

## Environmental Investing Survey 2008

POSTED QUESTIONNAIRE

Weighted data

All numbers posted in PERCENTS unless otherwise noted

\* = less than 0.5%

-- = 0%

### INTRODUCTION

2007	2008
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1. Thinking about the US in general, do you think that the economy will be better a year from now than it is today, worse, or about the same as now?

	Better a year from now	26%	39%
	Worse a year from now	37%	35%
	About the same as now	37%	26%
	Total	100%	100%

2. Now, thinking about the stock market, do you think the Dow Jones Industrial Average will be higher a year from now than it is today, lower, or about the same?

	Higher a year from now	-	52%
	Lower a year from now	-	22%
	About the same a year from now	-	26%
	Total	-	100%

3. How much responsibility do you personally have when it comes to you or your family's decisions about investing your money?

	You have primary responsibility for making the decisions for your household	54%	59%
	You share responsibility for making the decisions with someone else	46%	41%
	Total	100%	100%

4. We want to make sure that we understand the experiences and attitudes of people with all different amounts of money invested in various ways. We don't need to know the exact amount of money you have invested, but would you estimate that the total value of your household's investments – including cash and money market funds, stocks, bonds, mutual funds, retirement savings, and investment real estate but not including your primary residence – is under \$100,000 or over \$100,000?

	\$100,000 or more	100%	100%
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5. **In which state do you currently reside?** NOTE: Responses not shown (see data tables)

**GENERAL INVESTMENT CLIMATE**

6. Please rate each of the following on how much of an investment opportunity it represents. Please rate each area below either:

- a "BUY", meaning that you would invest more money in it now
- a "SELL", meaning that, if you had any, you would sell some or all of your investments in it now
- a "HOLD", meaning that you would neither buy nor sell investments in that sector at this time.

	BUY		SELL		HOLD	
	2007	2008	2007	2008	2007	2008
The pharmaceuticals and biotechnology sectors	54%	48%	8%	6%	38%	46%
The environmental technology sector, including alternative energy sources	71%	64%	7%	5%	23%	30%
The traditional energy sector, including gas and oil	32%	27%	17%	17%	51%	56%
The information technology sector, including computing and telecommunications	47%	31%	14%	15%	39%	54%
Gold and other precious metals	33%	29%	18%	22%	49%	49%
Financial services companies, including banks and brokers	-	12%	-	50%	-	38%
Food & beverage companies (e.g., Kraft, Pepsico)	-	31%	-	17%	-	52%
Major retailers (e.g., Wal-Mart, Costco)	-	26%	-	23%	-	51%
Industrials including transportation, manufacturing equipment & aerospace/defense	-	20%	-	29%	-	51%
Real estate	23%	27%	26%	22%	50%	51%

**YOUR INVESTING ACTIVITY****2007      2008****7. Please indicate how you would describe your level of experience with investing.**

	Very experienced	8%	11%
	Somewhat experienced	52%	49%
	Not too experienced	31%	34%
	Not at all experienced	8%	7%
	Total	100%	100%

**8. Which of the following types of investments do you currently own?  
Please check all that apply.**

	Mutual funds	77%	77%
	Individual stocks	69%	68%
	Corporate bonds	19%	19%
	Government bonds	30%	31%
	Cash or money market funds	75%	78%
	Real estate investments (aside from the home you live in)	30%	33%
	Alternative investments, such as hedge funds	7%	5%
	Commodities	7%	5%
	None of these	N/A	4%
	Total		

**9. Do you have any investments in the following geographic areas?  
Please check all that apply.**

	The United States	93%	93%
	Developed countries, such as Western Europe or Japan	35%	30%
	Emerging markets, such as China or India	26%	28%
	None of these	N/A	6%
	Total		

**10. To help us understand your approach to investing, please indicate which one of the following statements comes closest to describing you right now.**

	I/we do my own research and make my own investment decisions	37%	37%
	I/we make my own decisions, but use an investment professional for information and a second opinion	40%	40%
	I/we delegate decisions about my investments to an investment professional	24%	23%
	Total	100%	100%

**11. When it comes to your investing approach right now, if you had to choose, which type of investment do you prefer?**

	Higher return even if there is higher risk associated with that investment	40%	31%
	Less risk even if there may be a lower rate of return	60%	69%
	Total	100%	100%

## **INVESTING IN ENVIRONMENTAL OPPORTUNITIES**

**2007      2008**

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**12. Sometimes today you hear people talk about investing in companies that are developing new technologies or approaches to capitalize on addressing environmental problems such as climate change or pollution. In your opinion, which one best describes this approach to investing?**

	Green Investing	-	33%
	Environmental Investing	-	13%
	Socially Responsible Investing	-	22%
	Environmental technology investing	-	32%
	Total	-	100%

**13. Have you ever invested in a company or mutual fund because it was developing new technologies or approaches to capitalize on addressing environmental problems?**

	Yes	17%	22%
	No	83%	78%
	Total	100%	100%

**14. Over the next year, how likely are you to invest in a company or mutual fund because you believe it is capitalizing on an environmental trend?**

	Very likely	7%	9%
	Somewhat likely	42%	39%
	Not too likely	36%	35%
	Not at all likely	15%	18%
	Total	100%	100%

**IF "NO" TO Q13:**

**15. Why haven't you invested in a company or mutual fund that was capitalizing on an environmental trend? Check all that apply.**

	I never thought about it	40%	35%
	It's too hard to get accurate information about what companies are really doing to address environmental issues	24%	27%
	I'd like to invest in environmental trends, but I don't know how to do it	7%	8%
	There are not enough "environmental" investments to put my money into	8%	10%
	Mixing environmental concerns with investment decisions is a mistake for investors looking to maximize their returns	15%	21%
	"Environmental investing" is the latest fad -- not a profitable investment strategy	21%	25%

**16. Do you currently have a financial or investment advisor?**

	Yes	60%	63%
	No	40%	37%
	Total	100%	100%

**IF "YES" ON Q16:**

**17. When was the last time you spoke with your financial advisor?**

	Within the last week	-	24%
	Within the last month	-	31%
	Within the last 2-3 months	-	23%
	Within the last 4-6 months	-	9%
	Within the last year	-	8%
	More than a year ago	-	4%
	Don't know	-	1%
	Total		100%

**18. Still thinking about the most recent time that you spoke with your financial advisor, did your advisor recommend any of the following: Check all that apply. [RANDOMIZE]**

	Buying more stocks while they are "cheap."	-	21%
	Selling stocks to avoid further losses	-	8%
	Re-allocating your portfolio to reduce risk	-	35%
	Re-assessing your risk tolerance	-	22%
	Re-evaluating your target retirement date	-	8%
	Doing nothing	-	39%

**19. How knowledgeable would you say that your financial or investment advisor is about opportunities to invest in companies that are capitalizing on environmental issues?**

	Very knowledgeable	31%	36%
	Somewhat knowledgeable	42%	39%
	Not very knowledgeable	8%	4%
	Not at all knowledgeable	1%	2%
	Don't know	19%	19%
	Total	100%	100%

**20. Has a financial or investment advisor ever made investment recommendations to you based on the environmental opportunities and approaches of companies?**

	Yes	17%	15%
	No	83%	85%
	Total	100%	100%

**21. Did your financial or investment advisor present this investment to you as....**

	Socially responsible	11%	2%
	A great investment	19%	8%
	Both equally	55%	17%
	Neither	8%	50%
	Don't know	6%	23%
	Total	100%	100%

**22. How important is it to you for your financial or investment advisor to bring you more environment-related investment opportunities?**

	Very important	9%	8%
	Somewhat important	41%	31%
	Not too important	37%	37%
	Not at all important	12%	24%
	Total	100%	100%

**23. How important do you think it is for investors today to look at investments in companies that are capitalizing on addressing environmental problems?**

	Very important	20%	17%
	Somewhat important	53%	52%
	Not too important	21%	20%
	Not at all important	6%	11%
	Total	100%	100%



24. **Please indicate how much you agree or disagree with each of these statements.**  
**[RANDOMIZE]**

	Completely agree		Somewhat Agree		Somewhat disagree		Completely disagree	
	2007	2008	2007	2008	2007	2008	2007	2008
The reality is that an investor must sacrifice some return when they make "environmental investments".	9%	10%	50%	46%	32%	34%	9%	10%
I would need to consult a financial advisor to help me if I wanted to invest in environmental opportunities.	32%	28%	41%	40%	16%	19%	12%	13%
Finding investments in companies capitalizing on climate change and resource sustainability issues will be an important focus for me in the future.	9%	11%	45%	42%	34%	31%	12%	15%
Investing in environmental technology companies provides me with the opportunity to invest in fast-growing industries offering the potential for long-term capital growth.	11%	13%	60%	58%	24%	23%	4%	6%
Investing in environmentally-focused mutual funds or ETFs is a better way to invest in the environment than trying to pick individual companies.	14%	15%	58%	56%	23%	24%	5%	5%
When investing in environmental opportunities I would use the exact same selection criteria that I use for my other investments, such as the investment's performance potential and risk.	35%	38%	48%	49%	14%	10%	3%	3%
Like investing in tech stocks, environmental investing offers a substantial upside with increased potential for volatility.	16%	17%	63%	63%	18%	17%	4%	3%
We are likely to see more policies to promote business investment in new environmental technologies in the first year of the Obama Administration than we did under eight years of the Bush Administration.	-	31%	-	47%	-	17%	-	5%
The new Congress will be more supportive of policies to promote business investment in new environmental technologies than the old Congress.	-	22%	-	52%	-	20%	-	6%
Finding solutions to environmental problems will be a major issue for years to come.	-	54%	-	37%	-	7%	-	2%

I favor offering additional tax credits for companies and individuals that use solar and wind technologies.	-	37%	-	46%	-	11%	-	6%
Investing in environmental technology companies helps to solve environmental problems by attracting more capital to the sector.	-	17%	-	62%	-	17%	-	4%
I see a lot more environmentally-friendly products available when I shop today than there were a few years ago.	-	32%	-	54%	-	12%	-	2%
Even if gas prices come down, it will still be important for us to explore alternative fuel sources for the future.	-	73%	-	24%	-	2%	-	1%
For my next car purchase, I am strongly considering a hybrid vehicle.	-	20%	-	37%	-	26%	-	17%
Environmental technology has the potential to be the next great American industry.	-	27%	-	51%	-	16%	-	6%
If the Big 3 Automakers in Detroit had gone green 10 years ago, these companies would be in much better shape today.	-	37%	-	34%	-	17%	-	12%
(FOR THOSE WITH FINANCIAL ADVISORS) [IF "YES" ON Q16] Even though the market has been performing poorly, I'm still looking to my advisor to bring me interesting investing opportunities	-	28%	-	50%	-	17%	-	5%

Please indicate which of the following statements best describes your opinion.

**25. Most companies today focus on environmental issues because of the..**

	Financial value	22%	24%
	Public relations value	78%	76%
	Total	100%	100%

**26. When it comes to addressing environmental problems...**

	The United States is ahead of Europe	-	14%
	Europe is ahead of the United States	-	58%
	The United States and Europe are about equal	-	28%
	Total	-	100%

**27. When it comes to addressing environmental problems, generally speaking I am....**

	Optimistic about the future	-	39%
	Pessimistic about the future	-	13%
	Uncertain about the future	-	48%
	Total	-	100%

**28. The recent decline in stock prices has....**

	Made me more inclined to invest in environmental stocks	-	11%
	Made me less inclined to invest in environmental stocks	-	17%
	Had no impact on my inclination to invest in environmental stocks	-	72%
	Total	-	100%

**29. Investing in environmental opportunities makes my portfolio...**

	More volatile	73%	66%
	Less volatile	27%	34%
	Total	100%	100%

**30. Investing in companies well positioned to capitalize on environmental trends is first and foremost...**

	A good financial decision	36%	44%
	Socially responsible	64%	56%
	Total	100%	100%

**31. Which best describes your opinion:**

	I am already sick of hearing companies talking about "going green".	38%	43%
	I think it's great that companies are publicly making statements about "going green".	62%	57%
	Total	100%	100%

## INDUSTRIES AND PRODUCTS

**32. How would you rate each of the following as an investment opportunity right now, based on how these sectors are likely to be affected by environmental issues in the years to come? Please rate each as a major opportunity for investors, a minor opportunity, or not an opportunity.**

	Major Opportunity		Minor Opportunity		Not an Opportunity	
	2007	2008	2007	2008	2007	2008
Solar power	62%	62%	33%	33%	5%	5%
Nuclear power	42%	46%	39%	38%	19%	16%
Wind power	57%	65%	35%	30%	8%	5%
Biofuels	-	37%	-	49%	-	14%
Hybrid/clean motor vehicles	53%	50%	39%	43%	8%	7%
Fuel cells	-	44%	-	47%	-	10%
Recycling	-	43%	-	44%	-	13%
Water treatment	50%	39%	44%	47%	7%	14%
Water distribution	-	37%	-	48%	-	16%
Waste management	48%	40%	45%	48%	7%	11%
Ethanol	37%	-	46%	-	16%	-
Eco-tourism	17%	-	54%	-	29%	-
Bio-Degradable packaging	41%	-	49%	-	11%	-
Air pollution control	42%	-	48%	-	10%	-

**2007      2008**

**33. Among those sectors you designated as a "major opportunity," what is the single best opportunity?**

**[LIST ONLY AREAS SELECTED ABOVE AS A "MAJOR OPPORTUNITY"]**

	Solar power	18%	19%
	Nuclear power	16%	22%
	Wind power	13%	20%
	Biofuels	-	7%
	Hybrid/clean motor vehicles	17%	13%
	Fuel cells	-	7%
	Recycling	-	5%
	Water treatment	9%	2%
	Water distribution	-	3%
	Waste management	9%	2%
	Ethanol	8%	-
	Eco-tourism	1%	-
	Bio-Degradable packaging	4%	-
	Air pollution control	4%	-

## **Market Turmoil**

**2007      2008**

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**34. Due to turbulence in the financial markets of late, which, if any, of the following have you done? [RANDOMIZE]**

	You have spread some money across more financial institutions to reduce risk.	-	30%
	You have taken money out of the stock market and moved it into safer investments.	-	28%
	You have cut back on non-essential everyday expenses like eating out or entertainment.	-	61%
	You have postponed a major expenditure such as a car or vacation.	-	50%
	You moved some of your investments from stocks and bonds into cash.	-	28%

## **ABOUT YOU**

**35. I have just a few more questions for classification purposes only.**

### **Gender**

	Male	63%	63%
	Female	37%	37%
	Total	100%	100%

**36. What is your age?**

	Under 30	1%	1%
	30 – 39	7%	7%
	40 – 49	15%	14%
	50 – 59	38%	39%
	60 – 64	15%	14%
	65 +	24%	25%
	Total	100%	100%

**37. How many children do you have living at home who are 18 years or younger? Enter "0" for "none".**

	0	82%	81%
	1	8%	9%
	2	7%	5%
	3	2%	3%
	4	1%	1%
	5	0%	*
	9	0%	*
	Total	100%	100%

**38. What is the highest level of education, or grade in school, that you completed?**

	Less than high school graduate (0-11th grade)	0%	*
	High school graduate (12th grade)	9%	9%
	Some college (1-3 years)	23%	23%
	Trade/technical/vocational training	5%	6%
	College graduate (4 Years)	34%	32%
	Postgraduate work/postgraduate degree (5+ years)	29%	31%
	Total	100%	100%

**39. 42. Please indicate your approximate TOTAL HOUSEHOLD income per year before taxes. Please include all income for yourself and all other persons living in your household from all sources. For example: wages, bonuses, commissions, dividends and interest, investment income, etc.**

	Under \$75,000	26%	26%
	\$75,000 - \$99,999	26%	26%
	\$100,000 – \$149,999	32%	32%
	\$150,000 - \$199,999	8%	7%
	\$200,000 - \$249,999	2%	2%
	\$250,000 - \$499,999	2%	4%
	\$500,000 – \$999,999	1%	1%
	\$1 million or more	1%	1%
	Prefer not to say	2%	2%
	Total	100%	100%

**40. Please indicate which of the following categories best describes the total value of your household's investments, including stocks, bonds, mutual funds, savings, and investment real estate.**

	Under \$100,000	4%	3%
	\$100,000-249,999	39%	40%
	\$250,000-499,999	26%	26%
	\$500,000 or more	31%	31%
	Total	100%	100%