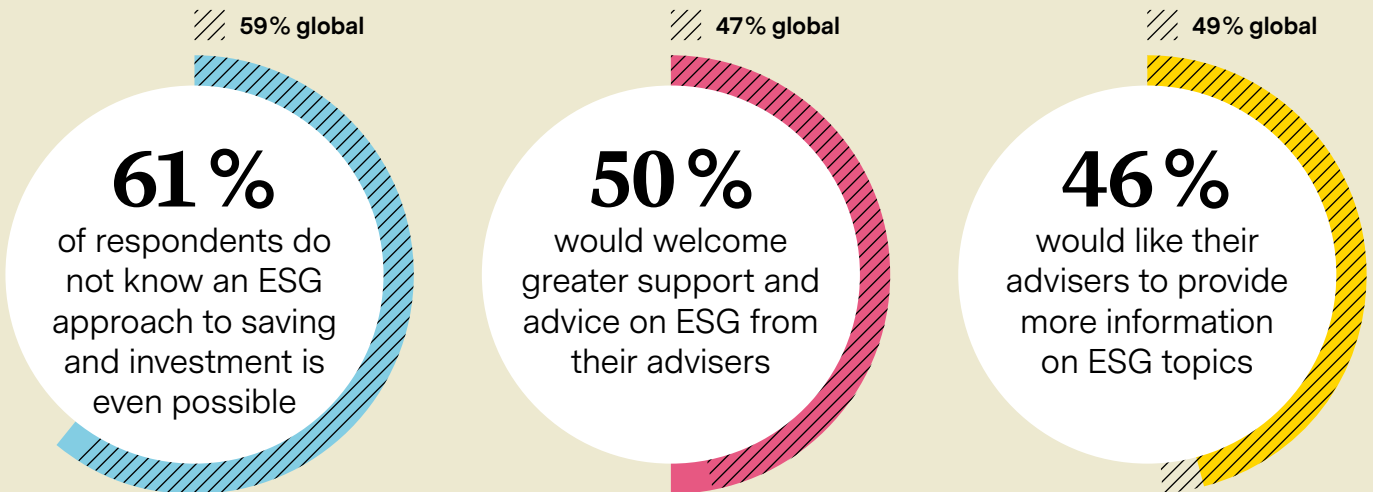


# People power:

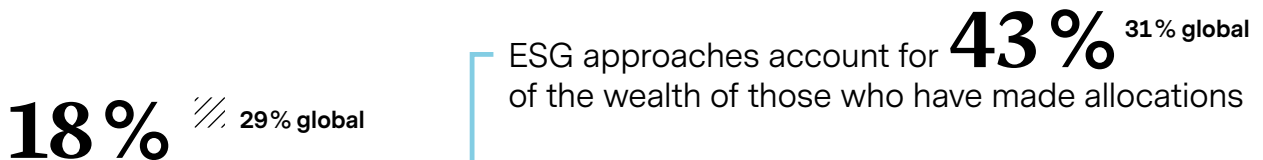
## How ESG empowers investors to drive positive change



### The ESG knowledge gap today is too wide ...



### ... so for now, ESG remains a minority activity ...



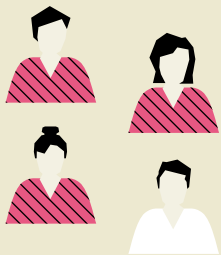
ESG approaches account for **43%** (31% global) of the wealth of those who have made allocations



have been offered an ESG opportunity by their adviser

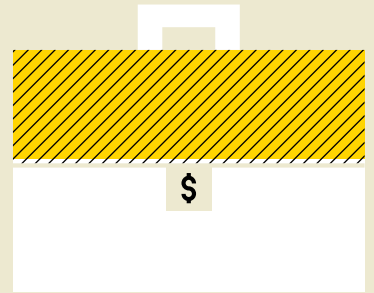


### ...but more people than ever want an ESG approach ...



**70%** // 73% global

believe businesses have a duty to behave more ethically



**45%** // 47% global

of a notional 100,000 USD portfolio is the amount respondents say they would invest according to ESG principles



**55%** // 65% global

believe ethical businesses will deliver better investment returns

### ...and they are looking to advisers for ESG support

**48%**  
of respondents

39%  
global

say an adviser providing information on ESG opportunities would be a critical influence on their behavior

**40%**  
of respondents

46%  
global

would be more likely to choose an adviser able to support their ESG ambitions

**41%**  
of respondents

45%  
global

would switch out of savings and investments if their money was allocated to activities they disagree with



**Cléo Fitzsimons**  
Responsible Investments Manager,  
Cazenove Capital

“Clients’ concerns are more about how their sustainability priorities will be met within the portfolio (than performance).”

“We see increasing demand for advice on ESG approaches to investment from the next generation of clients.”

“We talk about the spectrum of sustainability – the various strategies within the sustainable universe... we start with ESG integrated strategies but also look at thematic investing, impact investment and even philanthropy. Impact is the area where clients get most excited because they can see the tangible effects.”



**Eckhard Plinke**  
Head ESG Competence Center,  
Vontobel Asset Management

“Investors need to make a clear decision on whether they wish to use ESG to improve financial performance, or align investments with their convictions.”

### About the research

This research is based on an online survey of 4,643 consumers in 14 countries, as well as a series of qualitative interviews with key opinion formers. Both the quantitative and qualitative research was carried out by Longitude, a Financial Times company, between March and April 2019. The breakdown of the survey respondents is detailed in the chart below.

#### Gender

Women	52%
Men	48%

#### Age

50+	33%
35–49	33%
18–34	34%

#### Parent/Children

Yes	58%*
No	41%
Prefer not say	1%

#### \*Children at home

Yes	71%
No	28%

#### Country

Denmark	3%
France	11%
Germany	11%
Italy	11%
Netherlands	3%
Norway	3%
Portugal	3%
Spain	8%
Sweden	3%
Switzerland	11%
UK	11%
USA	11%
Argentina	11%
Brazil	3%

#### Occupation

Employed	54%
Retired	14%
Self-employed	9%
Unemployed	9%
Homemaker	7%
Student	6%



### **What do you believe in?**

Act ESG by Vontobel Asset Management signals a discussion on sustainable investing. As ESG becomes mainstream, the number of options and approaches increases as well.

### **Executive summary**

While investors are keen to embrace a values-based approach, they need support and advice to transform this into financial decision-making. ESG issues already inform their behaviors in fundamental ways – from the cars they drive to the shopping choices they make – but people now need more help to extend this approach into saving and investment. The trend towards ESG investment will only accelerate. As issues such as climate change become ever more prominent and changing regulation raises the profile of ESG approaches to investment, savers and investors will demand more from advisers and product providers. Vontobel Asset Management is committed to playing its part. We are partnering with advisers to empower end clients, build ESG product ranges and ensure that this approach to investment is within the reach of as wide a group of individual investors as possible.

We recognize there is no single correct approach to ESG. Every saver and investor has their own beliefs and values – and, of course, highly individual and personal financial objectives. It will be crucial to work with all investors to understand their needs – including both the wealthier investors of today already making asset allocation decisions and the ESG-engaged investors of tomorrow. In other words, it is time to start the conversation. The personal touch will be imperative – those advisers able to develop bespoke ESG plans that meet the financial and ethical objectives of their clients will be well placed to succeed in this new world of engagement.

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