

# Research summary of public attitudes to investment funds seeking to make a positive impact on society and the environment.

Quantitative opinion poll of 2,921 British Adults  
conducted by Kantar, June 2021, on behalf of DUGUUD.



**We only invest in companies that do good**

# Introduction

DUGUUD is a new type of fund manager with a mission to redefine how UK companies that do good can be funded and to make this type of investment accessible to as many people as possible. DUGUUD is trading name of Amberside Capital Ltd which is authorised and regulated by the Financial Conduct Authority (706218). For more information visit [www.DUGUUD.uk](http://www.DUGUUD.uk)

DUGUUD's launch on 12th July 2021 was very topical given that on 9th June the Treasury announced it was launching a new independent, expert group to help tackle 'greenwashing' and to support investors, consumers and businesses to make green financial decisions.

To ensure our launch was positioned in the heart of public sentiment, we commissioned extensive quantitative research into current opinion on this subject. Our survey included public perceptions of 'greenwashing' as well as what solutions would increase their confidence in investing into funds that seek to support companies that are doing good.

If you would like more information on this research, or to talk to DUGUUD about its plans and insights, please email us at [contact@DUGUUD.UK](mailto:contact@DUGUUD.UK) or call 0203 355 7991.

## Methodology

DUGUUD commissioned Kantar, the world's leading data, insights and consulting company to independently conduct this research. [www.kantar.com](http://www.kantar.com)

Kantar interviewed 2,921 adults aged 18+ in Great Britain using a self-completion online methodology between 22/06/2021 - 28/06/2021.

All questions used and the results from the research were independently verified by Kantar.

The release that accompanies this document was also approved and verified by Kantar.

Please note for reporting purposes that there will be statistical rounding which means, for example, that totals in charts do not always add to 100.

## Summary of key findings

- High agreement that social and environmental areas are what government and businesses should address as the UK rebuilds post the pandemic.
- High agreement that more businesses are intending to act in a good way for the environment and society is a good thing.
- Majority are concerned if UK businesses looking for 'impact investment' funding have to seek investment from outside the UK.
- Majority have distrust of claims, as well as the openness and transparency, of business and financial funds around 'impact investing.' They are cynical about 'greenwashing'.
- Possibly linked to these concerns, the vast majority agree funds should be regulated to ensure they are open, transparent and show the measurable impact achieved.
- Only 11% understand the concept of the UN Sustainability Goals.
- 'City' jargon such as 'impact investing' is failing to resonate with the public, with only 10% understanding the term.
- When the term 'impact investing' is explained it reveals that the majority of the public think it is a good idea for companies, the UK economy and the British people as we rebuild.

## Summary of key findings

- When the term ‘impact investing’ is explained it reveals the majority of the public would consider this as an area for their investments and might consider it over:
  - non-impact investing options
  - non-impact investment options that historically give a higher return
- The majority of people if they discovered an ‘impact investment’ would deliver on an area that really mattered to them, would pay more attention to it as a possible investment choice.
- Interest in ‘impact investment’ and in researching information is higher among Millennials. However, fewer Millennials hold financial products compared to older groups.
- Knowing the opportunity is to invest in UK companies increases an ‘impact investment’ fund’s appeal for the majority of people.
- Majority of people would expect that financial advisors and pension providers must understand and offer options that include investing in companies that do good.
- The majority want an ‘impact investment’ fund’s money to go more directly to fund the good project rather than to just buying shares on the stock market.
- Knowing an ‘impact investment’ fund was open, accountable and would be investing in projects (rather than buying shares in the stock market) was amongst the main ways to increase confidence (61% of survey).

## Summary of key findings

- Other aspects that increased an ‘impact investment’ to be considered, included:
  - Documenting the impact achieved
  - Reporting to an independent board
  - Committing to fund companies at fairer rates
  - Ensuring any company invested in met at least three UN sustainability goals
- If an ‘impact investment’ fund existed with most of the above, almost half of UK adults would consider it as an option for investment. Millennials are more likely to do so than older age groups.
- When given a choice between a fully featured ‘impact investment’ fund vs. a fund with no ‘impact investment’ credentials but a higher return, all age groups chose the former over the latter.
- If a fund existed that delivered on its impact aims and didn’t make a loss, 5% of the Target Investment Group (see definition) would accept 0% return.
- At a minimum threshold of a 4% return or less, almost half of the Target Investor Group would consider such an ‘impact investment’. This implies the potential for ‘impact investment’ being considered as part of investments is fairly broad.

## Assistance in reading this report

To ensure clarity of understanding at key stages of the research interviewees had key terms explained. For example, you will see charts on how important clean energy is as an area for government and businesses policy and action.

The research ensured these terms were explained when the question was asked:

- **Clean energy.** The creation of energy that meets the demands of the country and its businesses, but also helps reduce the carbon emissions of the planet, e.g. solar power, hydro power etc.
- **Waste reduction.** Companies and projects that reduce waste and what would go into landfill or finds a better use for waste, e.g. plastic recycling or reduction.
- **Import reduction.** Companies and projects that directly lead to a reduction in imports and therefore also reduce the travel footprint for production and increase opportunities for employment in the UK.
- **Energy efficiency.** Companies and projects that directly or indirectly deliver energy reduction for a process or sector using less energy to produce the same product or service as others, e.g., utilising waste heat to heat homes or using more energy efficient lighting like LED.
- **Digital inclusion.** Companies and projects which directly or indirectly assist under-privileged or historically disadvantaged areas with access to digital technology, e.g. faster fibre in rural areas and improved broadband connectivity in all forms of housing in society.

## Assistance in reading this report

A key result this report shows is the public's lack of awareness and understanding of terms such as 'impact investing', but also the concept of UN's 17 Global Sustainability Goals. This should be considered as important to know in the context that the the UN Global Climate Change Summit, COP 26, is taking place in the UK in November 2021.

In the research, we first asked respondents unprompted awareness and their understanding of the terms 'impact investing' and the 'United Nations (UN) 17 Sustainable Development Goals or Global Goals'. To ensure clarity of understanding at key stages of the research interviewees then had any key terms explained. This ensured that they were responding to questions linked to these terms on an informed basis.

The explanation given for the term 'impact investing' was:

- *Impact investing: Impact investment is not philanthropy or charity. Impact investing refers to investments made into companies, organizations, and funds with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return. In simple terms, it allows investors to also consider and evaluate where they invest beyond just the return in profits, but also on positive actions in the environment and society those investments deliver.*



# Assistance in reading this report

Some of the results shown on the following charts are based on the following sub-groups:

## 1. Generational Groups:

- Boomers (57-75),
- Generation X (41-56)
- Millennials (25-40)
- Generation Z (18-24)\*

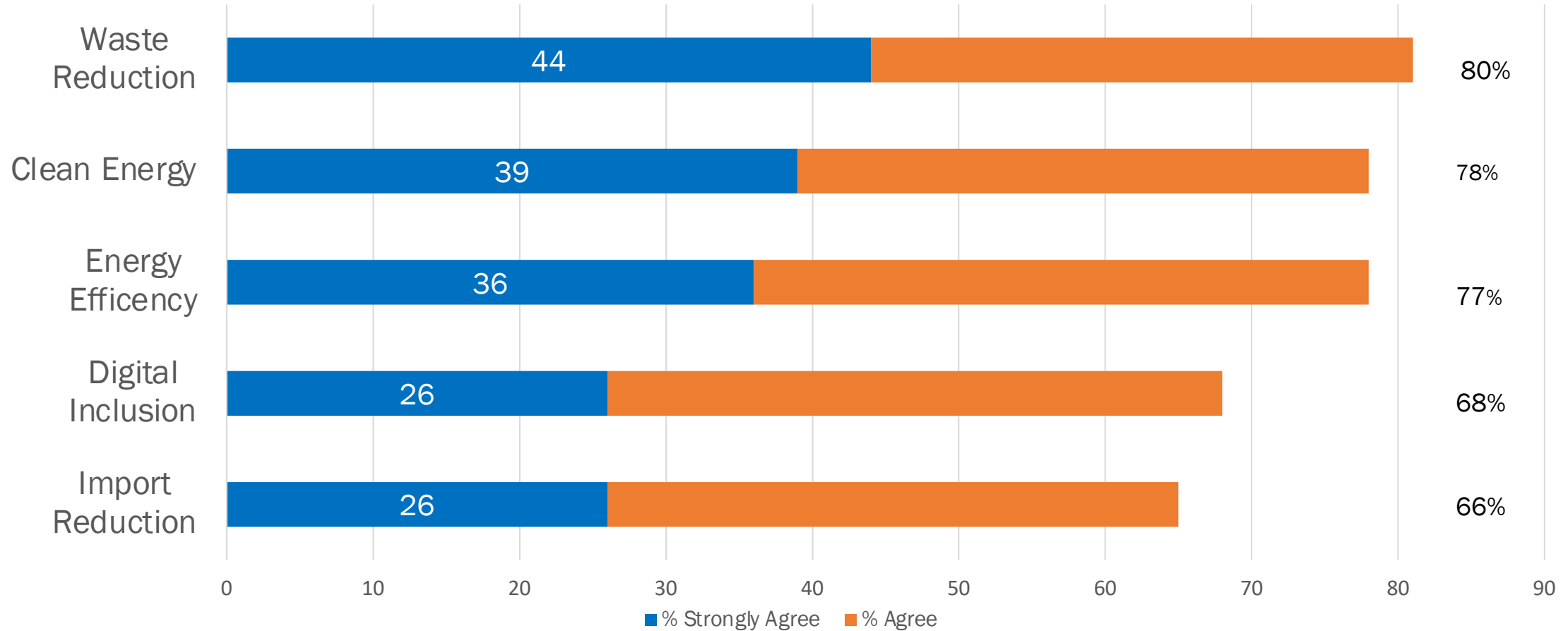
## 2. Target Investment Group

This a grouping of people, defined by Kantar, who hold existing financial products and were deemed as more likely to consider investment in a fund. This group is not based on attitudes but on current financial products held, namely:

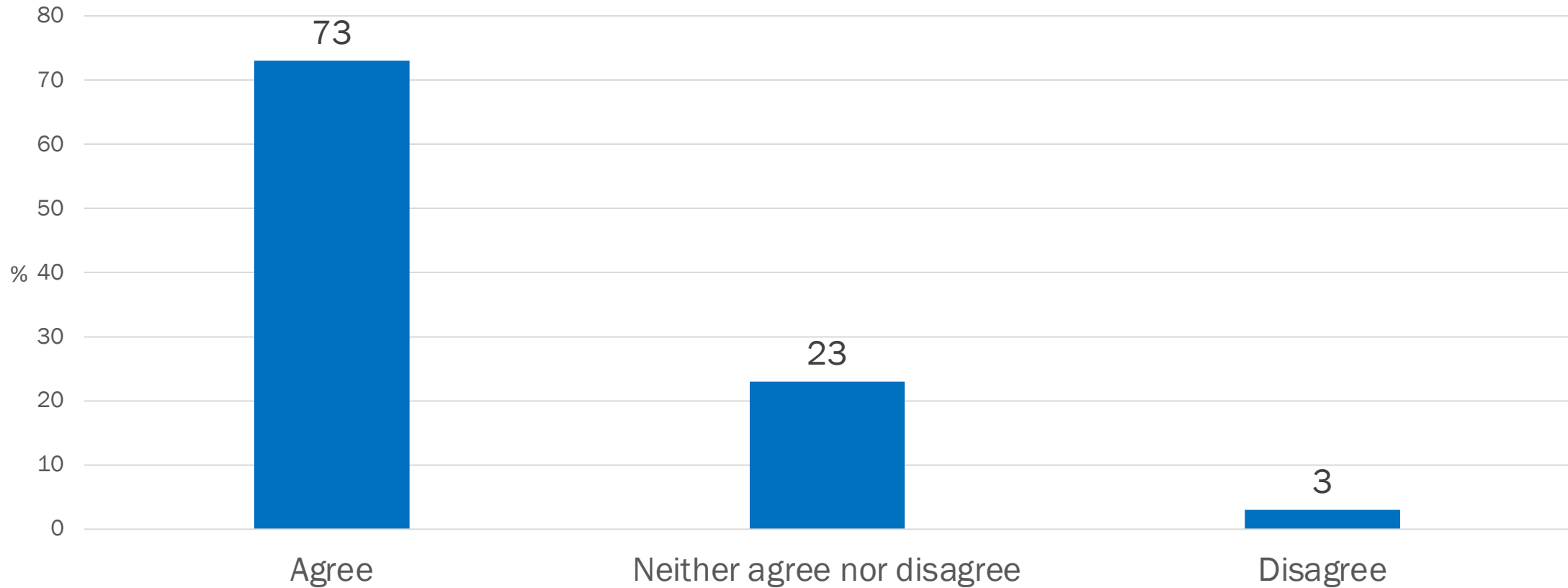
- A personal pension plan and/or
- Individual Savings Account (ISA) and/or
- Stocks and shares or unit trusts and/or
- Do crowd fund/peer to peer lending.

\*Please note the survey was for adults 18+. Generation Z is defined as 6-24 by age. When referring to Gen Z in the survey it is only those Gen Z aged 18-24.

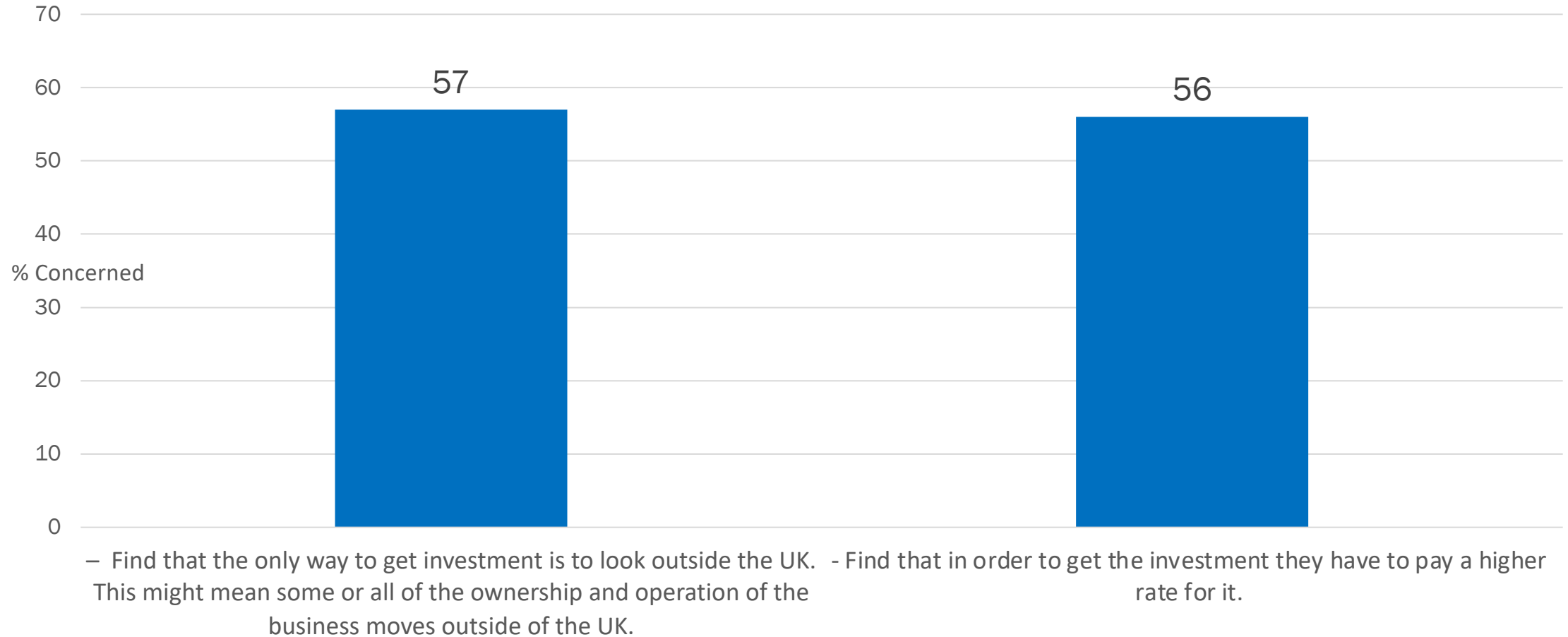
# High agreement on what government and business actions should look to address as the UK rebuilds itself



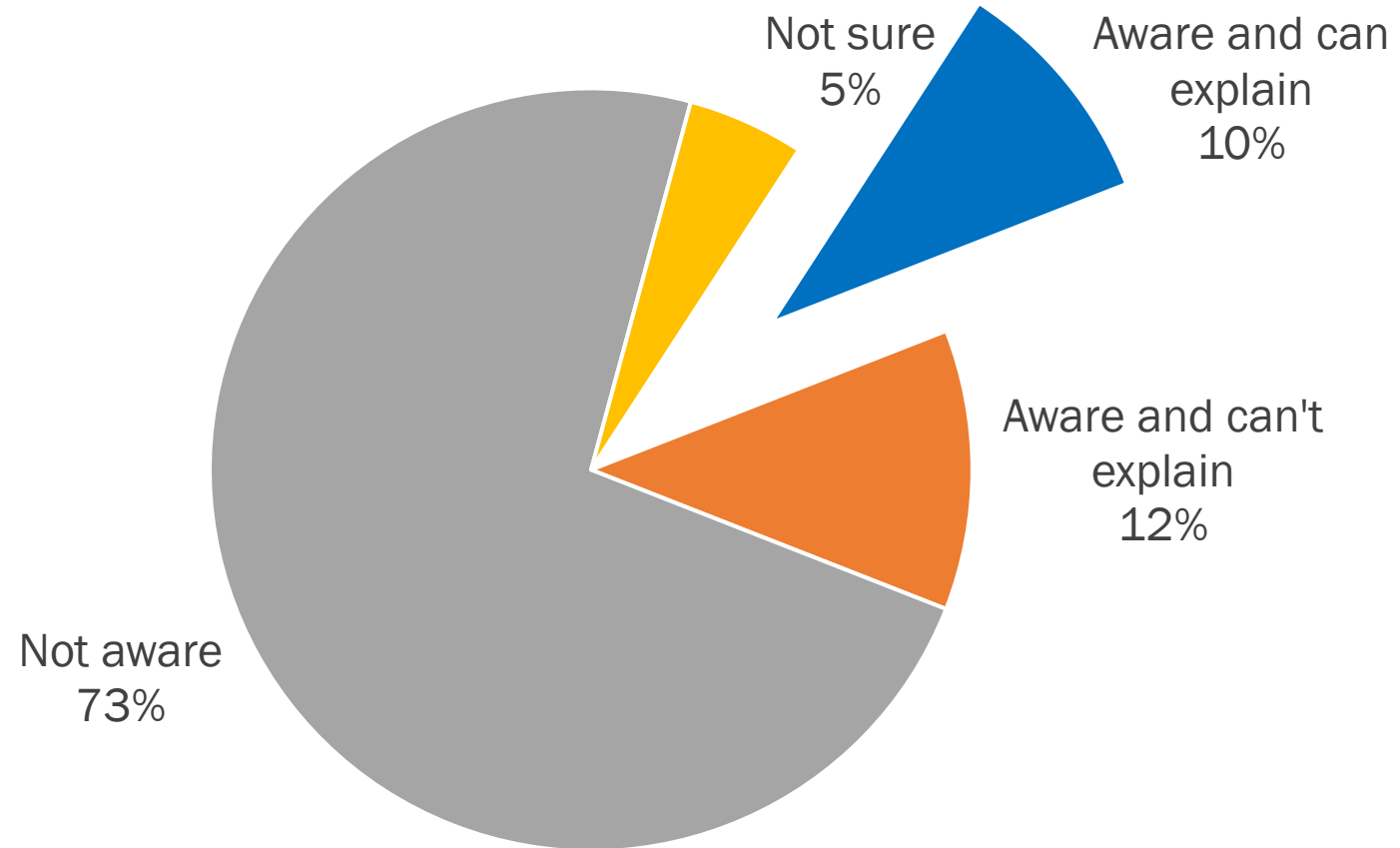
73% agree that it is good more businesses are stating intent to act in a good way for the environment and society - but the public wants accountability in how results are measured



# Majority are concerned if a proven UK business looking for 'impact investment' funding has to seek it from outside the UK



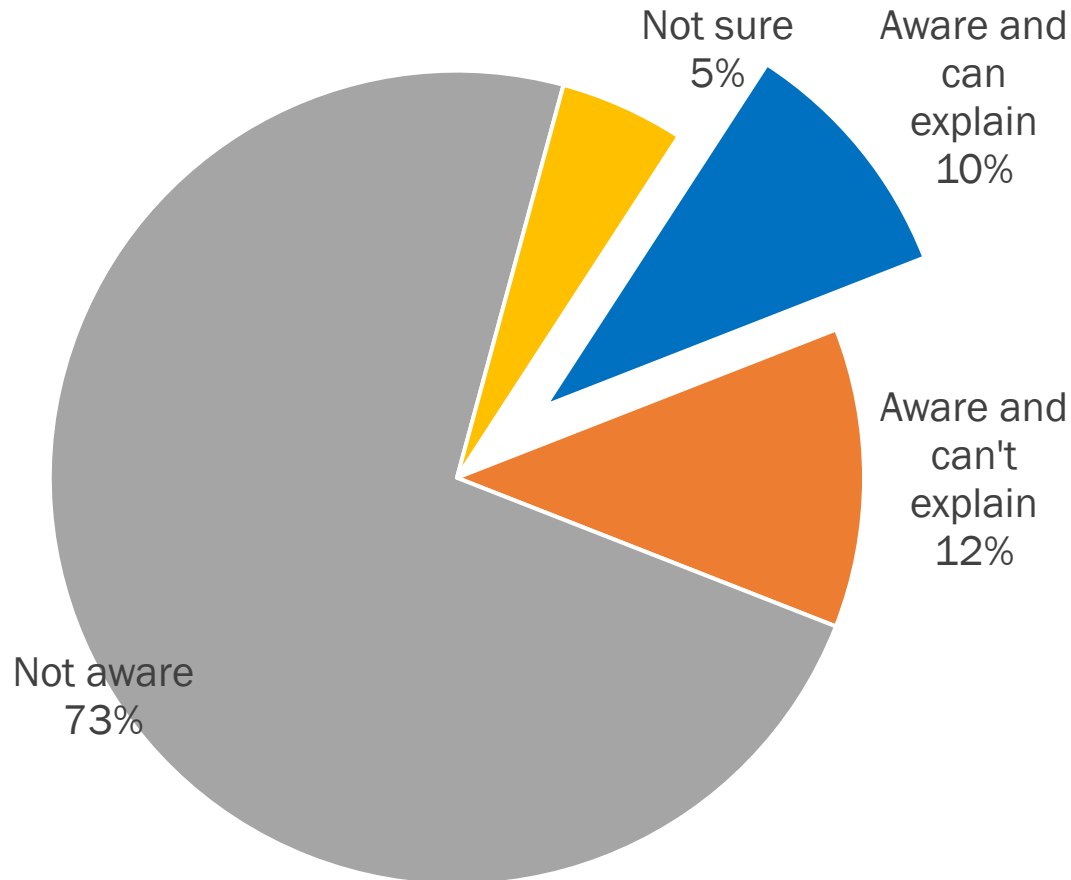
## Only 10% understand what 'impact investing' means



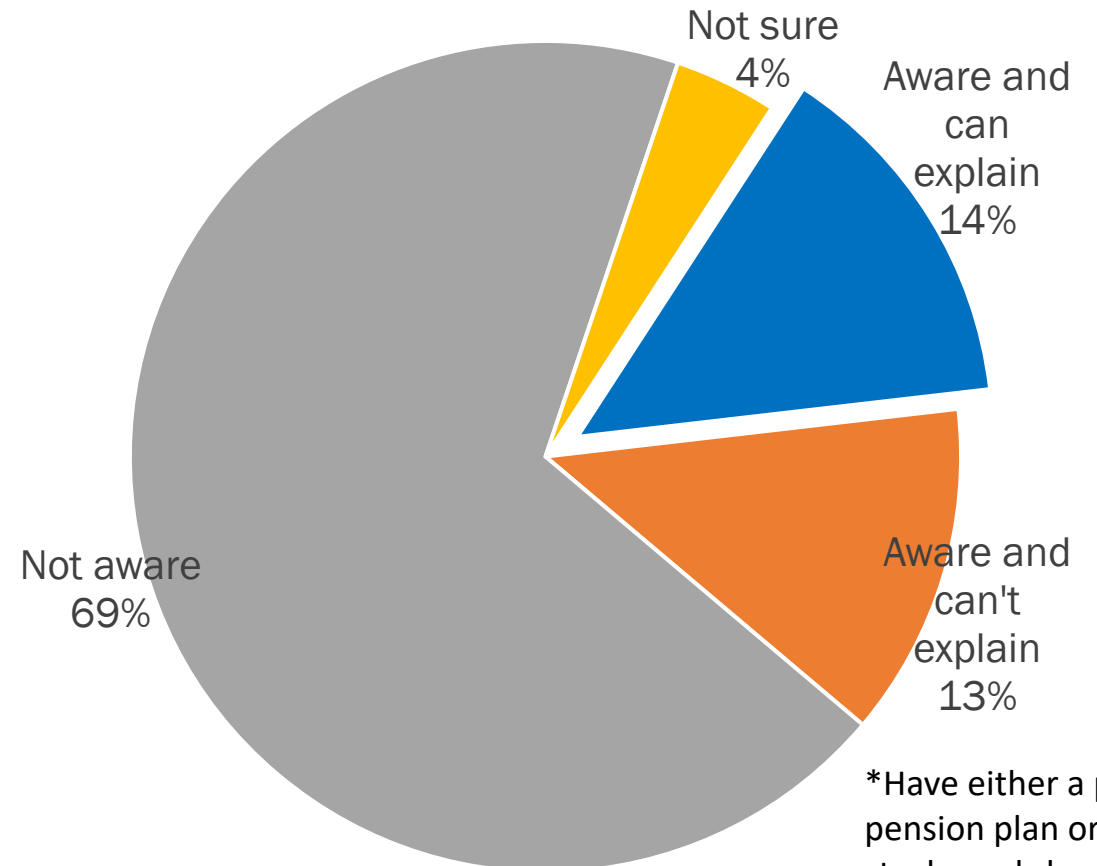
Research conducted by Kantar in June 2021.  
Total sample 2921 adults aged 18+ in Britain.

Even amongst the \*Target Investment Group, only 14% understand what 'impact investing' means

### Adults



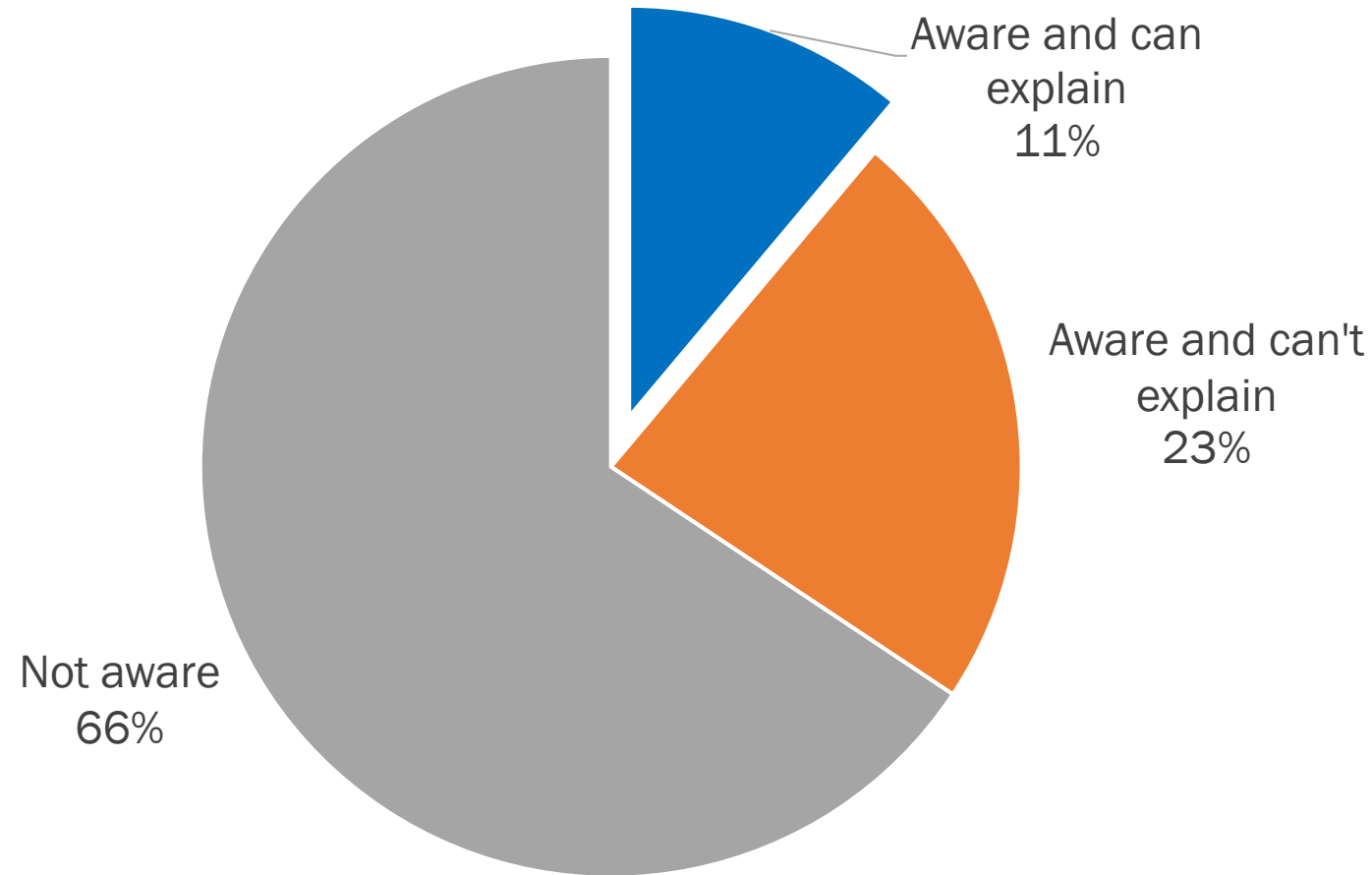
### Target Investment Group



\*Have either a personal pension plan or ISA or stocks and shares or unit trusts or do crowd fund/peer to peer lending

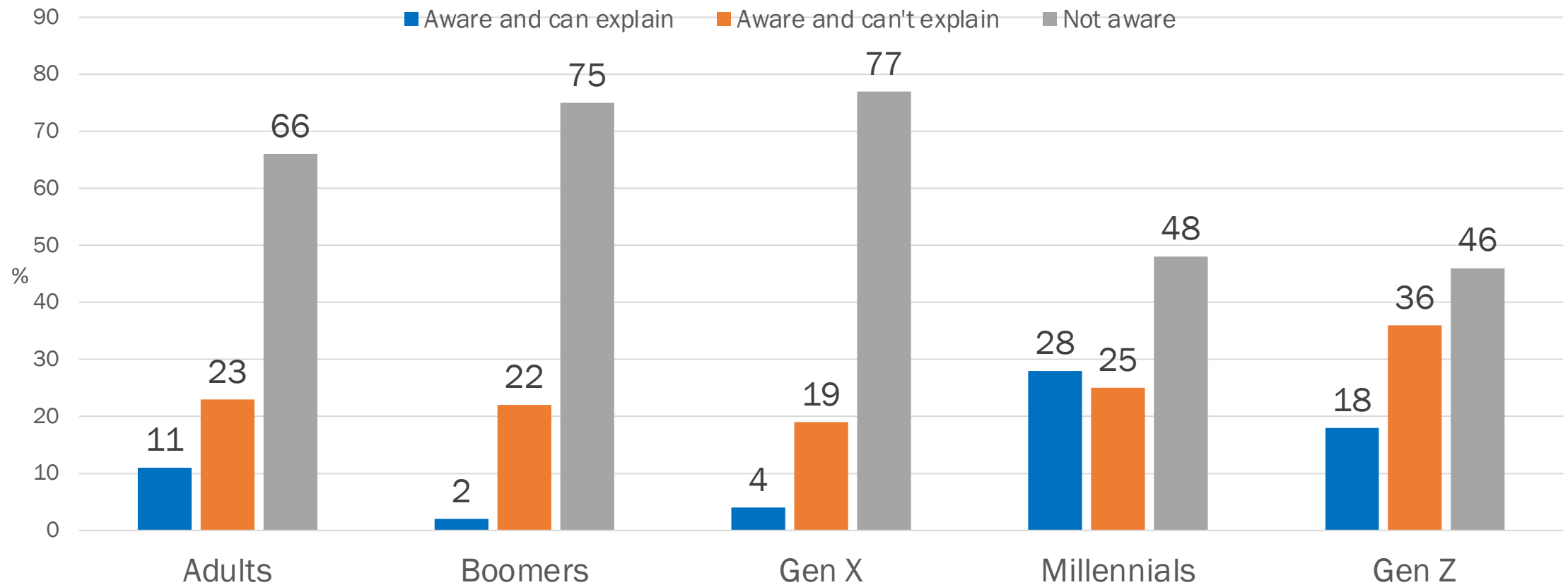
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## Understanding of the concept of United Nations (UN) 17 Sustainable Development Goals is also low



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# Only 11% of adults can explain the concept of the UN Sustainable Development Goals. Understanding is higher amongst younger groups



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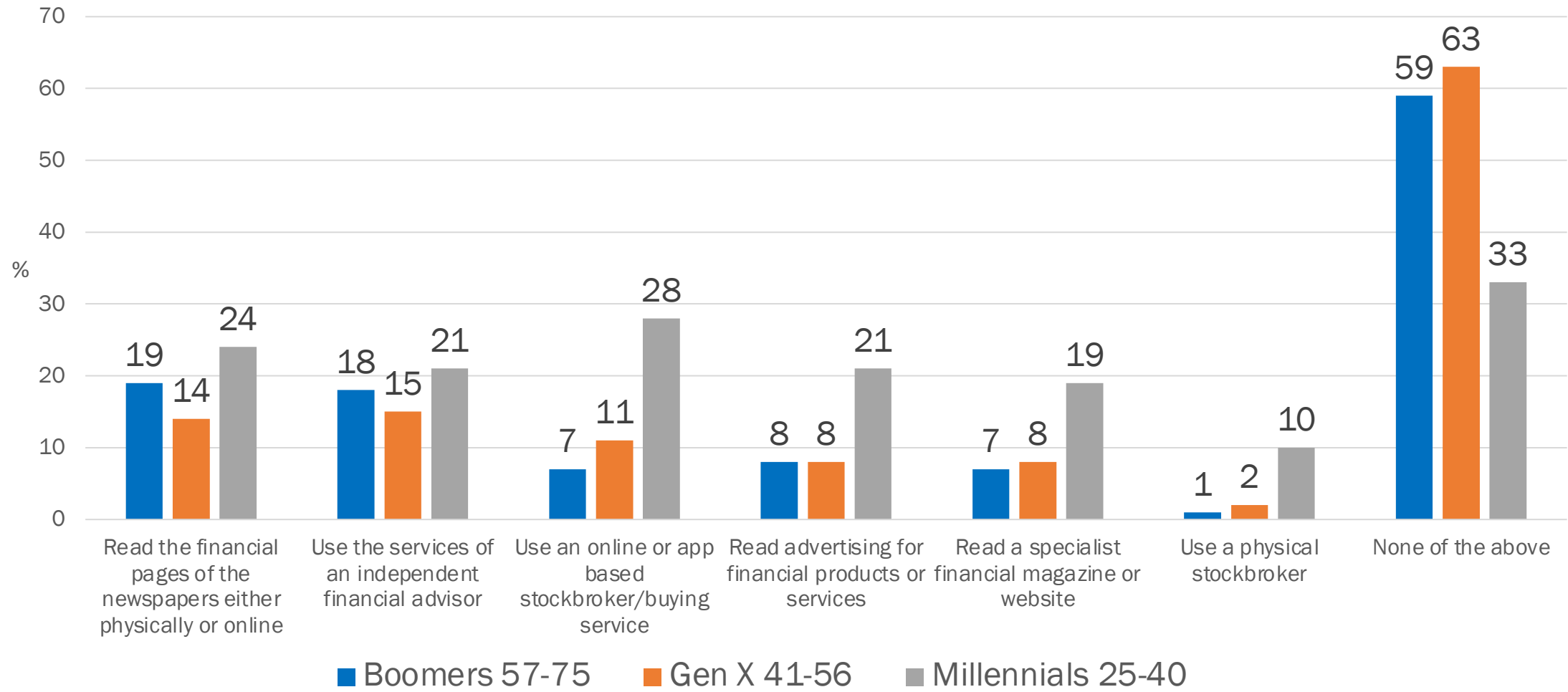


Millennials are less likely to have regular savings and pensions, but more likely to have cryptocurrency and crowd funding than older generations

	Boomers (57-75)	Gen X (41-56)	Millennials (25-40)
	%	%	%
Instant or regular savings account	58	47	30
ISA (Individual Savings Account)	43	37	25
Company or occupational pension scheme	37	31	18
Savings – fixed term or bonds	23	12	18
Personal pension plan	22	22	14
Stocks and shares	20	15	16
Cryptocurrency	1	3	14
Crowd fund/peer to peer lending	1	1	7
None of the above	57	51	45

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# Millennials are much more likely to use a variety of financial information and advice than older groups

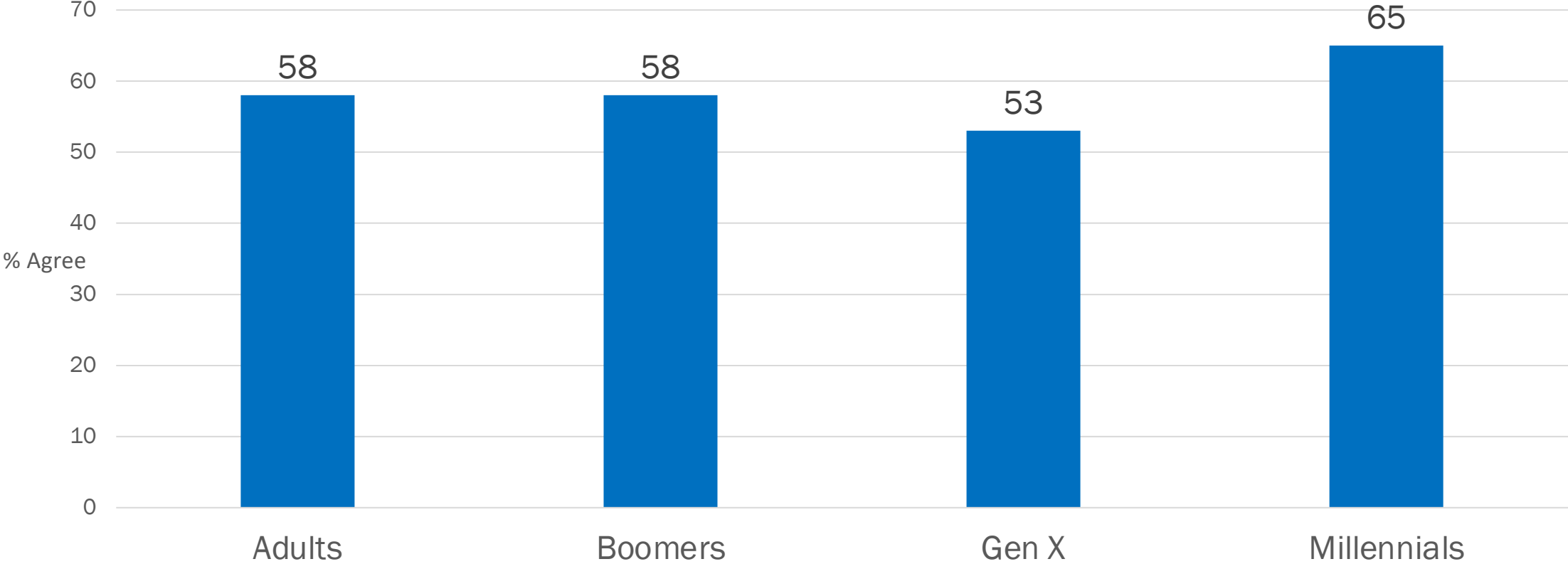


Base: All with Investments



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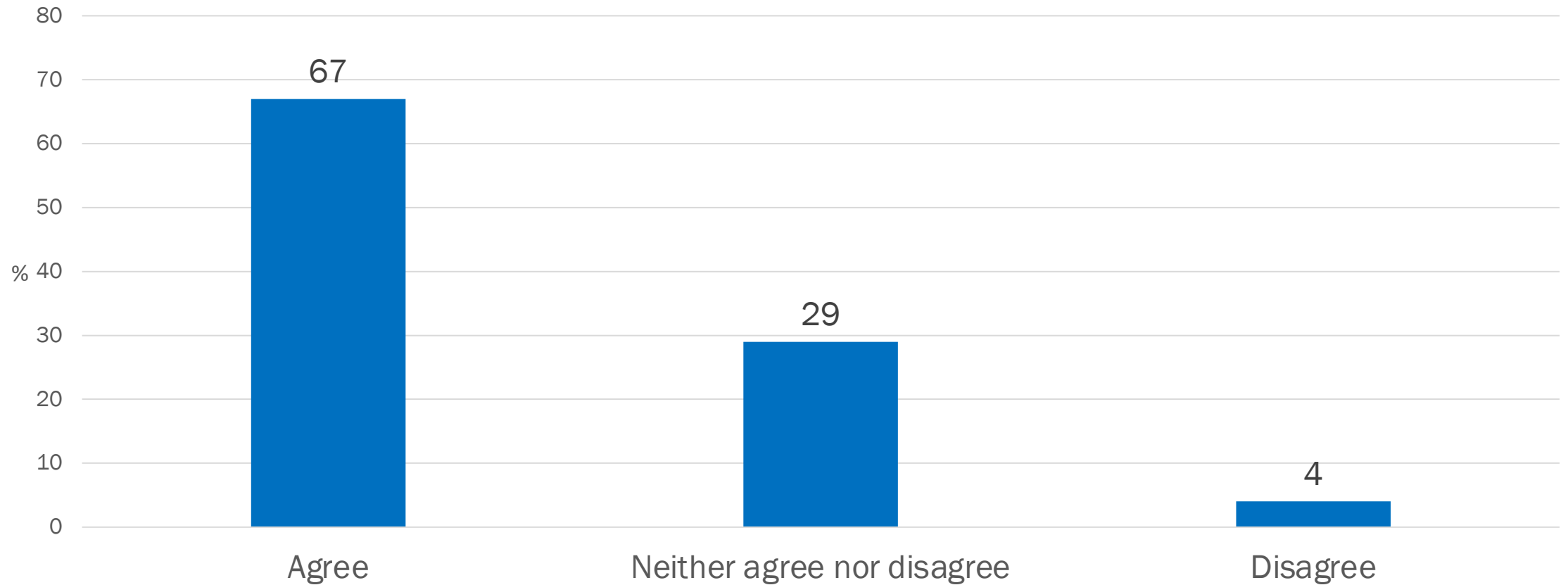
# The majority of adults and 2 in 3 of Millennials believe businesses are ‘greenwashing’



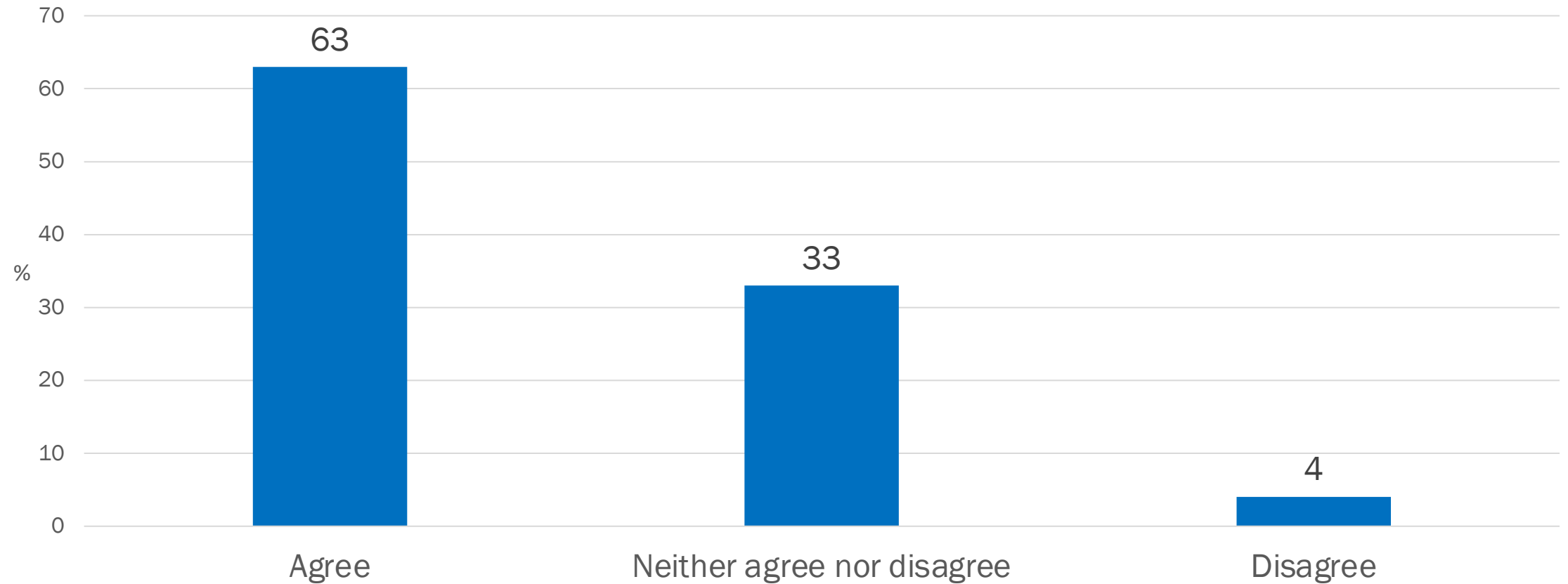
Q. Do agree or disagree most of the businesses making environmental claims are spending more time and money marketing their environmental and societal intentions (greenwashing) than actually taking tangible actions now that reduce the impact of their business on the environment and society.

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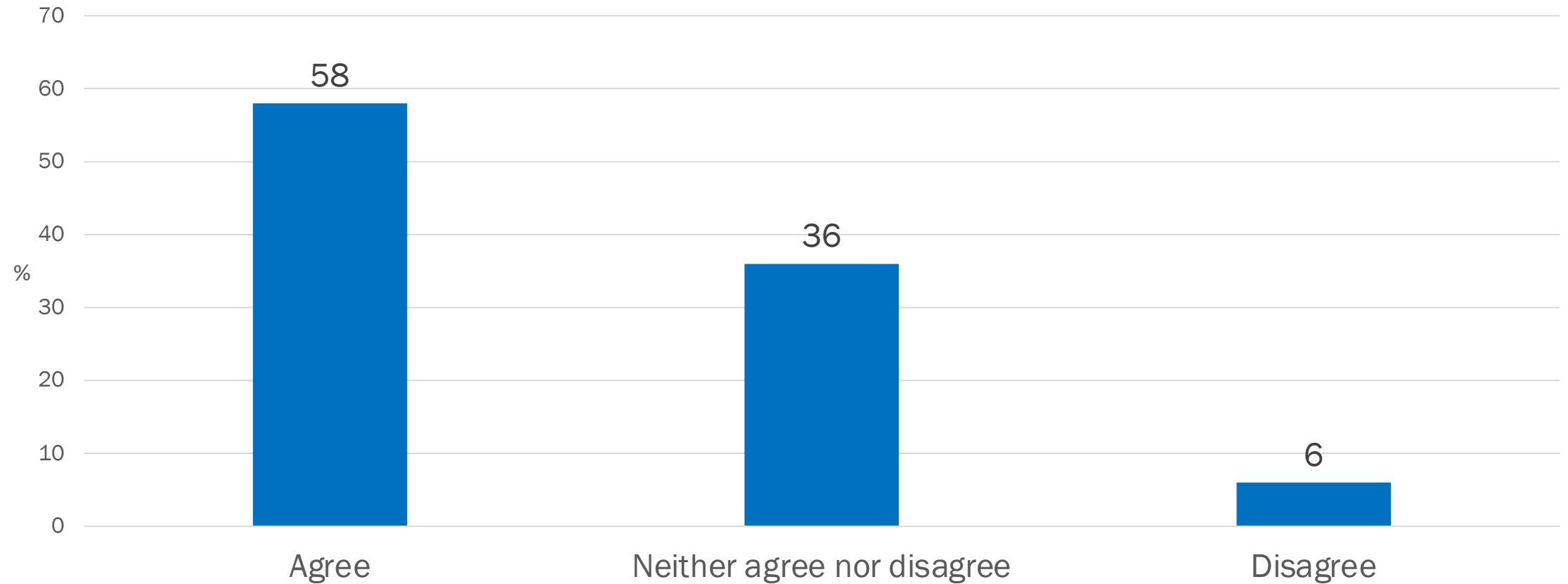
2/3 believe that there are so many businesses claiming to do good that it is difficult to trust the real impact of most of their claims



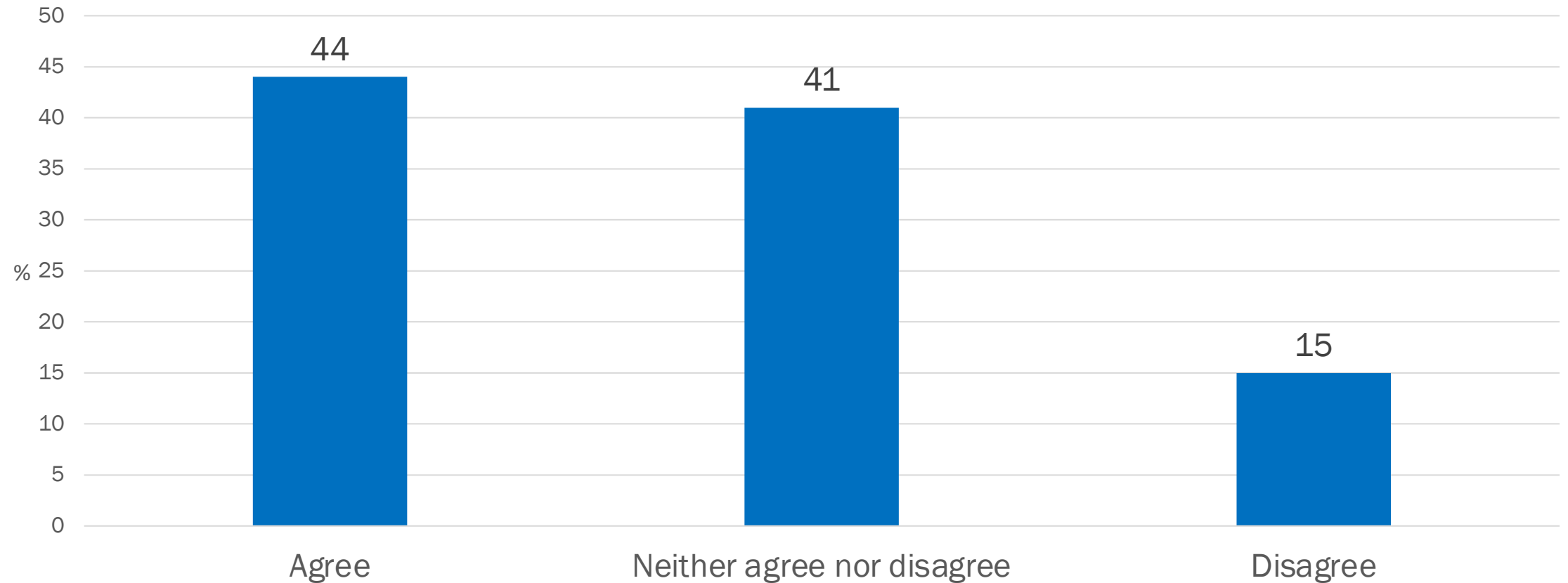
Majority believe businesses claims about achieving a positive effect are based on future targets they hope to achieve vs. delivering results now



# Majority agree that most businesses making environmental claims are spending more time and money marketing their intentions than actually taking action



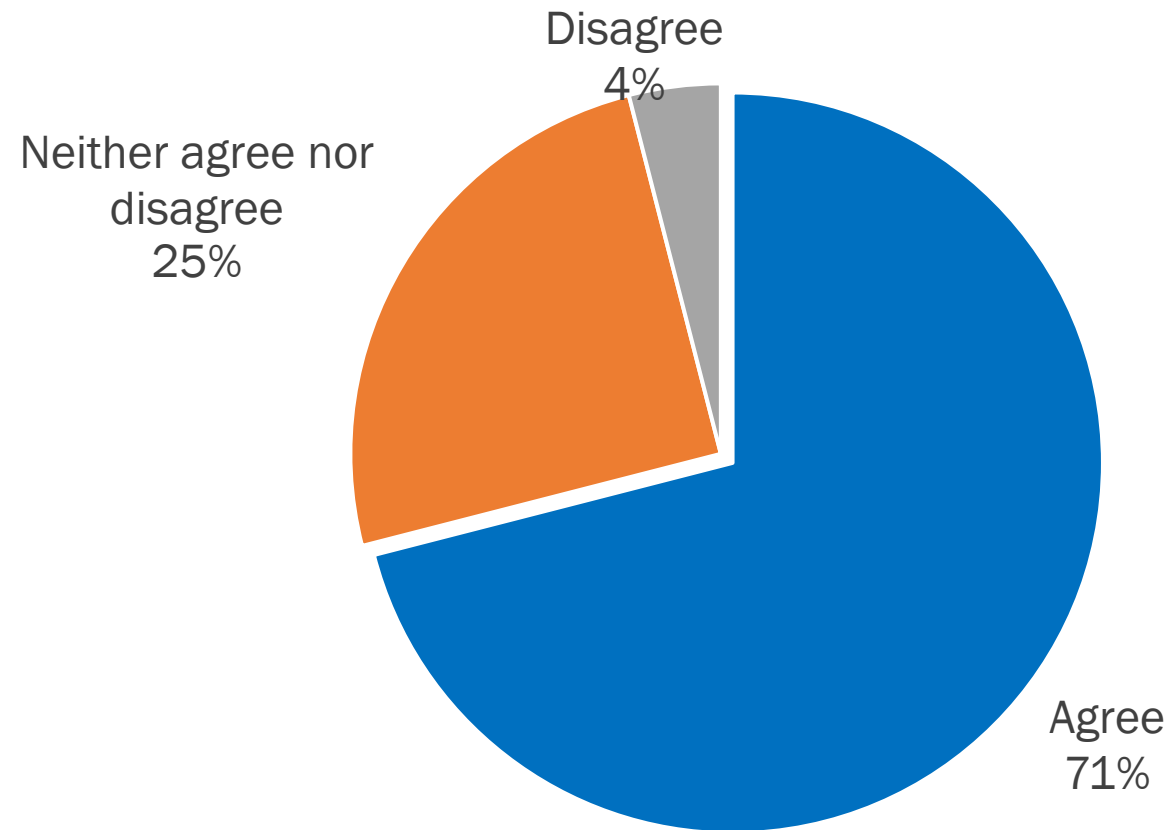
Less than 50% agree that most businesses making claims about improving the environment/society are genuine and could show actions that would stand up to independent scrutiny



Q. Do you agree that most businesses making claims in relation to improving the environment/society are genuine and could show tangible measurable actions that would stand up to independent scrutiny?

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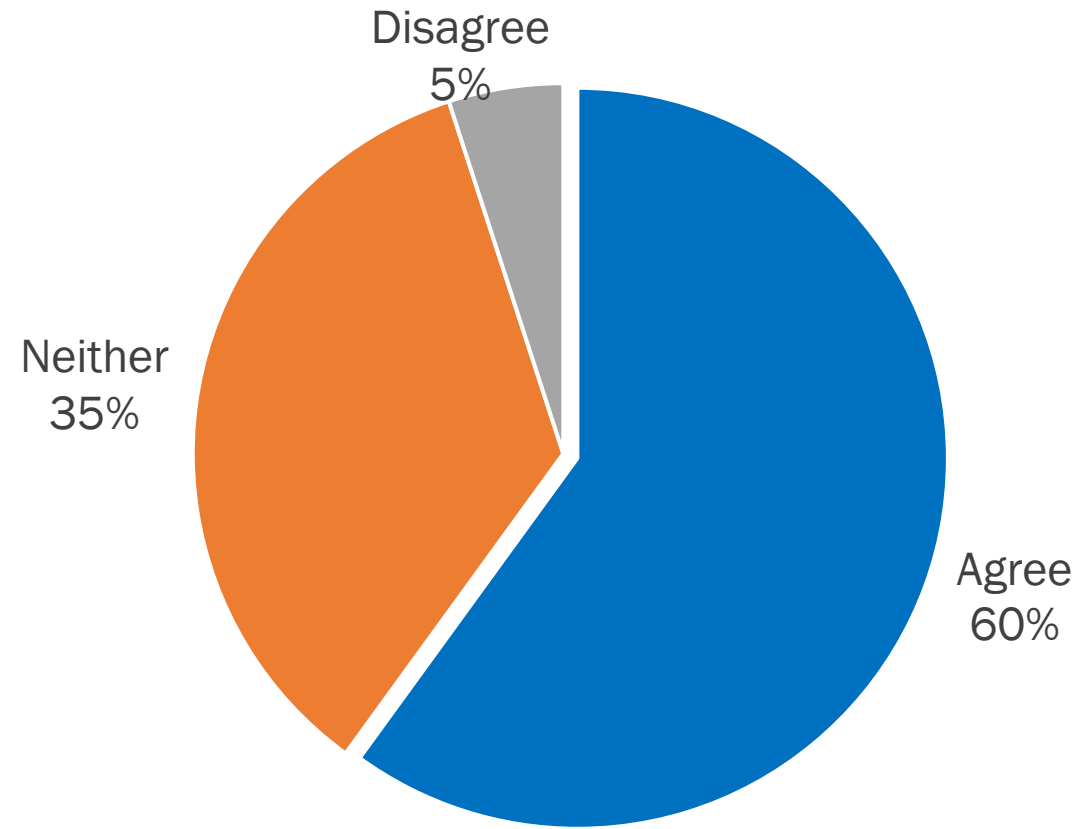
After ‘impact investment’ is explained, 71% agree that funds should be regulated to ensure that they are open and transparent and show the measurable impact achieved



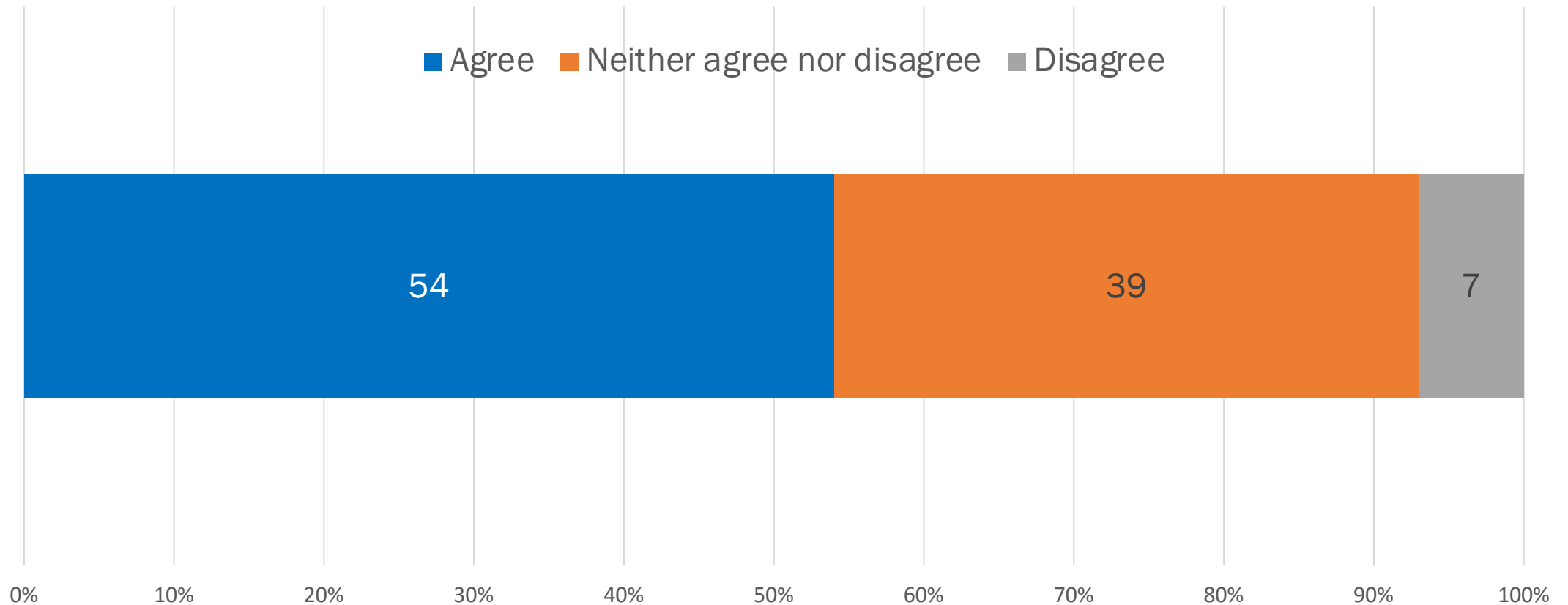
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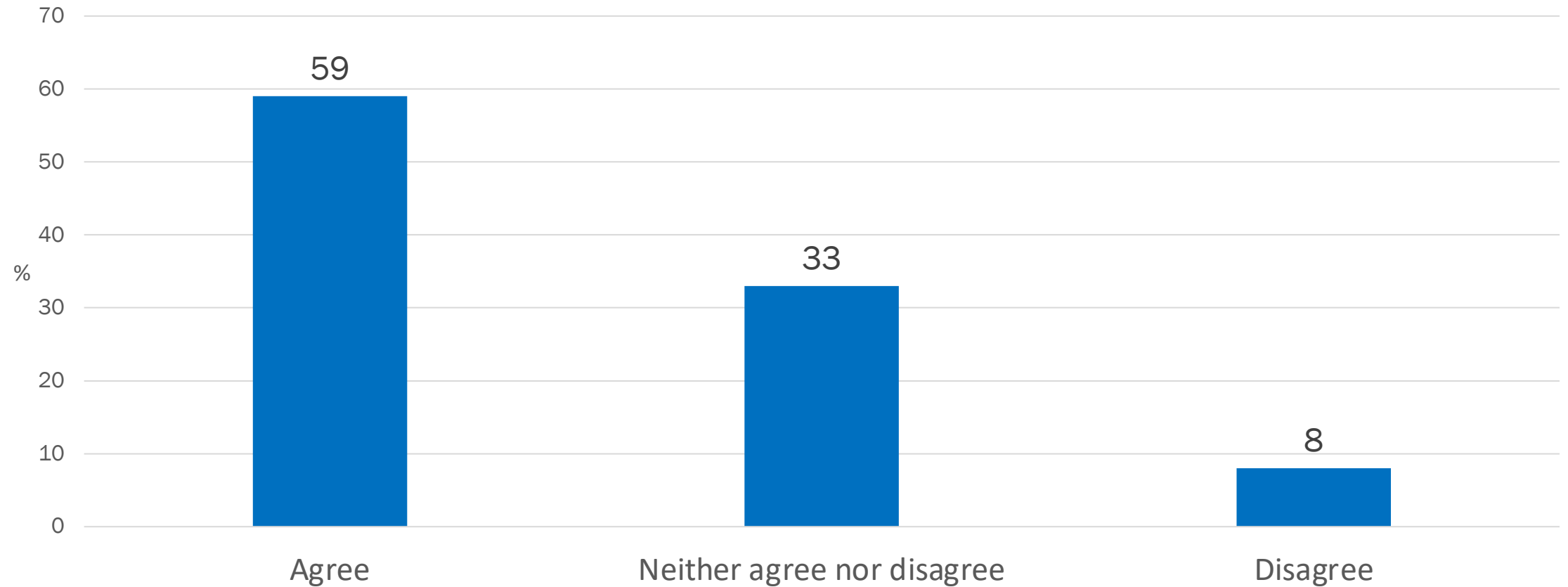
When the term 'impact investment' is explained, most people agree it can create positive change in the environment, society and the British economy



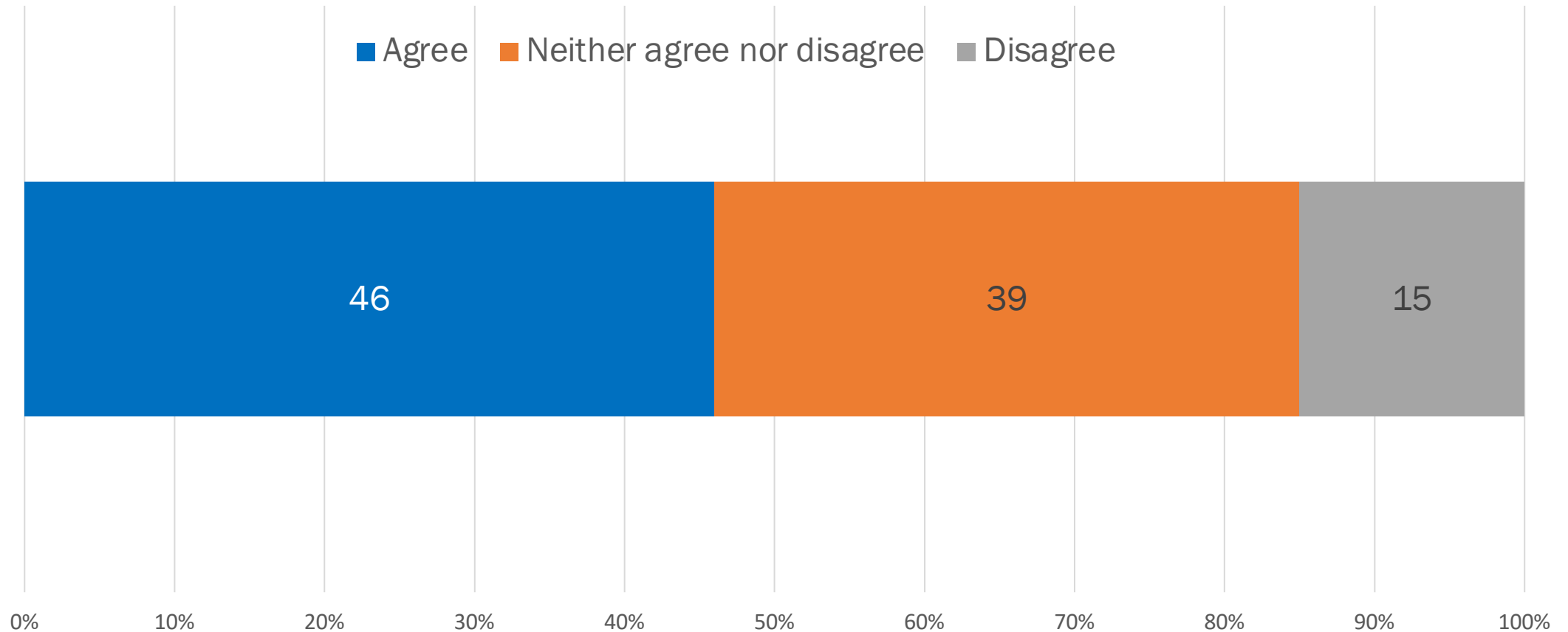
After 'impact investing' is explained, 7 times as many people agree vs. disagree they find it hard to trust that the green and societal claims made by 'impact investment' funds are completely true



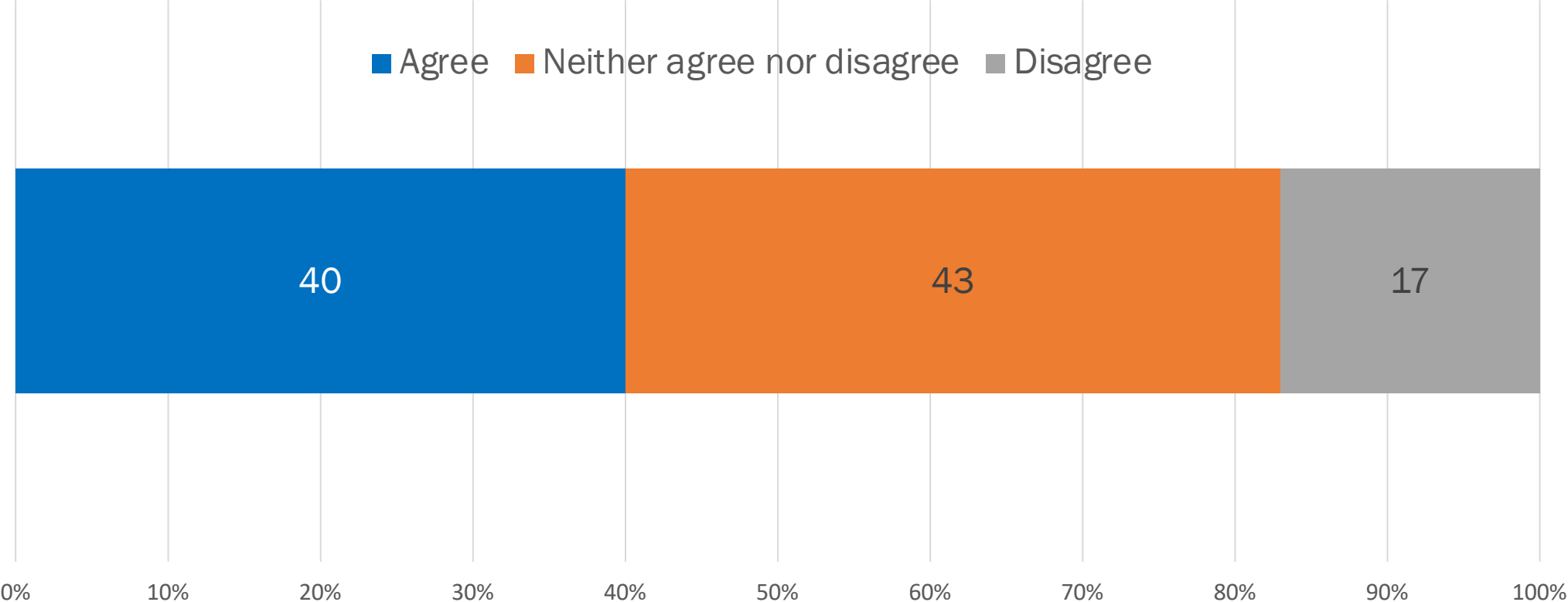
After 'impact investing' is explained, 59 % of people who discovered an 'impact investment' that would deliver on an area that really mattered to them, would pay more attention to it as a possible investment choice



Once 'impact investment' is explained, 3 times as many people agree vs. disagree that they would consider some small part of their investment to go into 'impact investments' even if it delivered a small return



When 'impact investment' is explained, over twice as many agree vs. disagree they would choose the impact investment with a small profit vs. a business or venture with no intent on actions for the environment and society, but a potentially higher profit

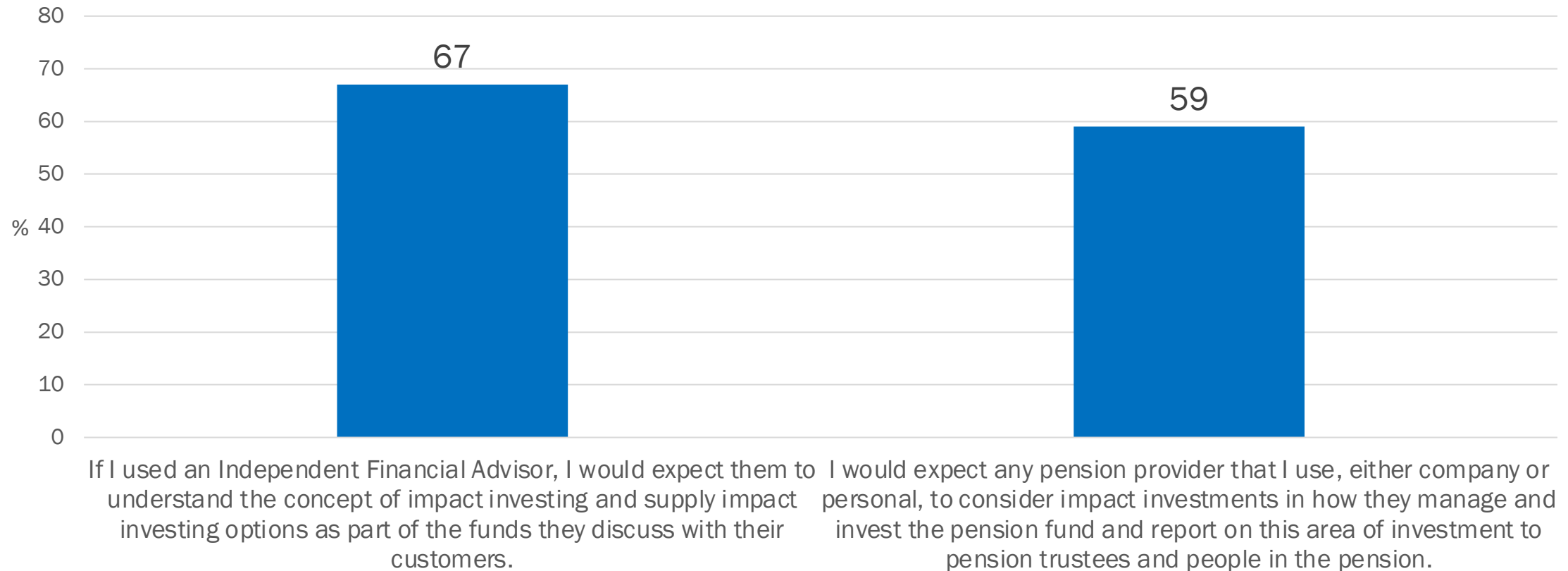


Q. If they had a choice of investments between (a) an impact investment with a small but fair profit and (b) another in a business or venture with no intent on actions for the environment and society, but a potentially higher profit, would you choose (a) over (b)

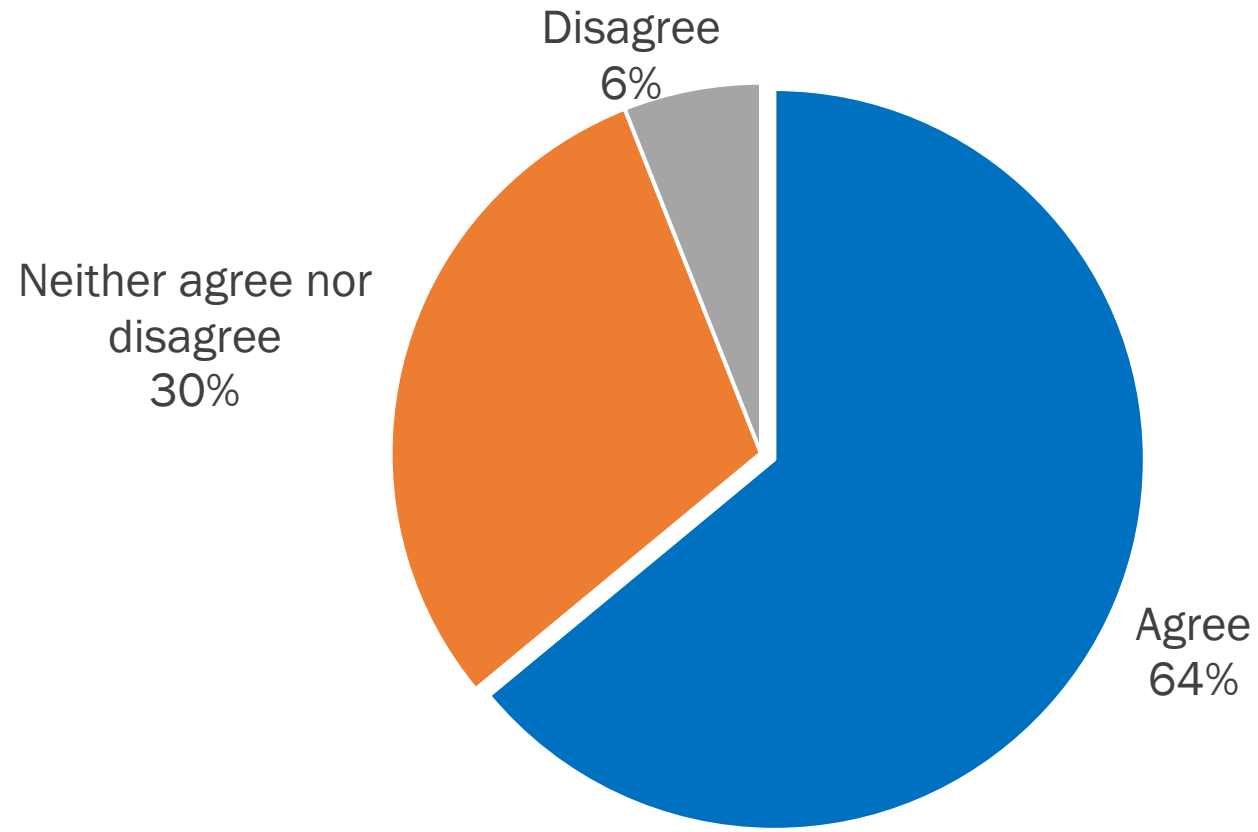
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2/3 of adults considering investments would expect an independent financial advisor to understand and supply options on 'impact investing' when discussing with clients. 59% expect similar from a pension provider

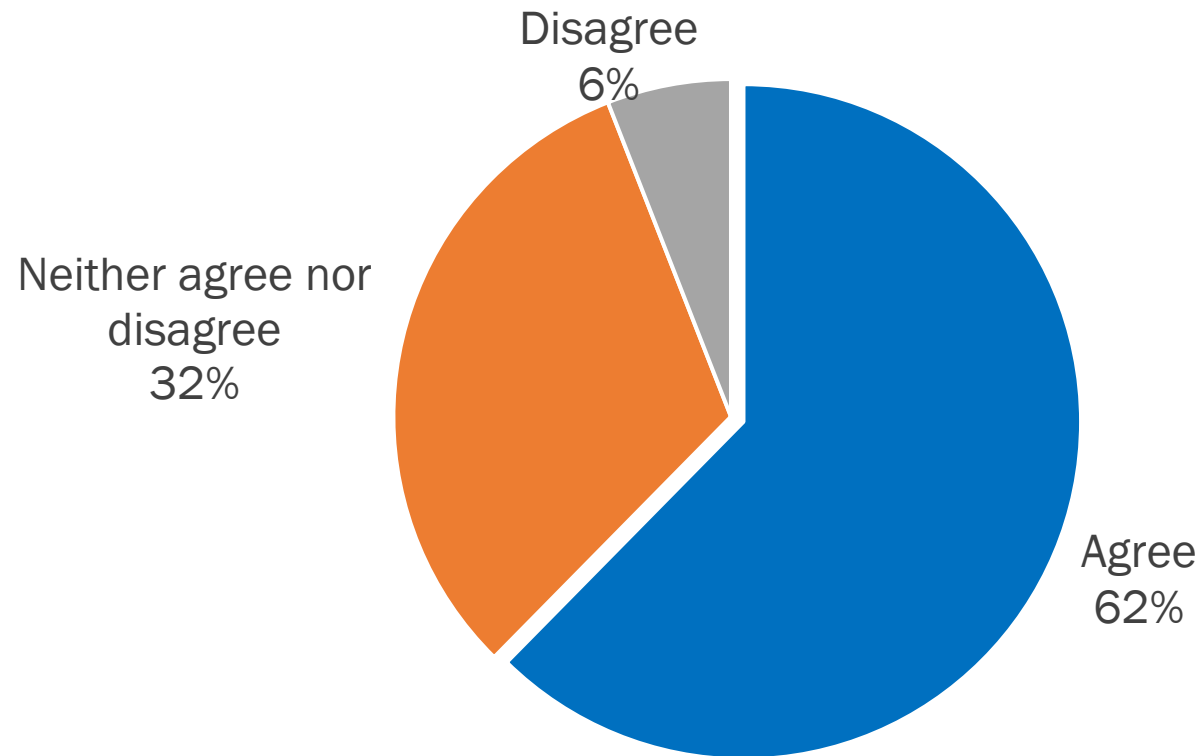


64% of people would be more likely to consider an 'impact investment' fund if it invested in UK-owned businesses with both committed to paying their taxes in the UK



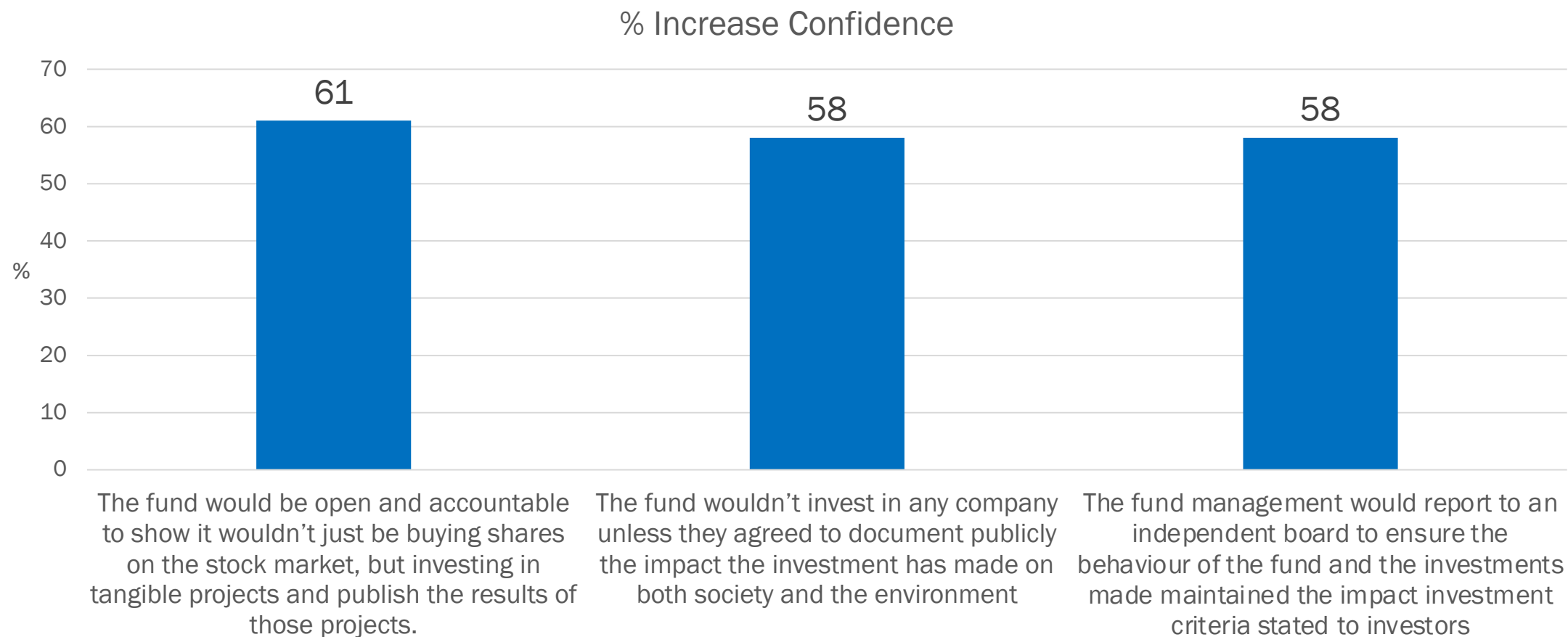
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When 'impact investing' is explained, almost 2/3 of people (62%) agree that they want the money to be invested to make tangible projects happen and not just spent on buying shares in companies listed on the stock market

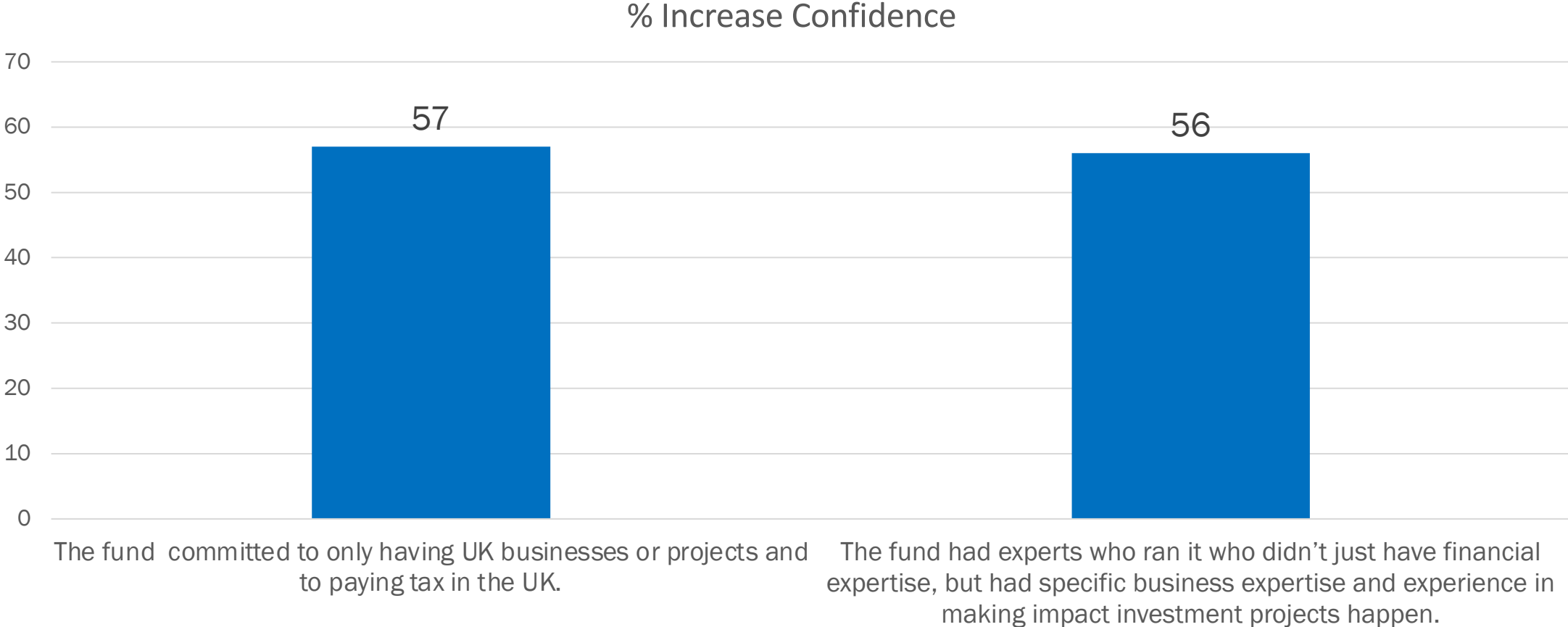




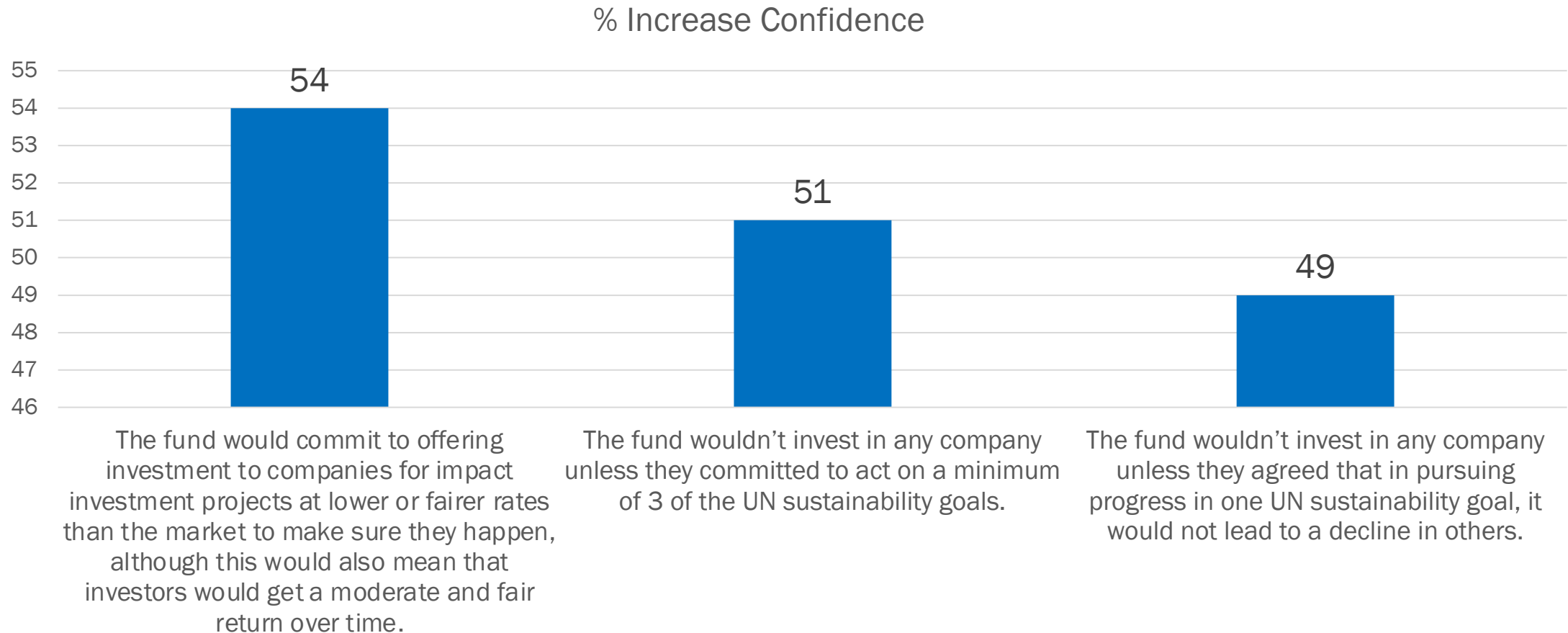
The factors that most increase confidence are investing in tangible projects vs. buying shares, documenting the impact achieved and reporting to an independent board



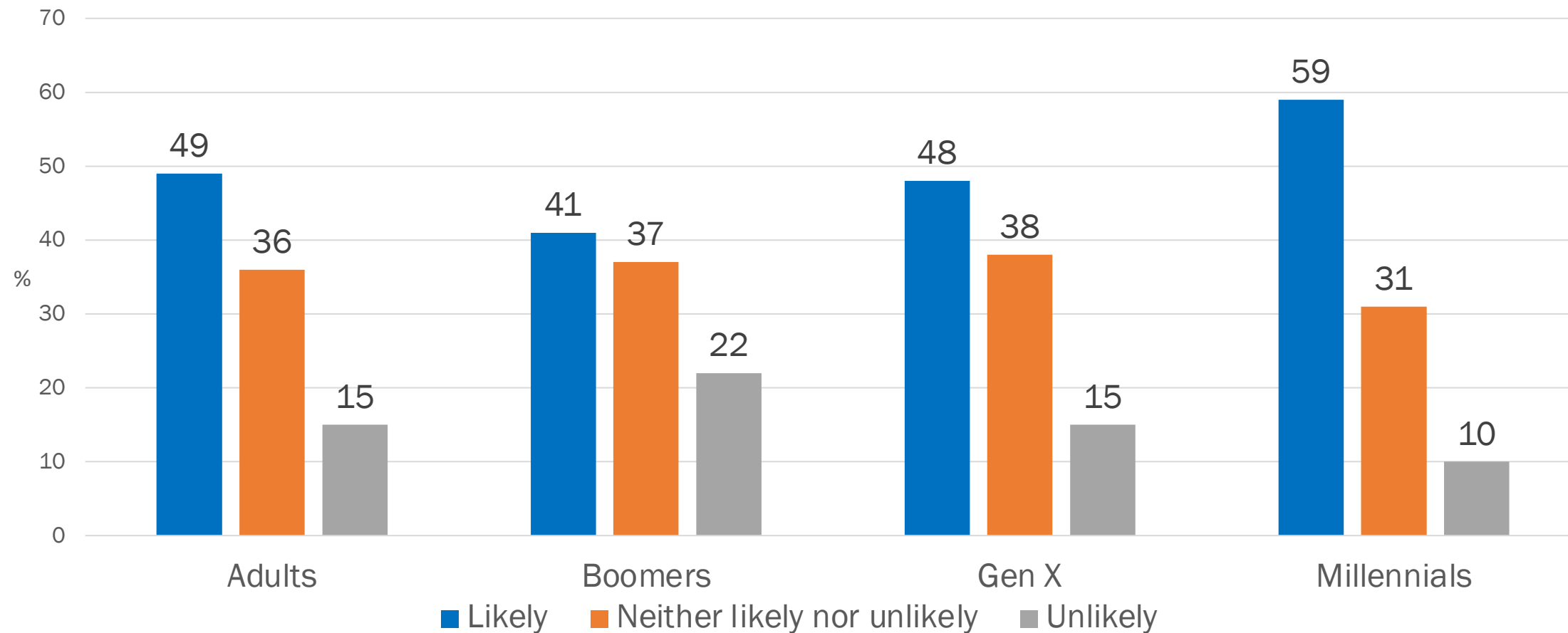
Majority of people's confidence when considering an investment is increased if 'impact investment' fund is committed to fund only UK companies who pay tax in the UK and to have not just financial expertise, but business experience in making projects happen



Around 50% would have their confidence increased in an 'impact investment' fund if it committed to fund companies at fairer rates, ensured a company met 3 UN sustainability goals and if a company's commitment to one goal would not lead to a decline in others

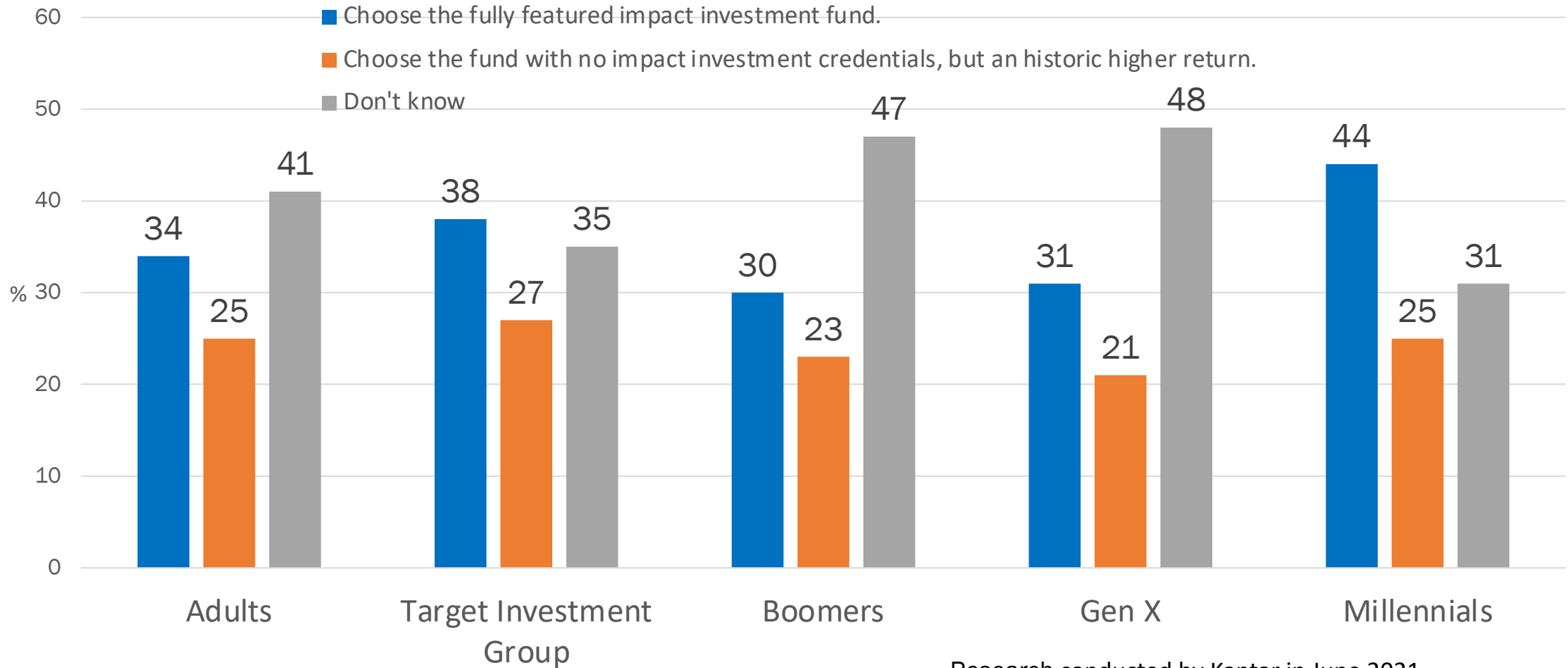


If an 'impact investment' fund existed with many of features to increase confidence, around half would consider it as an option for investment – especially Millennials



Research conducted by Kantar in June 2021.  
Total sample 2921 adults aged 18+ in Britain.

When given a choice between a fully featured 'impact investment' fund vs. a fund with no 'impact investment' credentials but a higher return - all groups chose the former over the latter



Research conducted by Kantar in June 2021.  
Total sample 2921 adults aged 18+ in Britain.

If a fund that delivers on its 'impact aims' and didn't make a loss, 5% of the \*Target Investment Group would accept 0% return. A threshold of a 4% return would be considered by almost half of the Target Investor Group

