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News Release

UBS Investor Sentiment Survey: Sustainable investing more important than ever to investors

- **Over three-quarters of investors expect sustainable investing returns to match or exceed traditional investing returns**
- **Majority of business owners offered employees more flexibility amid a tight labor market**

Zurich/New York, 27 October 2021 – Investors increasingly see benefits from integrating sustainable investing (“SI”) into their portfolios, according to the new Investor Sentiment survey by UBS, the world’s leading global wealth manager. The survey, which polled 3,004 investors and 1,202 business owners across 15 markets globally, found that a majority of investors expect SI returns to match or exceed those of traditional investments with 69% seeking advice on increasing their portfolio allocation.

In addition, the survey found that a majority of investors remain optimistic about their own region’s economy (67%) and the stock market (63%) over the next 12 months, but are increasingly concerned about tax increases, climate change and their country’s politics.

“Investors continue to remain optimistic about the economy and markets, and many plan to increase exposure to risk assets, including a focus on sustainable investments,” said Tom Naratil, President of UBS Americas and Co-President of UBS Global Wealth Management. “With climate change a top concern for investors, many will focus on the progress made at the UN Climate Change Conference (COP26) and any agreed new measures.”

Business owners remain confident in their own businesses over the next 12 months, despite acknowledging that in the last six months the vast majority have experienced weaker customer demand, challenges with recruiting and retaining employees, and wage inflation. Many owners have adjusted by offering more flexible hours and work locations amid the tight labor market, and 66% said they had increased their employees’ base pay.

“Throughout the pandemic, business owners faced many workforce challenges and had to adjust to meet the needs of their employees and customers,” said Iqbal Khan, President of UBS Europe, Middle East and Africa and Co-President of UBS Global Wealth Management. “It’s encouraging to see that a majority of business owners remain optimistic and interested in hiring and investing more in their companies over the next 12 months.”

Regional findings and recommendations

United States

US investors remain optimistic on their region's economy for the next 12 months (61%) and on the stock market in the next six months. However, optimism declined for both findings compared to the previous quarter.

Latin America

Optimism among Latin American investors over their region's economy over the next 12 months dropped slightly to 65% (two percentage points lower than the previous quarter). Expectations for stock market performance also dropped by the same amount to 62%.

Switzerland

Following a spike in optimism in the second quarter, Swiss investor optimism returned to similar levels seen in the first quarter, with 56% optimistic about the 12-month economic outlook. However, stock market expectations dropped significantly, with 46% of respondents expecting the market to perform well (down from 67% in the first quarter).

Europe (ex. Switzerland)

Seventy seven percent of European investors outside Switzerland remain optimistic for the regional economy over the next 12 months. However, their six-month optimism for stock market performance dipped two percentage points to 71%.

Asia

Investors in Asia are slightly less optimistic the outlook for their region's economy over the next 12 months, down two percentage points to 64%. Stock market expectations for the next six months dropped three percentage points to 60%.

For more information and to view the report, visit: ubs.com/investor-sentiment.

Notes to Editors

About the survey

UBS surveyed 3,004 investors and 1,202 business owners with at least \$1M in investable assets (for investors) or at least \$1M in annual revenue and at least one employee other than themselves (for business owners), from September 28 – October 18, 2021. The global sample was split across 15 markets: Argentina, Brazil, Mainland China, France, Germany, Hong Kong, Italy, Japan, Mexico, Russia, Singapore, Switzerland, the UAE, the UK and the US. For the 2Q21 results, UBS surveyed 4,200 investors and business owners globally, from June 23 – July 12, 2021.

About UBS

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS's strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in



their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in all major financial centers worldwide. It has offices in more than 50 regions and locations, with about 30% of its employees working in the Americas, 30% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 21% in Asia Pacific. UBS Group AG employs more than 72,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

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