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Morgan Stanley Survey Finds Interest in Sustainable Investing Stronger than Ever

Investor Survey shows awareness and interest in sustainable investing continuing to climb steadily – 75% of individual investors and 86% of Millennials are interested in sustainable investing¹

NEW YORK - Three-quarters of active individual investors and 86% of Millennial active individual investors describe themselves as interested in sustainable investing, according to a new survey published today by the Morgan Stanley Institute for Sustainable Investing. The second edition of the investor survey, Sustainable Signals, examines the attitudes, perceptions and behaviors of individual investors towards sustainable investing and considers the broader implications for investors, corporations and governments. Following the last Sustainable Signals report released in 2015, the new findings show interest in sustainable investing continuing to increase with investors' growing belief that their investments can make a positive social or environmental impact.

“As widespread attention to sustainability continues to increase, consumers and investors alike are now more than ever factoring sustainability issues into their investment decisions,” said Audrey Choi, Chief Sustainability Officer and Chief Marketing Officer at Morgan Stanley. “The Morgan Stanley Institute for Sustainable Investing works to drive scalable investment solutions that seek to deliver positive social or environmental impact alongside the market-rate returns that clients expect.”

Results from the survey identify sustainable investing trends reflecting the surging growth in the broader sustainability space. Related findings include:

- **Values Matter.** Consciousness around sustainability has leapt from the consumer space to the investment space. According to the latest survey, investor attention to sustainability factors is now growing faster than that of consumers as a whole.
- **Environmental impact.** Increased interest in sustainable investing occurred despite a heightened sense of market volatility, implying perhaps that in uncertain times, companies and funds with sustainable attributes may be viewed as more stable over the long run. 71% of investors polled agreed that good social, environmental and governance practices can potentially lead to higher profitability and may be better long-term investments.

- **Focus on Customization.** The poll showed a strong desire for the ability to customize sustainable investments; 80% of individual investors and 89% of Millennials are interested in sustainable investments that can be customized to meet their interests and goals.
- **Sustainable Investing in the Workplace.** With Millennials projected to make up 75% of the American workforce by 2025, it's interesting to note that nine out of ten Millennial investors (90%) expressed interest in pursuing sustainable investments as part of their 401(k) portfolios. This implies that offering sustainable investment funds as 401(k) options may be an additional way for companies to attract and retain Millennial talent in competitive job markets.

Millennials continue to fuel growth. Nearly nine in ten Millennials surveyed (86%) are interested in sustainable investing, compared with three-quarters of individual investors overall (75%). This heightened interest is likely tied to Millennials' strong belief that they can make a positive difference with their own investments. Related findings from the survey include:

- **Influence.** 75% agree that it is possible for "my investment decisions to influence the amount of climate change caused by human activities," compared with 58% of the total individual investor population.
- **Impact.** 84% agree that it is possible for "my investment decisions to create economic growth that lifts people out of poverty," compared with 79% of the total individual investor population surveyed.

For more information, please see [Sustainable Signals: New Data from the Individual Investor](#).

The Morgan Stanley Institute for Sustainable Investing

The Morgan Stanley Institute for Sustainable Investing builds scalable finance solutions that seek to deliver competitive financial returns while driving positive environmental and social impact. The Institute creates innovative financial products, thoughtful insights and capacity building programs that help maximize capital to create a more sustainable future. For more information about the Morgan Stanley Institute for Sustainable Investing, visit www.morganstanley.com/sustainableinvesting.

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¹Poll commissioned by Morgan Stanley but independently conducted by Brunswick Insight, February 17-22, 2017,

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