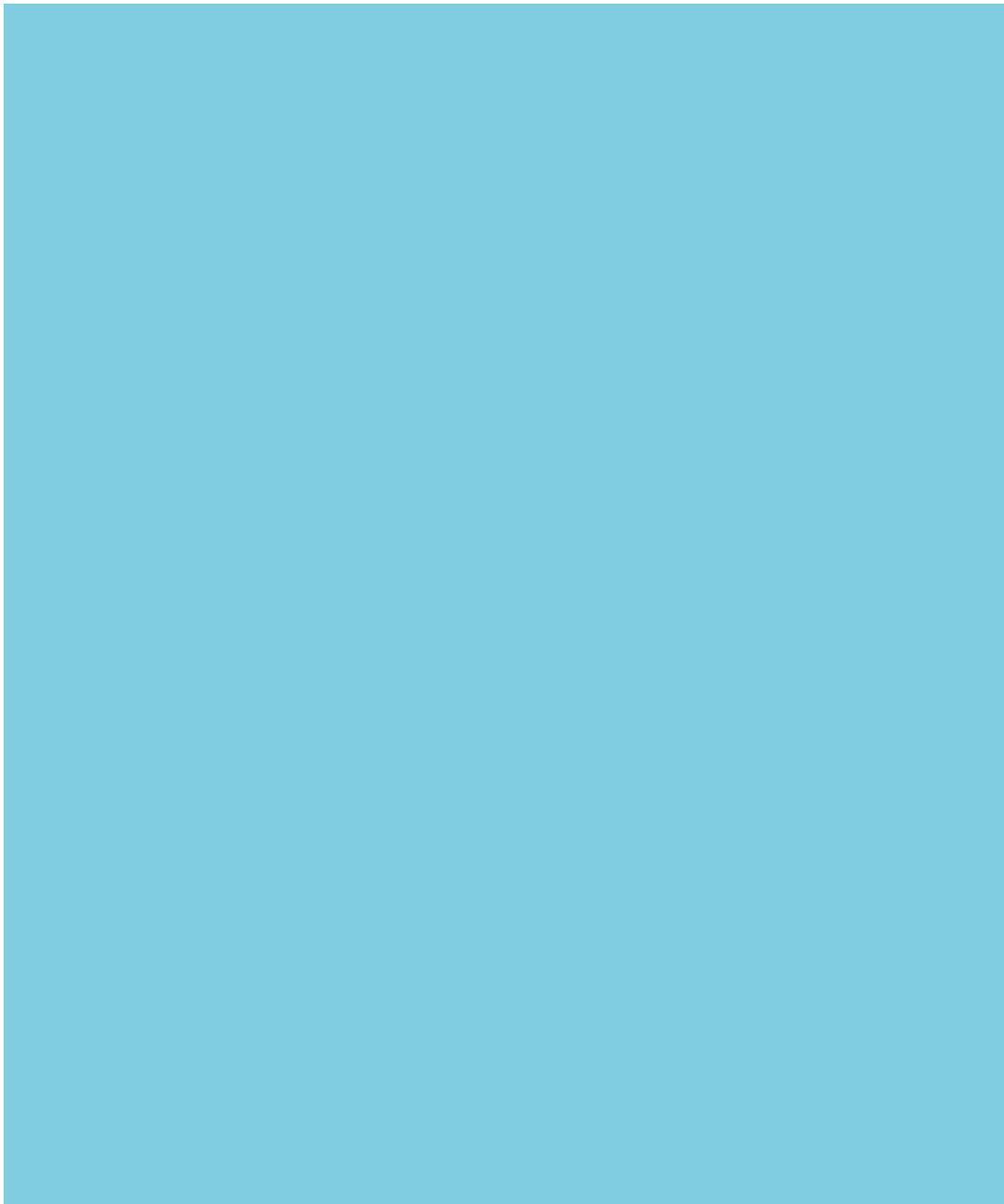
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Sustainable investing in Switzerland:
dissemination, understanding and relevance of costs and returns

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A study by Lucerne University of Applied Sciences and Arts in collaboration with PostFinance

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Management Summary

The Swiss investment market continues to grow. In recent years, however, this has mainly been due to the expansion of existing securities portfolios. While the share of investors has been around 50% for years, 53% of all investors have bought more securities than they have sold in the past two years. Only 6% have reduced their holdings. The gender gap remains. 60% of men own securities, compared with 42% of women. Of those who do not currently invest, 14% plan to within the next two years. Extrapolated, this corresponds to around 500'000 people.

Sustainable investing is widespread in the Swiss investment business. In 2026, 65% of all investors said that they invest sustainably, at least in part; in 2024, it was only 37%. However, this information is based on self-disclosures and has not been assessed on the basis of securities custody accounts.

If investors are asked about their interest in sustainable investing, 41% express an interest. As part of self-regulation since 2024–25, financial service providers have had to record this ESG preference for all investment advisory and asset management clients. Among investors with an ESG preference, the proportion of sustainable investors increased from 51% to 77% between 2024 and 2026. The systematic survey of interest in sustainable investing by financial service providers could have contributed to this strong increase.

The widespread take-up of sustainable investments stands in contrast to a lack of understanding: only 18% of those surveyed said they had a good understanding of banks' definitions of sustainability. Even among people who say they are consciously investing sustainably, the figure is only 31%. Terms such as ESG (environmental, social and governance) and SDGs (UN Sustainable Development Goals) are also still poorly understood.

Expectations of sustainability, on the other hand, are clearer: four out of five respondents associate it with a measurable positive impact on the environment or society in an economic context. For banks, this means making a clear distinction between taking sustainability risks into account and striving for a positive impact, and specifying the objectives of their products.

A conjoint analysis examined the relative importance of expected returns, costs, sustainability characteristics and providers for product selection. It showed that the expected return on investment remains key. However, the sustainability of investments is just as important as the costs. Even taking sustainability-related financial risks into account when investing significantly increases the attractiveness of an investment offering. The provider also plays an important role when it comes to individual product selection, particularly for older people.

Overall, the respondents show a high willingness to forego returns or pay higher fees for sustainable investments. For example, if a conventional investment product has a total expense ratio of 0.3%, a sustainable product can cost up to 1% without being chosen less frequently. The same applies to returns. Those surveyed accept a return up to 1.3 percentage points lower for sustainable investments. Only if there is a higher yield differential do the respondents on average opt for a conventional product in a simulated product selection.

One reason for this high willingness to accept financial losses could be the expectations of those surveyed. 36% think sustainable investments are associated with higher costs than conventional investments, while 43% assume that returns on sustainable investments will be lower. However, this is not necessarily the case. The research did not find any direct adverse effect on returns, nor did it clearly point to any potentially higher costs of sustainable investments. Banks must therefore present costs and return expectations transparently and explain the sustainability orientation of their products in a way that is easy to understand.

This study was prepared by the Lucerne University of Applied Sciences and Arts in conjunction with PostFinance. The figures are based on a representative population survey of 2'004 people living in Switzerland.

1 Introduction

The share of investors in Switzerland has remained largely stable over the past four years. However, there were significant shifts within the securities portfolios: sustainable investing has become much more important. Greater awareness of environmental and social issues, a broader product range and greater consideration of sustainability in investment advice and asset management are likely to have contributed to this. The further development of regulation and self-regulation by industry associations has also supported this change.

In Switzerland, the guidelines of the Swiss Bankers Association (SBA) and the Asset Management Association Switzerland (AMAS) form the key industry standards.[1] Based on self-regulation, financial service providers have been required to record the ESG preferences of new clients since 2024 and existing ones since 2025 in their investment advice and asset management and align them with the characteristics of the investment solutions offered.[2] The starting point for the dissemination of sustainable investment products has changed significantly as a result of the change in the legal framework, as a significant proportion of all investors have had to be actively exposed to the issue of sustainable investing by financial service providers since 2024.[3]

In addition to the general legal conditions, the range of sustainable investments has also changed significantly. For example, the volume of sustainable mutual funds in Switzerland grew from CHF 316 billion in 2020 to 1'363 billion in 2026. 1'900 sustainable mutual funds were available in Switzerland in 2026. This corresponds to 19% of all mutual funds in Switzerland. The proportion is even higher in the case of the own fund offerings of Swiss retail banks. A study of 26 retail banks shows that 48% of these funds are positioned as sustainable.[4]

As a result, the market for sustainable investments has developed strongly in terms of both general conditions and offerings. This study now turns its attention to the clients of financial service providers. How important is sustainable investing to the people of Switzerland? Who invests sustainably and who does not?

Given the complexity of the issue from a client's point of view, this also raises the question of what the population understands by sustainable investing and how familiar they are with concepts such as ESG and reference frameworks such as the SDGs. Finally, this study addresses the importance of sustainability characteristics compared with costs and returns, as well as the role played by the provider of a product.

Specifically, the study examines the following questions:

- How many people in Switzerland invest in securities and how has their investment behaviour changed in recent years?
- Which banks do the people of Switzerland invest their assets with?
- How important to respondents is the sustainability of their investments?
- How well do investors understand what banks mean by sustainable investing?
- How widespread are sustainable investments and how do they relate to the ESG preferences expressed?

[1] Swiss Bankers Association (2025). Guidelines for the financial service providers on the integration of ESG-preferences and ESG-risks and the prevention of greenwashing in investment advice and portfolio management. Asset Management Association Switzerland (2025). Self-regulation on transparency and disclosure for sustainability-related collective assets from 29 April 2024 – (Version 2.2).

[2] ESG stands for environmental, social and governance criteria.

[3] This study refers to the generally used term "sustainable investing". Unless explicitly differentiated, this covers all forms of sustainable and ESG-compliant investments. This contrasts with the definitions of sustainable and ESG-compliant investing, where sustainable investment solutions are part of the broader ESG investment solutions. See the discussion of the definitions of terms in Section 3.1.

[4] Stüttgen, M. & Mattmann, B. (2025). Sustainable Investments Study 2025.

– How important are returns, costs and sustainability in investment decisions?

– To what extent are investors prepared to accept higher costs or lower returns for sustainable investments and what do they expect from such investments?

The results are based on a representative population survey of 2'004 people resident in Switzerland (see box on methodology and sample).

The study is divided into three parts. Section 2 first examines the investment behaviour of the Swiss population. The focus is on the share of investors and the most important investment banks. Section 3 highlights the importance of sustainability in investment decisions. Among the things examined are ESG preferences and their impact on bank selection, as well as the understanding and use of sustainable investments. Finally, Section 4 analyses the importance of returns, costs and sustainability in investment decisions and whether investors are prepared to accept financial disadvantages for sustainable investments.

Method and sample

The study is based on a survey of a total of 2'004 people aged 18 to 79 living in Switzerland. The survey was conducted online from 2–14 July 2026. In terms of age, gender and language region, the sample is representative of the population in these age groups living in Switzerland. The survey was quota-controlled, with Italian-speaking Switzerland being over-represented in order to ensure minimum sizes for the individual subgroups. All evaluations were weighted according to the population distribution. Four groups were presented, based on age:

- **Generation Z (Gen Z)**
  (born 1997–2008 / 18–29 years old)

According to common definitions, Gen Z generally covers those born between 1997 and 2012. As only adults were interviewed in this study, it only covers those born between 1997 and 2008.

- **Generation Y (Gen Y/Millennials)**
  (born 1982–1996 / 30–45 years old)
- **Generation X (Gen X)**
  (born 1967–1980 / 46–61 years old)
- **Baby boomers**
  (born 1946–1964 / 62–79 years old)

Table 1 shows the descriptive statistics of the weighted sample. The distribution between men and women in the survey is almost even. 24% of respondents are in the baby boomer age category, while 29% are part of Gen X, 30% Gen Y and 18% Gen Z.

		All (n=2'004)	Securities Non-investors (n=1'027)	Investors (n=977)
Gender	Men	50%	41%	59%
	Women	50%	59%	41%
Age category	Generation Z	18%	22%	13%
	Generation Y	30%	30%	30%
	Generation X	29%	30%	28%
	Baby Boomers	24%	18%	29%
Language region	D-CH	71%	63%	79%
	F-CH	25%	31%	18%
	I-CH	4%	5%	3%
Education	No university degree	47%	56%	38%
	University degree	53%	44%	62%
Assets	<50'000	25%	36%	15%
	50'000–250'000	29%	24%	33%
	>250'000	15%	6%	23%
	Don't know / No answer	31%	34%	29%
Income	<6'000	24%	31%	17%
	6'000–9'000	22%	22%	22%
	>9'000	34%	25%	43%
	Don't know / No answer	21%	22%	19%
Settlement type	Country	35%	36%	34%
	Town/City	65%	64%	66%
Main bank	UBS	17%	14%	20%
	Cantonal banks	27%	27%	27%
	Raiffeisen	26%	28%	24%
	PostFinance	16%	18%	13%
	Other	15%	12%	17%

Table 1: Composition of the sample according to selected characteristics

2 Investing in Switzerland

Before the study looks at sustainable investing, this section first considers general investment behaviour in Switzerland. It shows who invests in securities in Switzerland and how the share of investors has developed in recent years. It also shows how willing people who have not yet invested are to invest.

2.1 Share of investors in the population stable for years

The proportion of people who hold part of their freely disposable assets in securities has remained stable in Switzerland in recent years at around 50 %. Figure 1 shows the results of corresponding surveys from 2022, 2024, 2025 and 2026. The data is based on surveys conducted by the market research institutes Demoscope (2022) and intervista (2024–26). The proportions differ between the surveys by a maximum of 3 percentage points. No clear trend can be discerned from this.

Differences in financial market participation between women and men have also remained stable over the past four years. The proportion of women holding securities was 42% in 2026. Among men, the corresponding proportion was 59%. Although banks and other financial service providers have increasingly tried to attract women as investors in recent years, no major changes have been observed to date in the proportion of female investors.

As the surveys conducted in 2022, 2024 and 2025 showed, women still invest much less frequently than men. This difference is consistently evident across different subgroups, for example based on generations, risk appetite or level of education. In recent years, the difference between the proportion of female investors and that of male investors has remained largely stable at around 10–20 percentage points in most subgroups. Women only caught up among people from Generations Y and X with a university degree. For Millennial women with a university degree, the gender gap has

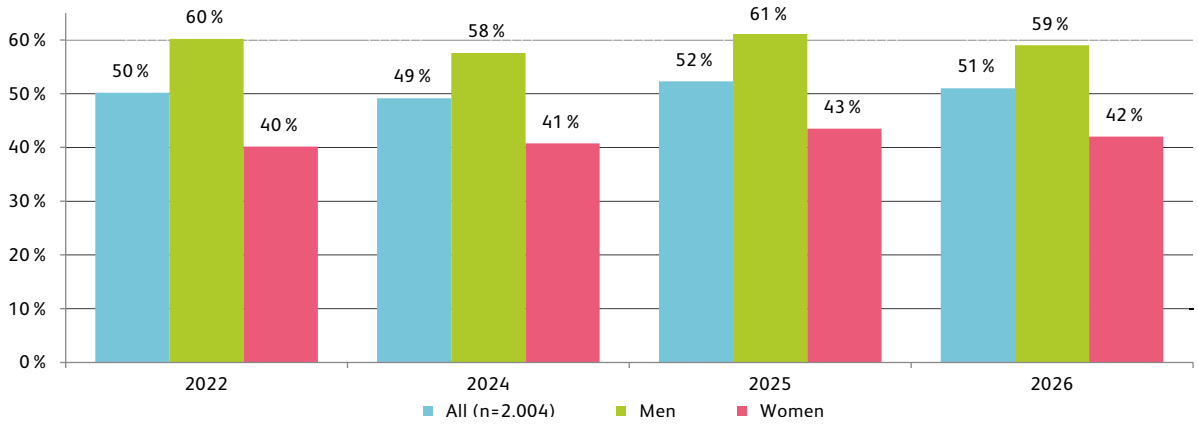


Figure 1: Share of investors in the Swiss population, 2022–26[5]

[5] For older surveys, see: Dietrich, A., Amrein, S. & Rey, R. (2022). Anlegen – warum (nicht)?, in Dietrich, A., Amrein, S., Lengwiler, C. & Passardi, M. (eds.), IFZ Retail Banking Study 2022, Rotkreuz, IFZ. Dietrich, A., Amrein, S. & Rey, R. (2024). Wie wichtig ist nachhaltiges Anlegen für Privatpersonen – und weshalb legen diese nachhaltig an?, in Dietrich, A., Amrein, S., Lengwiler, C. & Passardi, M. (eds.), IFZ Retail Banking Study 2024, Rotkreuz, IFZ. Amrein, S., Rey, R., Dietrich, A. and Steinberger, A. (2025). Anlegen und Vorsorgen in der Schweiz.

fallen from 26 percentage points to 13 since 2022. The gender gap among Gen X fell from 27 percentage points to 19 between 2022 and 2026. This means that the differences between women and men remain substantial, even for people with a university degree.

While the proportion of female investors in Switzerland has remained largely stable in the last few years, studies from Germany point to an increase in the participation of women in the equity market. According to the Deutsches Aktieninstitut (2025), for example, the proportion of women with equities, equity funds or ETFs increased from 11.9% to 15.1% between 2021 and 2025.[6] However, the results only have limited comparability with the data that is available. While this study takes into account securities investments overall, the Deutsches Aktieninstitut solely records investments in equities, equity funds and ETFs. Nevertheless, the German results indicate that younger women in particular are increasingly participating in the capital market.

Figure 2 shows what proportion of respondents hold securities as freely disposable assets in 2026 and what proportion is invested (exclusively) via securities in pillar 3a. In addition to the differences between the genders, there are also clear trends in terms of age, language region, level of education, and wealth and income situation.

As people get older, people in Switzerland invest in securities more often. While 62% of baby boomers hold investments in securities (excluding pillar 3a), this proportion is more than 20 percentage points lower for Gen Z. There are also significant differences between the language regions: people from German-speaking Switzerland invest more often than those living in French and Italian-speaking Switzerland.

Moreover, wealthier people and those with higher incomes invest much more often. 79% of all those surveyed with assets of more than CHF 250'000 invest in securities. Of those with assets of CHF 50'000 or less, only 30% invest.

Among people with a university degree, the proportion of investors is 59%, compared with 41% among those without. As Figure 2 shows, people with better financial knowledge[7] and a higher risk appetite[8] also invest more often in the financial markets than those with less financial knowledge and a more risk-averse approach.

[6] Deutsches Aktieninstitut (2026). *Aktienanlage im Aufwind. Rückenwind für mutige Reformen. Aktionärszahlen 2025*, Frankfurt am Main, Deutsches Aktieninstitut. Online (3.9.26): https://www.dai.de/detail/aktionaerszahlen-2025-aktienanlage-im-aufwind

[7] Financial knowledge was assessed with four questions: 1) Assume you have CHF 100 in your savings account. This balance earns interest at 2% per year and you leave it in the account for five years. How much credit does your savings account have after five years (excluding fees)? a) Less than CHF 102.00, b) Exactly CHF 102.00, c) CHF 102 to CHF 109.99, d) Exactly CHF 110.00, e) CHF 110.00 to CHF 120.00, f) More than CHF 120.00, g) Don't know, h) No answer. 2) Assume that the interest rate on your savings account is 1% per year and the inflation rate 2% per year. In your opinion, will you be able to buy as much as, more or less than today with your savings account balance in one year? a) More, b) Same amount, c) Less, d) Don't know, e) No answer. 3) Which statement is correct? Investing in the shares of an individual company is generally… a) …riskier than investing in an equity fund. b)…just as risky as investing in an equity fund. c)…not as risky as investing in an equity fund. d) Don't know. e) No answer. 4) What do you think: How high was the average annual return on the Swiss equity market over the past 25 years? (average per year in per cent, incl. dividends). The charts divide financial knowledge into "low" (0–1 correct answers out of 4), "medium" (2–3 correct) and "high" (all 4 correct).

[8] Risk appetite was measured with the question "What risk would you take with your financial assets on a scale of 1 (no risk) to 6 (high risk)?". The charts divide risk appetite into "low/medium" (1–4 out of 6) and "high" (5–6 out of 6).

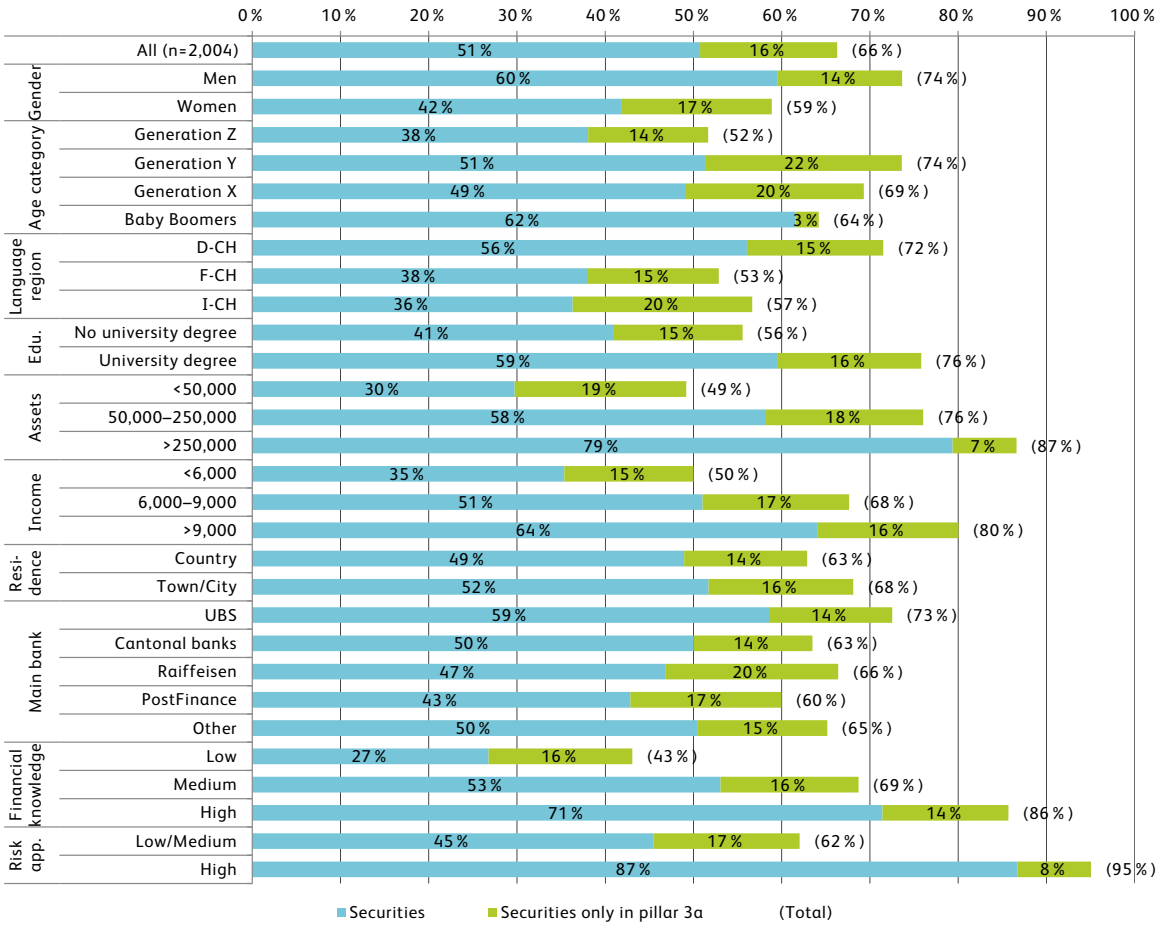


Figure 2: Share of people with securities

2.2 Investors are expanding their securities portfolios

In addition to the share of investors, it is also of interest to see how their securities portfolios have changed over the past two years. Figure 3 shows that many investors have expanded their investments over the past two years. 53% of those surveyed bought "significantly more" or "more" securities than they sold. For 41%, the securities portfolio remained more or less the same, with half carrying out no transactions at all. A mere 6% sold more securities than they bought, thereby reducing their securities portfolio. Although it is more likely that wealth will be consumed with age, the proportion of "net sellers" among the baby boomers is also 6%. Among people aged 70 or older, the proportion of "net sellers" increases to 12%. However, the proportion of people expanding their securities portfolio is significantly lower among older people than younger people. For the baby boomers, the figure for "net buyers" is 37%, and for Gen Z 69%.

20% of all investors have not executed any transactions in the last two years. A regression model was also used to investigate which factors explain buy-and-hold behaviour (no transactions). It shows that investment behaviour is significantly linked to the language region (more buy-and-hold in French and Italian-speaking Switzerland than in German-speaking Switzerland), a lower level of financial knowledge and a greater fear of losses when investing.

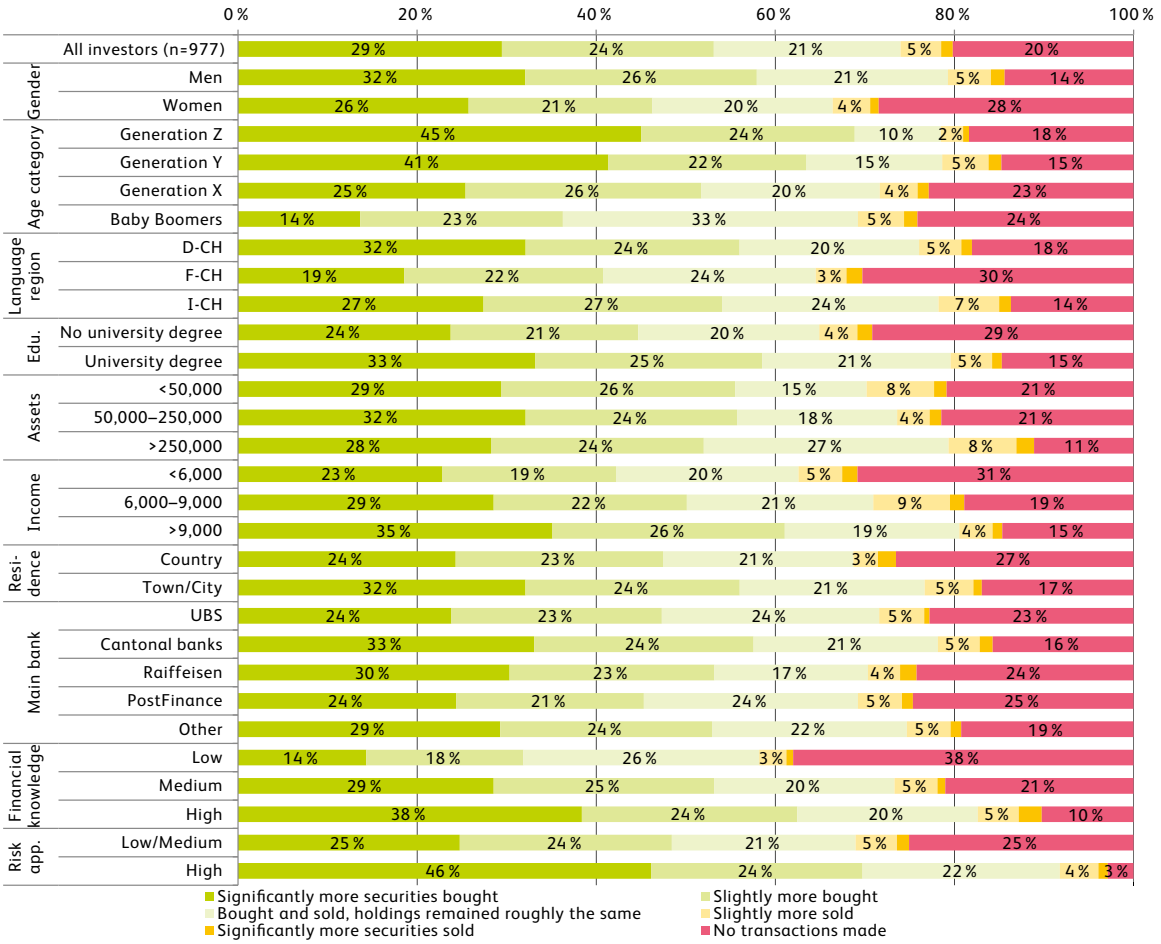


Figure 3: Investment behaviour of investors over the past two years

2.3 Many non-investors have no plans to start investing in the future

Most current non-investors do not plan to enter the securities market in the next two years either (see Figure 4). 63% of non-investors say that they will not make any investments, such as in equities or funds, during this period. 23% are still undecided whether they want to invest or not. 14% of current non-investors plan to invest in securities in the next two years. At first glance, this proportion appears low. However, extrapolated to the Swiss population aged between 18 and 79, this corresponds to around half a million people who would like to enter the securities market in the next two years. This is a remarkable figure and illustrates the significant potential of this target group for banks and other financial service providers.

Those who plan to enter the securities market in the future tend to be young and male. In the case of Gen Z, 24% can envisage investing in the next two years. Willingness to invest decreases significantly with age. For Millennials, the figure is 17%, for Gen X 10% and for Baby Boomers 8%.

There are also clear differences between the genders. While 22% of men think it likely that they will enter the financial market, the figure for women is only around 10%. In addition, the willingness is higher for people with assets between CHF 50’000 and CHF 250’000

than for those with assets of less than CHF 50'000. The results thus show that the greatest potential for attracting new investors lies in younger men who have some money to spare.

The reasons people do not invest are multifaceted. A key hurdle is a lack of financial resources. 54% of non-investors agreed with the statement "My assets are too small to invest in the financial market". A multivariate regression model shows that the probability of investing in the next two years decreases by 11 percentage points if this perception of "not enough money" is strong.

In addition to the financial prerequisites, fear of losses and interest in financial topics also play an important role. A high risk appetite increases the probability of investing in securities by 30 percentage points. However, the majority of non-investors are risk-averse. The situation is similar with regard to interest in financial matters: if interest in financial markets is high, the probability of investing increases by 20 percentage points. However, there is a widespread lack of interest in financial markets. 65% of non-investors say they have little or no interest in financial markets. Previous studies also show that perception effects (such as the idea that investing is complex and time-consuming) also significantly reduce the probability of investing in securities.[9]

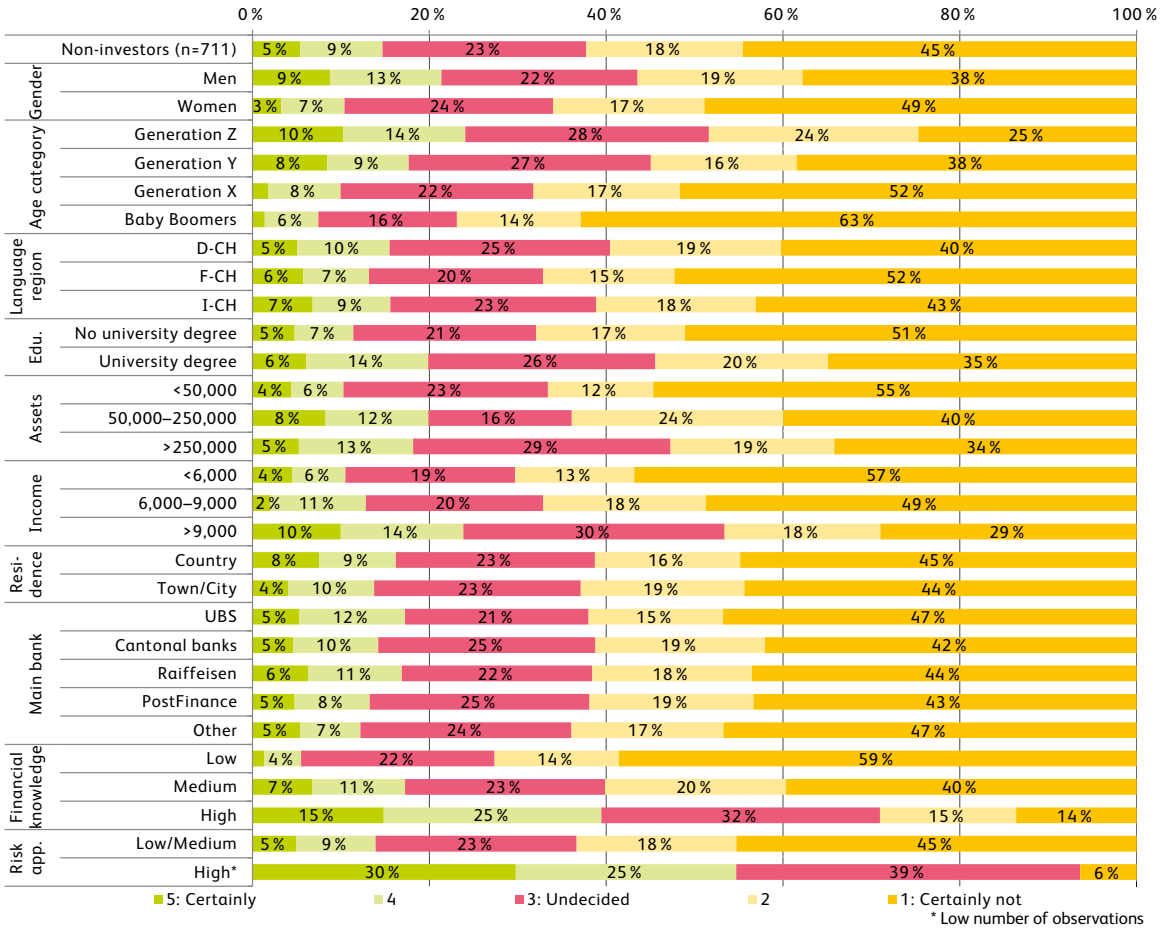


Figure 4: Probability of investing in securities in the next two years

[9] Amrein, Rey, Dietrich & Steinberger (2025). p. 16.

2.4 Cantonal and Raiffeisen banks are the most popular investment banks

Figure 5 shows how often a bank (or group of banks) is selected as the main bank for investments (main investment bank). The chart shows the ten banks with the highest market shares. You can see in brackets how often these banks are used as the main bank, i.e. for account management and payment transactions.

Investors use cantonal banks the most for their investments. 21% of those surveyed named a cantonal bank as their main investment bank. 19% use the Raiffeisen banks as their main investment bank and 17% UBS. This is followed by PostFinance with 10%. Swissquote and banks from the group of regional banks and savings banks are each used by 5% of those surveyed as the most important investment bank. VZ Depotbank is cited as the main investment bank by 4% of those surveyed.

A further 4% use the smartphone bank Yuh as their most important investment platform. Yuh was founded jointly by PostFinance and Swissquote in 2021 and fully acquired by Swissquote in 2025. This means that, taken together, Swissquote and Yuh account for 9% of the mentions. Swissquote has therefore built up a relevant position in the Swiss investment business – both directly and via Yuh.

Whether the main bank is also used as an investment bank differs significantly depending on the type of bank. Overall, 70% of investors actually invest with their main bank. The share is highest at Raiffeisen (89%), UBS (86%) and cantonal banks (84%). It is also high at PostFinance (79%).

However, the share is significantly lower for regional banks and savings banks (51%) and private banks (43%). Neobanks and online brokers are much less important as main banks (not shown aggregated in Figure 5). 21% of investors surveyed say that a neobank is their main bank. The share among online brokers is 13%. This pattern is understandable. For universal banks such as UBS, Raiffeisen and cantonal banks, the investment business has historically been closely linked to the main banking relationship. On the other hand, brokers and, in some cases, neobanks are specifically selected for securities trading without there simultaneously being a comprehensive main banking relationship (including payment transactions).

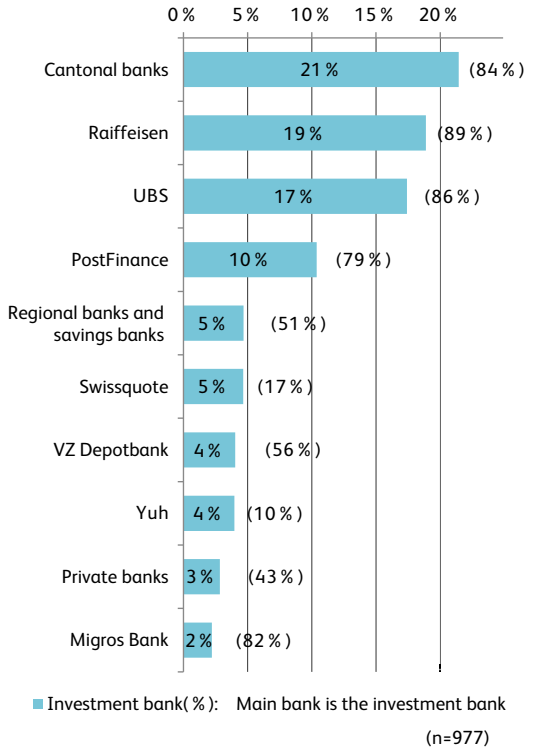


Figure 5: Main investment bank (bank they invest through) of investors in Switzerland (proportion of people who use this bank as their main bank is shown in brackets)

3 Sustainability in investments

Having looked at fundamental questions about investment behaviour in the previous section, we now turn our attention to the role of sustainability in investment decisions.

In Switzerland, the specific requirements for integrating ESG preferences into investment advice are not enshrined in laws or ordinances, but rather in the self-regulatory guidelines of the SBA and AMAS. Financial service providers in Switzerland must record and take account of their clients' ESG preferences when managing their assets and providing investment advice, keeping in mind their clients' portfolios. The corresponding requirements had to be implemented by early 2024 for new client relationships and early 2025 for existing ones.[10]

Execution-only relationships whereby the bank only executes or transmits orders initiated by the client themselves without advice, as well as transaction-related investment advice without taking account of the overall portfolio, do not fall within the scope of the guidelines. Institutional clients are also fully excluded from the guidelines. Professional clients are generally included, but may waive certain information, documentation and accountability obligations. The extended version of the guidelines, which came into force in September 2024, also specifies the conditions under which an investment solution can be described as sustainable and strengthens the prevention of greenwashing.[11]

3.1 Definition of ESG-compliant and sustainable investments

The SBA guidelines make a clear distinction between ESG investment solutions and sustainable investment solutions. The definition of investments with sustainable investment objectives is based on the position of the Federal Council from 2022.[12] Sustainable investment solutions are a subset of broader ESG investment solutions. While an ESG investment solution takes ESG criteria into account, an investment solution designated as sustainable must pursue at least one of the following sustainability goals in addition to the financial objectives:

– Compatibility, including transition, with one or more specific sustainability goals or

– contribution to one or more specific sustainability goals.[13]

It must be possible to set these sustainability goals based on a clearly defined reference framework and to measure and monitor them using specific indicators. Possible reference frameworks include criteria from governmental or non-governmental bodies, recognised industry practices or criteria developed by the financial service provider itself. The mere consideration of ESG criteria – for example exclusively for the optimisation of the financial risk/return profile – is therefore not sufficient to describe an investment solution as sustainable.

The narrower definition of the term and the stricter requirements to prevent greenwashing restrict the use of the term "sustainable investment solution". Financial service providers may only use this term if the relevant requirements are met. In practice, banks use different terminology in the context of ESG-compliant and sustainable investments, for example terms like "responsible", "sustainable" or "impact investing".

A clear distinction between ESG-compliant investment solutions and sustainable investment solutions is important in order to prevent greenwashing. At the same time, nuanced terminology can increase complexity for

[10] SBA (2025). AMAS (2025).

[11] SBA (2025).

[12] Federal Council (2022). The Federal Council's position on the prevention of greenwashing in the financial sector, p. 3.

[13] SBA (2025). Art. 8.

clients, making clear communication from financial service providers even more important. The SBA guidelines also define the term "ESG preferences". These are clients' ideas as to whether ESG characteristics should be integrated into their investment solutions and, if so, which characteristics. The guidelines do not specify any specific questions for eliciting ESG preferences. However, financial service providers must determine and document whether there are any ESG preferences and, if so, what they are. They must then check whether these correspond to the ESG characteristics of the investment solution offered. If a recommended investment solution deviates from the preferences expressed, this must be clearly communicated to the client and documented accordingly. The specific structure of the survey can range from a simple binary question to a differentiated classification into several ESG profiles.

A study conducted by the Lucerne University of Applied Sciences and Arts of 89 Swiss banks engaged in asset management shows that the survey is mostly kept simple in practice. Of the 85 banks that provided information on the survey method, 58% use one or two individual questions. 26% use three or more questions, while 16% ask their clients directly to select an ESG profile.[14] Both this study and previous studies conducted by the Lucerne University of Applied Sciences and Arts of bank clients in Switzerland use one question to determine their ESG preferences (see Section 3.2).

There may be some tension between the definitions of ESG and sustainability at the level of self-regulation and the public's knowledge of the definitions. It cannot be assumed that the wider population are aware of the relevant definitions. This study takes this into account with a two-step approach. As a first step, ESG preferences and knowledge about sustainable investing were surveyed. The term "sustainable investing" was deliberately not defined in more detail in order to capture the respondents' intuitive understanding (see Section 3). There was also a conscious decision not to differentiate between ESG-compliant and sustainable investments.

In a second step, a conjoint analysis was used to investigate the significance of an investment's sustainability or ESG compliance in relation to the total costs, expected return and product provider (see Section 4). To ensure that this comparison is based on a common understanding, respondents were presented with specific definitions of the various sustainability options prior to the respective selection tasks.

3.2 ESG preference: sustainable investing is important for 42% of respondents

This and previous studies by the Institute of Financial Services Zug IFZ surveyed ESG preferences on the basis of agreement with the statement "Sustainable investing is important to me". Respondents rated this statement on a scale of 1 to 5 (1 = "strongly disagree", 5 = "strongly agree"). They did not receive any further explanations or definitions of the term "sustainability" at the time of the survey.

Figure 6 shows the respondents' ESG preferences. Sustainable investing is important to 42% of those surveyed. They rated the statement 4 ("agree") or 5 ("strongly agree"). 30% say that sustainability is not important to them. They selected answer 1 ("strongly disagree") or 2 ("somewhat disagree"). 29% of respondents are neutral about the topic.

In total, the values of ESG preferences have been surveyed four times in the last five years. This resulted in values between 42% and 54%. As two different market research companies were used for the surveys, caution should be exercised when interpreting them. Overall, ESG preferences have been stable in recent years. The ESG preference declined slightly in 2026 and is roughly at the same level as in 2024.

An analysis of banking relationships reveals that Raiffeisen clients have the highest ESG preference (45%). On average, clients of cantonal banks and PostFinance have an ESG preference of 41% and those of UBS 40%.

[14] Mattmann, B., Stüttgen, M., Agnesens, T. (2026): How banks in Switzerland implement ESG guidelines in portfolio management, Lucerne School of Business, Survey: Q4 2025, p. 16, online (14.8.26): https://www.swissbanking.ch/en/topics/sustainable-finance/self-regulation-on-sustainable-finance

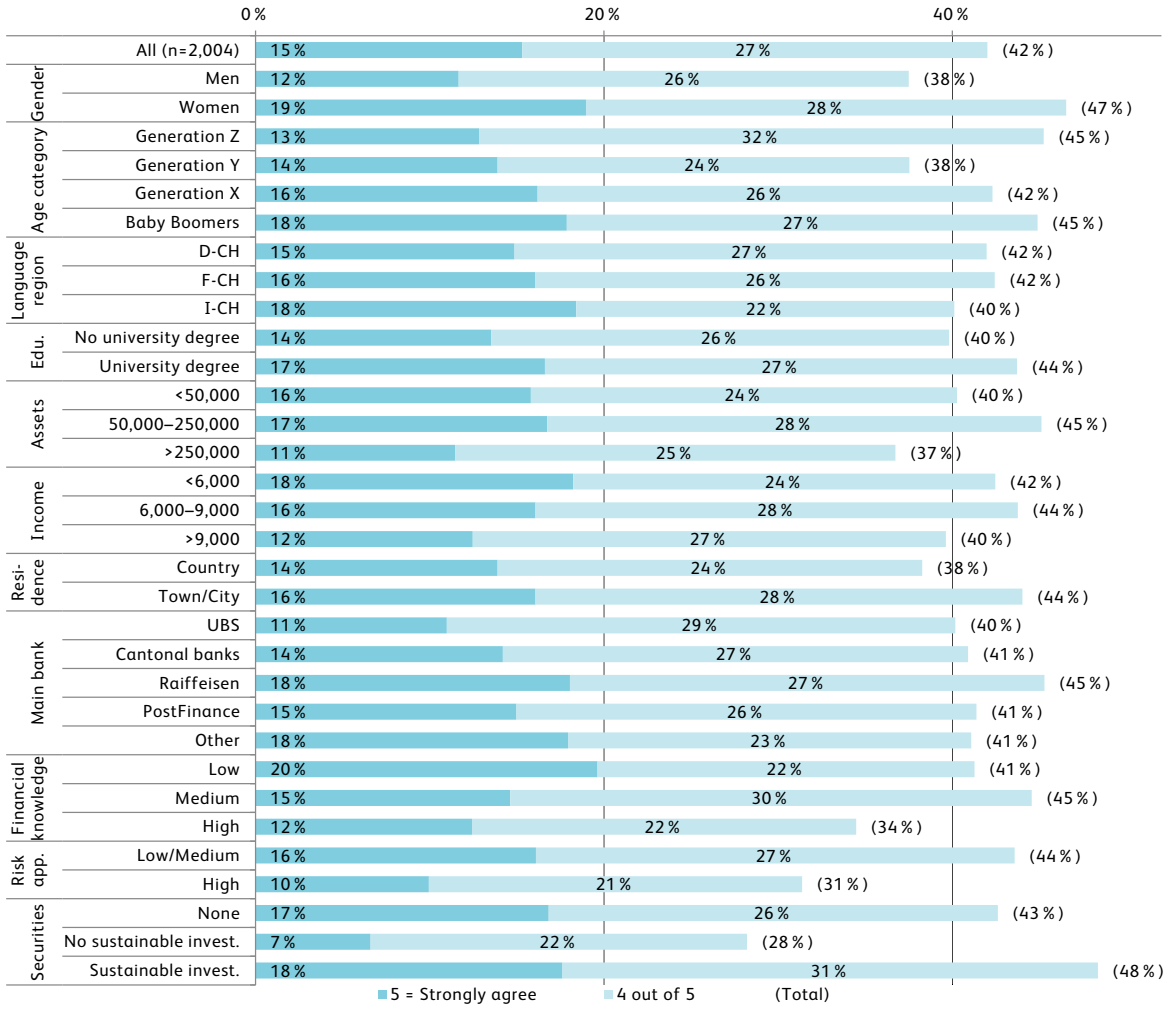


Figure 6: ESG preferences according to different characteristics (agreement with answers 4 and 5 on the statement: "Sustainable investing is important to me")

A multivariate regression analysis was used to assess which factors can explain the ESG preference. Interestingly, gender is the strongest and most robust factor influencing ESG preference. Women have a significantly higher preference for sustainable investing, both among investors and across all participants. The gender "woman" increases the ESG preference by 7.7 percentage points (all respondents) and 8.9 percentage points (investors only). This impact is statistically highly significant.

At the same time, the explanatory power of the model is low overall: the R^2 is only around 6%. This means that the individual differences in ESG preference can only be explained to a very limited extent by the classic socio-demographic and financial characteristics. A study in 2024 showed that values (such as attitudes towards sustainability), subjective norms (attitudes of the environment) and behavioural control (such as the belief that sustainable behaviour can make a difference) in particular significantly increase ESG preference and can explain the variance to a major extent.[15]

[15] Dietrich, A., Amrein, S. & Rey, R. (2024). p. 58.

3.3 Majority do not understand how banks define "sustainable investing"

Clients find it difficult to comprehend the distinction between ESG, SDGs or sustainability in accordance with the SBA guidelines and the practical implementation of these requirements by banks (see Section 3.1). People were therefore asked whether they understood how banks define sustainable investments (see Figure 7).

Only 18% agree somewhat or completely with the statement "I have a good understanding of how banks define sustainable investments", while 56% say that this statement only applies to them to some extent or does not apply to them at all. That means more than half of people say they do not understand what banks mean by sustainable investments.

Even among those who knowingly invest sustainably, the definition of sustainable investments is relatively unknown. 31% agree with the corresponding statement.

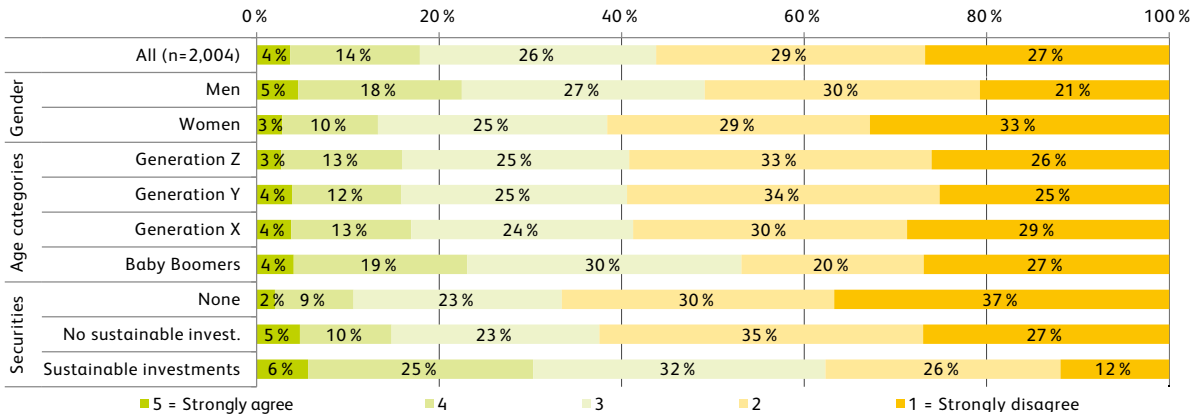


Figure 7: Agreement with the statement "I have a good understanding of how banks define sustainable investments."

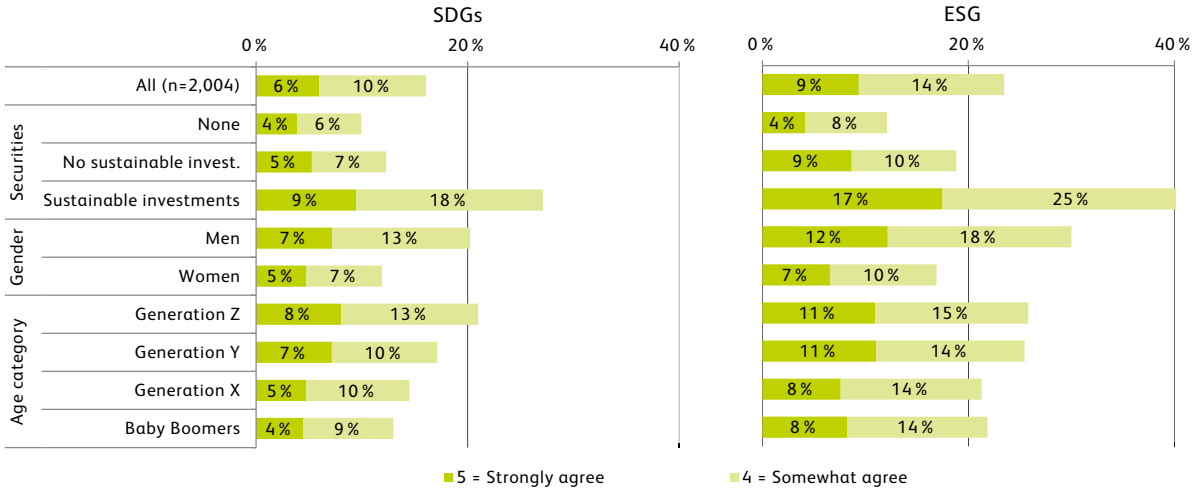


Figure 8: Agreement with the statement "I am familiar with the concept of ESG/SDGs in the context of sustainable investments."

The 17 Sustainable Development Goals (SDGs) of the United Nations form a reference framework for classifying sustainability. However, Swiss banks use the term ESG much more often than SDGs in investment practice and client communication. Regardless of how widespread they are in investment practice, clients are relatively unaware of both the ESG concept and the SDG reference framework. Figure 8 shows that just under a quarter of those surveyed (23%, scale values 4 and 5) are familiar with the ESG concept in connection with sustainable investments. Only 16% of respondents are familiar with the SDG reference framework. Investors are more likely to be aware of both SDGs and ESG than non-investors. People who invest sustainably are even more familiar with the terms. 42% of sustainable investors are familiar with the ESG concept. 27% are aware of the SDG reference framework.

3.4 Sustainability should have a measurable impact from the client's point of view

As shown above, the majority of respondents say they do not understand how Swiss banks define "sustainable investing". Little is known about the ESG concept and SDG reference framework in connection with sustainable investing. Against this backdrop, the study investigated what understanding Swiss people have of sustainability in an economic context. Respondents were asked to state the conditions under which they classify a company as acting sustainably. The three options provided were based on the distinction in the SBA guidelines between ESG investment solutions and sustainable investment solutions with specific sustainability goals.

Figure 9 shows the response options and the agreement with them among the general public. Multiple answers were possible, which is why the percentages shown do not add up to 100%.

Four out of five respondents associate sustainable corporate action with a company having a measurable positive environmental or social impact. This corresponds to the furthest-reaching interpretation of sustainability within the given response options. Around a third consider a company to be sustainable if it takes into account environmental and social factors that could have a negative impact on its financial performance, while a fifth of those surveyed see sustainability purely from an economic perspective. According to this view, a company acts sustainably if it pursues financial objectives that ensure its long-term survival.

More women associate sustainable corporate action with a measurable positive impact than men (82% vs. 76%). Men, on the other hand, more often understand this as taking into account environmental and social factors that can pose financial risks to the company.

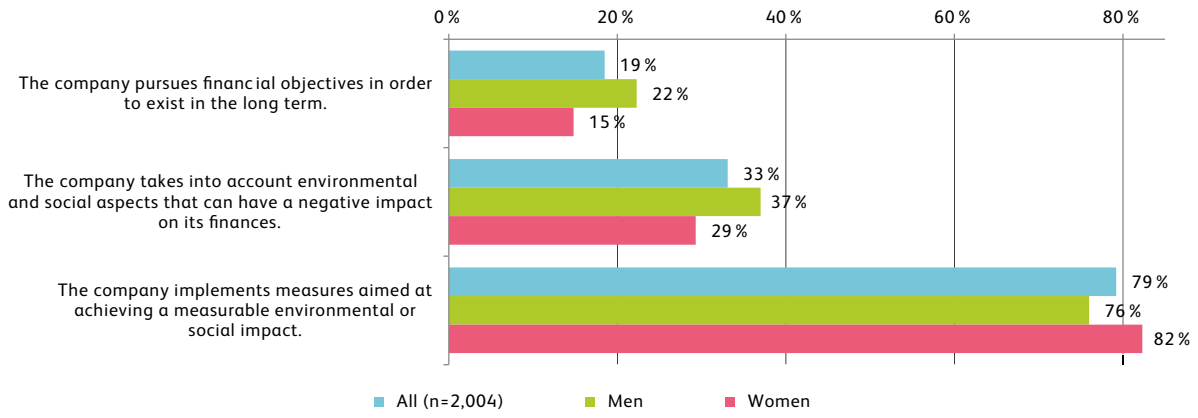


Figure 9: Understanding of sustainability

The great importance of a perceptible sustainability impact builds on the results of a study from 2024.[16] Multivariate regression analyses were used to investigate which factors are related to whether a person invests sustainably. In addition to knowledge about sustainable investing, investors' values and the belief that they can make a difference through their own investment behaviour were positively associated with sustainable investing to a significant extent.

From the authors' point of view, the results suggest that people are more likely to invest sustainably if they believe that their investment decisions can make a real difference. It is therefore important for financial service providers to present the intended impact of sustainable investments in a way that is easy to understand and using suitable indicators. A credible and, wherever possible, measurable presentation of the impact can help build confidence in sustainable investing and attract more investors to do so.

3.5 Considerable increase in the proportion of people investing sustainably

Figure 10 shows the proportion of investors in 2024 and 2026 who believe they are investing sustainably, at least in part. In 2026, it is 65%. 60% partly invest sustainably and 5% do so exclusively. In 2024, the corresponding share was only 37%. Of this, 33% partly invested sustainably and 4% did so exclusively. This means that the share in 2026 is 28 percentage points higher than in 2024. However, the proportion of exclusively sustainable investors remained largely stable at 4% and 5% respectively. Accordingly, almost all of the increase is attributable to people who state that they partly invest sustainably.

For various reasons, however, the sharp increase in the proportion of people investing sustainably should be interpreted with caution. On the one hand, the questions in the 2024 and 2026 surveys were different. In 2026, we asked about the specific proportion of sustainable investments (see Figure 11). These values have been summarised and aggregated into the "partly" and "exclusively" categories for the comparison with 2024. In 2024, however, the question was simply "Do you knowingly hold sustainable investments?", with the response options "yes, partly," "yes, exclusively" and "no". On the other hand, the information provided by the respondents is based on self-disclosures and therefore does not necessarily match the actual proportion of sustainable investors. Furthermore, many people do not know exactly whether their investments are sustainable. Differing ideas about what constitutes a sustainable investment may also have an additional impact on these results.

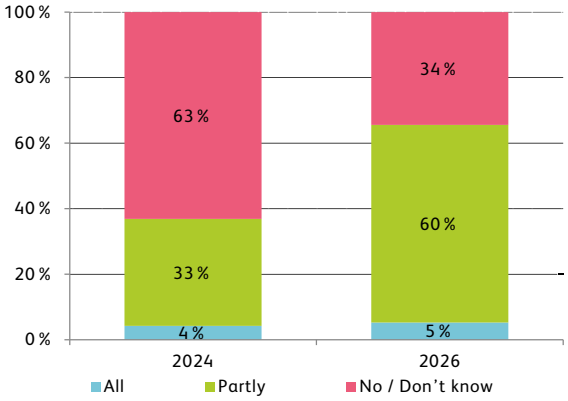


Figure 10: Proportion of people who say they invest sustainably[17]

In addition, the results are based on self-reporting by the respondents and can therefore be influenced by socially desirable responses. Respondents could consciously or unconsciously declare that they are investing sustainably because this is viewed positively by society.

Despite these limitations, the development of the product offering suggests that sustainable investing has become more important in Switzerland in recent years. For example, some retail banks now exclusively offer sustainably positioned products for their own mutual funds. As of 30 June 2025, this applied to

[16] Dietrich, A., Amrein, S. & Rey, R. (2024). p. 60 ff.

[17] Data from 2024: Dietrich, Amrein and Rey (2024)

Raiffeisen, the cantonal banks in Aargau, Thurgau, Zug, Glarus and Neuchâtel and Alternative Bank Schweiz.[18] Clients can therefore be invested in sustainable products without being aware of this or referring to themselves as sustainable investors. Apart from a possible overestimation due to self-disclosures, an underestimation is also conceivable.

The effect of this shift to sustainable funds is clearly reflected in the inflows of new money. At retail banks between mid-2024 and mid-2025, 69% of new money went to in-house funds that are positioned as sustainable.[19] It is not possible to directly deduce how many people are investing sustainably from these inflows. However, the figures show that sustainable products play an important role for the 27 banks examined.

Figure 11 shows the shares of sustainable investments in relation to the overall portfolio in 2026 by selected characteristics. Sustainable investments are often held in the ranges of less than 25% or 25% to 50%. In total, 46% of all investors hold sustainable securities in these two ranges. However, very high proportions of sustainable investments are rare. 19% of investors say they hold sustainable investments in the range of 50% or more.

People who have a university degree are more likely to hold higher proportions of sustainable investments than those who do not. In the highest income category, however, the proportion of those who say they do not hold sustainable investments is particularly high. Differences are also evident in the language regions. Low portfolio shares of sustainable investments are much more common in Italian-speaking Switzerland than in German-speaking Switzerland.

The proportions of sustainable investments in the portfolio are similar for women and men. However, men are slightly more likely to say that they do not hold any sustainable investments at all (8% vs. 3% among women). The major difference is that, when asked about the specific shares of sustainable investments in their portfolio, women answer "don't know" more than men. 36% of female investors said they did not know what the share of sustainable investments amounted to. In the case of men, it was only 24%. This illustrates a limitation of self-disclosure. Some of those surveyed do not know whether their own investments are considered sustainable and, if they are, to what extent.

In addition, a regression analysis was used to investigate which characteristics are significantly related statistically to the proportion of sustainable investments in the portfolio. The regression analysis shows a statistically significant correlation with the banking relationship, in that the number of Raiffeisen clients who say that they have a high share of sustainable investments in their portfolios is higher. This could be related to the product offering, as Raiffeisen solely holds sustainably positioned products in the case of its own mutual funds. Other factors also prove to be statistically significant: greater financial knowledge is associated with a lower probability of holding high shares of sustainable investments. As expected, there is a positive correlation for the ESG preference: the stronger the preference for sustainability, the higher the share of sustainable investments in the portfolio.

It is obvious that ESG preference is linked to the probability of investing sustainably. Since 2024, banks have had to systematically survey ESG preferences for new clients and since 2025 for existing clients within the framework of investment advice and asset management. Anyone who makes use of such services comes into contact with the issue of sustainability during an advisory meeting or when issuing an asset management mandate. It is known from previous surveys that around 55% of investors in Switzerland mainly manage their investments themselves. They make their investment decisions without advice from the bank and do not have an asset management mandate. 26% of all investors seek advice on investment decisions and 20% delegate investment decisions to financial service providers via asset management mandates.[20] For this 45% or so of investors, the survey of ESG preferences is fundamentally relevant.

[18] Stüttgen & Mattmann (2025), p. 27

[19] Stüttgen & Mattmann (2025)

[20] Amrein, Rey, Dietrich & Steinberger (2025).

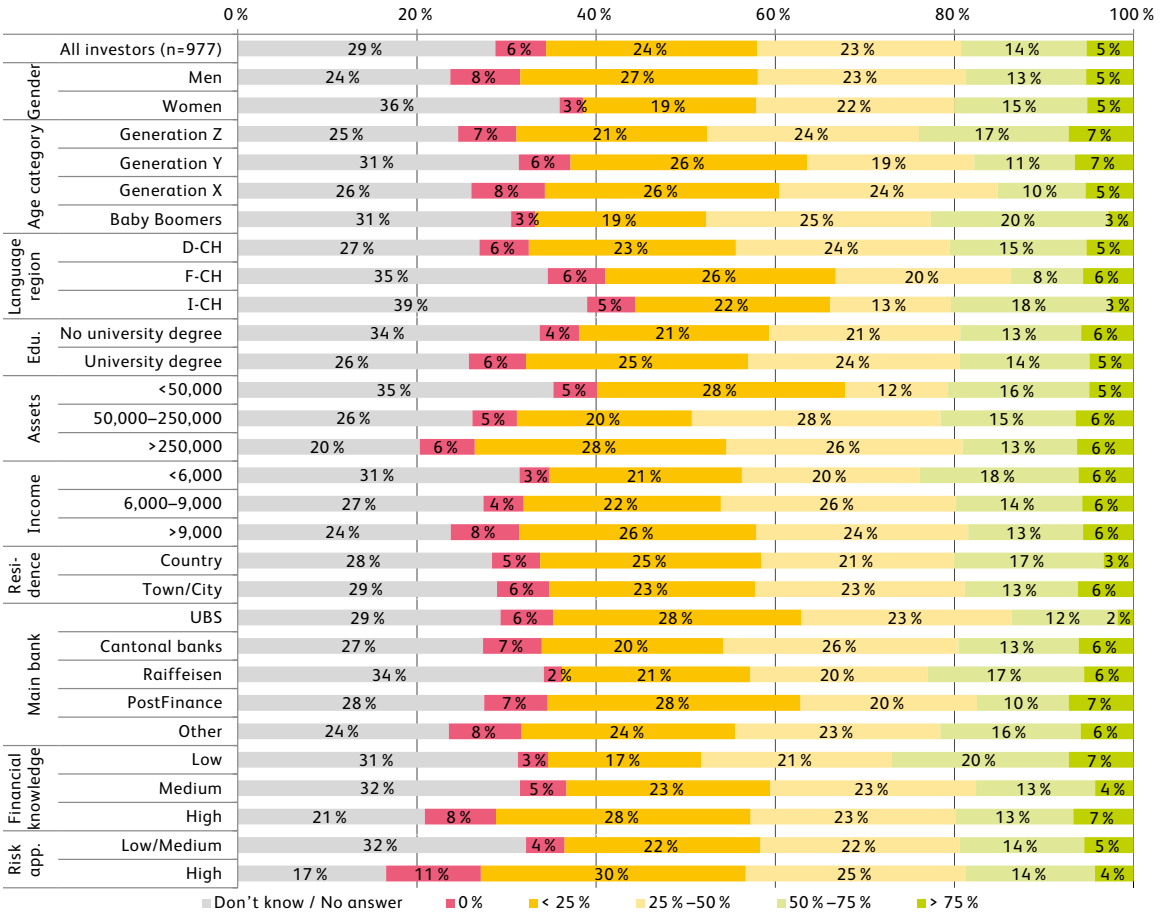


Figure 11: Share of sustainable investments in the securities portfolio

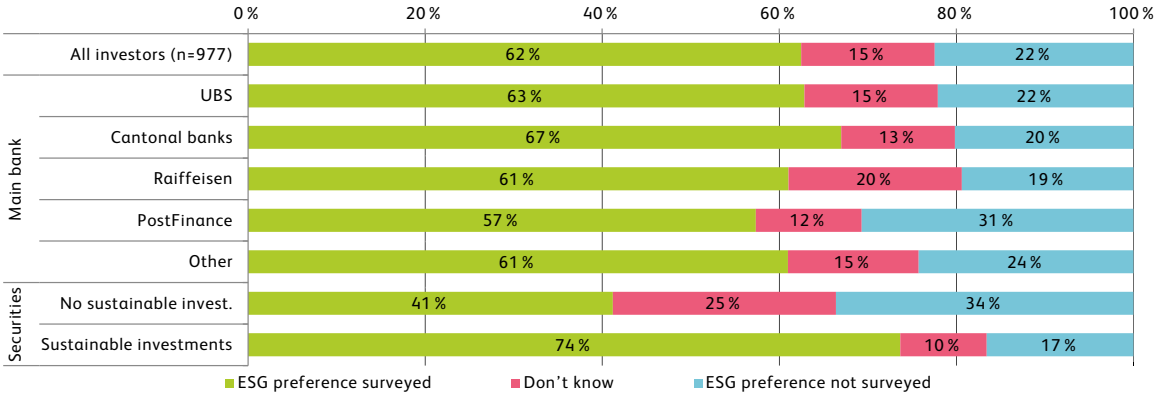


Figure 12: Surveying investors' ESG preferences

In this study, 62% of investors say that their bank has already surveyed their ESG preferences (see Figure 12). 22% say that their ESG preferences have not yet been surveyed. 15% of the investors questioned do not know. The proportion of 62% appears high compared to previous statements on the use of investment advice and asset management. However, a direct comparison is not possible as this survey did not cover the investment model or the existence of an advisory or asset management mandate. In addition, the information is based on the recollection of the respondents.

3.6 Gap closing between ESG preferences and ESG investments in securities portfolios

As explained, 42% of investors expressed an ESG preference, i.e. an interest in sustainable investments. The question arises as to whether these investors with ESG preferences do actually invest sustainably. In investment advice and asset management, the ESG characteristics of the recommended investment solution should in principle match the preferences expressed, provided that this does not violate the overarching investment objectives. In the event of discrepancies, the client must be informed prior to the transaction and the information documented. However, the information from our survey does not allow us to check whether this comparison was carried out in individual cases and, if so, how.

The gap between the ESG preferences expressed and the corresponding investments has in fact narrowed. In the survey carried out in summer 2024, 49% of investors with ESG preferences said that they do not hold any sustainable investments. By summer 2026, this figure had fallen to 23%. Conversely, the proportion of sustainable investors among people with ESG preferences increased from 51% to 77%.

One possible explanation is that banks are now surveying ESG preferences more systematically and taking them into account when selecting investment solutions (matching preferences and investment products). However, the extent to which this contributed to the increase observed cannot be precisely determined. However, among those who both express ESG preferences and hold sustainable investments, 78% say that their ESG preferences have been surveyed. This is significantly higher than the average of 62% of all investors whose ESG preferences were surveyed (see Figure 12).

Interestingly, there are also many people without ESG preferences who still hold sustainable products. In 2024, one in four people without an ESG preference held sustainable investments. This figure rose to 58% in 2026. One possible explanation lies in the change in the product range of individual banks, some of which now only sell sustainable funds in the case of their own mutual funds. This means that even people without ESG preferences can hold such funds in their portfolios.

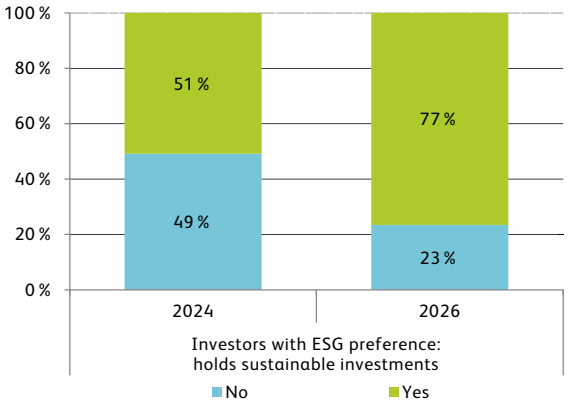


Figure 13: ESG preferences and sustainable investing, 2024 vs. 2026

4 What matters most: returns, costs or the sustainability of investments?

As shown above, sustainable investments are generally viewed positively by many investors. However, it is not clear how important sustainability is to them compared to other product characteristics such as cost, return and the provider of an investment product. Sections 4.1 to 4.3 address the question of how much clients are willing to pay for sustainability. In a second step, Section 4.4 focuses on investors' expectations regarding the costs and returns of sustainable products. Do they already assume in principle that sustainable investments cost more and produce poorer returns?

A choice-based conjoint analysis was used to investigate the preferences for sustainable investment products. In this method, products or services are broken down into several characteristics (so-called attributes, e.g. returns or costs) and their possible options (e.g. low or high return). These options are used to create various hypothetical products, which are presented to the respondents in several selection situations. Respondents therefore do not assess the individual characteristics in isolation, but instead choose one of the overall packages offered or refuse all the offers presented.

The method reflects decision-making situations relatively realistically, as different characteristics also have to be weighed up against each other when making actual investment decisions. For example, an investment product can offer a higher expected return, but at the same time be associated with higher costs, come from a very well-known bank and take sustainability criteria into account. As a result, respondents are forced to set priorities and take conflicting objectives into account. Unlike direct questions where, for example, returns or costs are assessed individually on a scale, the conjoint analysis can therefore also be used to determine the relative importance of different product characteristics.

This advantage is particularly relevant when studying sustainable investing. In a direct survey, participants might overestimate the importance of sustainability because sustainable behaviour is perceived positively by society (see information in Section 3.5 on social desirability when answering). By weighing up various characteristics in the conjoint analysis, you can see whether the respondents choose a sustainable offering even if it is associated with less attractive options for other characteristics.

As part of the study, respondents were given 12 selection tasks. In each one, they hypothetically won CHF 20'000 in a lottery. They could then decide whether to invest this money in one of several hypothetical investment offerings or not to make an investment at all.

Based on the decisions made, what are known as partial utility values are estimated for the individual characteristic options. These show the extent to which a particular option influences the attractiveness of an investment offering or increases/reduces its selection probability. In addition, the relative importance of the individual attributes in the decision-making process can be determined. On this basis, decisions between differently structured investment offerings can be simulated. This is done from the perspective of a product

	Option 1	Option 2	Option 3	Option 4	Option 5
Expected return (per year)	3.0%	5.0%	7.0%		
Total costs (TER per year)	0.3%	0.8%	1.3%		
Sustainability	No sustainability criteria taken into account	Sustainability-related financial risks taken into account	Measurable impact on the environment and/or society		
Provider	PostFinance	Cantonal bank	Raiffeisen	UBS	Swissquote

Figure 14: Conjoint matrix: attributes and options

provider, in this case banks. The results of the conjoint analysis presented provide indications of how the average probability of selecting an investment offering changes if individual product characteristics are changed (i.e. if costs are increased, for example).

The following four attributes were taken into account for the analysis: expected return, total costs, sustainability and provider (see Table 1). The figures assumed for the expected annual return were 3.0%, 5.0% and 7.0%. The annual total costs, expressed as the total expense ratio (TER), were 0.3%, 0.8% and 1.3%. This meant that a low, medium and high option were taken into account for these two attributes.

The attribute sustainability also covered three options. The respondents received the following information on the three options for the sustainable investment products offered:

1. **No sustainability criteria taken into account:** Investments do not take any sustainability criteria into account.

2. **Sustainability-related financial risks taken into account:** Investments take into account financial risks arising from ESG factors (e.g. potential financial losses due to extreme weather events or strikes resulting from poor working conditions).

3. **Aim for measurable impact on the environment/ society:** Investments aim to have a measurable impact on the environment and/or society (e.g. reducing CO_2 and water consumption, creating affordable housing, increasing access to education or healthcare).

The provider of the investment product was taken into account as the fourth attribute. PostFinance, a cantonal bank, Raiffeisen, UBS and Swissquote were available to choose from. These options therefore reflect the five banks (or groups of banks) most frequently used by investors. Altogether, 73% of all respondents use these five providers as their main investment bank (see Section 2.4).

The combination of the three return options, three cost levels, three sustainability orientations and five providers resulted in a total of 135 possible product profiles that were presented to the respondents.

The relative importance of the product characteristics that is shown is calculated on the basis of average partial utility values, which are estimated values that express which options respondents prefer more or less within a characteristic. First, these values are averaged for each option across all respondents. The difference between the highest and lowest average values is then determined for each characteristic. This difference is referred to as the span. Its share in the total of the spans of all characteristics gives the relative importance of the respective characteristic. The importance values of all the characteristics together add up to 100%. They relate to the options examined and depend on how much they differ from one another.

In this calculation, differences between people can be masked. This can be illustrated by the provider, in that some respondents prefer products from Raiffeisen, others products from UBS or one of the other providers, for example. For each of these people, the provider can be important when choosing a product. When averaging, however, such opposing preferences can partly cancel each other out. As a result, the average utility values of the providers can be closer together, even though each individual is able to clearly differentiate between them.

The comparatively low relative importance of the provider in the overall evaluation therefore does not necessarily mean that it is of little importance for the individual product selection. Different provider preferences can contribute to this result. However, the extent of this effect cannot be determined from the aggregated importance alone. Since the importance values add up to 100%, a narrower span for the provider also influences the relative weights of the other characteristics.

An alternative method of calculation is to first determine the relative importance for each person individually and then average the individual importance values. It describes how important a characteristic is on average for the individual product selection, regardless of which option the person prefers. The calculation used below, however, describes the relative spans in the average preference profile. The two indicators therefore answer different questions.

The advantage of the presentation used here is that the importance values shown are directly related to the average partial utility values shown. They show the product characteristics where there are particularly large differences between the average ratings of the options. The partial utility values also show which specific options are preferred more or less. Together, these results help product providers to assess which specific changes to an investment product could be better received by respondents on average, such as a reduction in annual costs.

In order to make differences between client groups visible, we also show the average partial utility values and the importance values calculated from them for different subgroups. These include demographic groups and groups based on main banking relationship (see Table 2). The aggregated relative importance of the provider is higher in some groups than in others. This can also be related to the fact that the members of a group are more in agreement on which providers they prefer. Even within the subgroups, opposing preferences can still partly cancel each other out. A box at the end of Section 4.1 additionally illustrates how the importance values calculated and subsequently averaged at an individual level differ from the importance values based on average partial utility values.

4.1 Returns are also key for sustainable products

Figure 15 shows the results of the conjoint analysis with the corresponding utility values of the options within the four attributes (return, costs, sustainability and provider). The partial utility values show how much of a contribution the individual characteristic options make to the attractiveness of an offering. The higher the partial utility value, the more an offering with this option is selected (provided the other characteristics remain the same). The overall benefit of an offering results from the sum of its partial utility values and amounts to a maximum of 100 points. The values have been standardised in such a way that the least preferred option of an attribute is given the value zero. A value of zero therefore does not mean that an option has no benefit or is rejected on principle, but merely that it has the least benefit within the respective attribute.

The analysis is based on the decisions of 1'839 respondents who took part in the conjoint survey. Among the options examined, expected return has the greatest impact on the selection of an investment product. The aggregate relative importance of returns is 41%. This is followed by total costs at 25% and sustainability at 23%. Sustainability is therefore almost as important for investment decisions as costs. At 12%, the provider has the lowest relative importance. However, as explained above, this result may also be related to the evaluation methodology used.

In the case of the expected return, the average benefit increases as the return increases. An expected annual return of 3% with a utility value of 0 is the benchmark. The utility value increases to 24 at 5% and 41 at 7%. As expected, the opposite is true for total costs. A low annual total expense ratio of 0.3% achieves the highest benefit at 25. The value is still 16 for costs of 0.8%, while the highest cost ratio of 1.3% is the least attractive with a utility value of 0.

Taking sustainability into account also significantly increases the average benefit of an investment product. If sustainability is not explicitly taken into account, the utility value is 0. Taking sustainability risks into account increases it to 17. If an additional aim is to have a measurable impact on the environment and/or society, the utility value increases to 23. On average, respondents therefore prefer impact-oriented investment products to the other two sustainability options. It is noteworthy that the greatest additional benefit comes from taking sustainability risks into account. The added benefit of a targeted measurable impact is significantly lower with an increase from 17 to 23. This suggests that consideration of sustainability-related financial risks is particularly important for the preference for sustainable investments. A measurable impact beyond this generates an additional, albeit smaller, benefit.

For the provider, it is primarily the differences between the product providers that are of interest. Raiffeisen has an average utility value of 12, closely followed by cantonal banks with 10. PostFinance, Swissquote and UBS achieve considerably lower utility values of 3.1 (PostFinance), 1.6 (Swissquote) and 0 (UBS). With otherwise identical product characteristics, offerings from Raiffeisen and cantonal banks are therefore more preferred on average than those of the other providers examined.

However, the comparatively low importance of the provider does not mean that the banking relationship or the brand is fundamentally unimportant to clients. Firstly, the aforementioned methodological limitations apply to this attribute, because opposing provider preferences can partly cancel each other out when averaging. Secondly, the conjoint analysis depicts a hypothetical product selection in which existing costs of switching and habits are not explicitly taken into account. Thirdly, the ties to an individual institution in the investment business are likely to be weaker in some cases than when choosing the main bank, as investors can spread their investments across several providers. And finally, the choice of provider of an investment product does not necessarily have to be understood as a change of banking relationship, even in the experiment. For example, investment products from a particular provider can also be purchased via another bank. Under these conditions, specific product characteristics such as return on investment, costs and sustainability seem to be more important for the choice than the provider itself.

Overall, the results show that financial criteria are key to product selection. Expected return has the greatest influence, but costs also play an important role. Sustainability also makes a substantial contribution to the attractiveness of an investment product and is almost as important as costs when it comes to product selection. The greatest benefit increase within the sustainability attribute arises when switching from no explicit consideration of sustainability to consideration of sustainability risks. In contrast, the additional benefits of a measurable positive impact on the environment or society are lower.

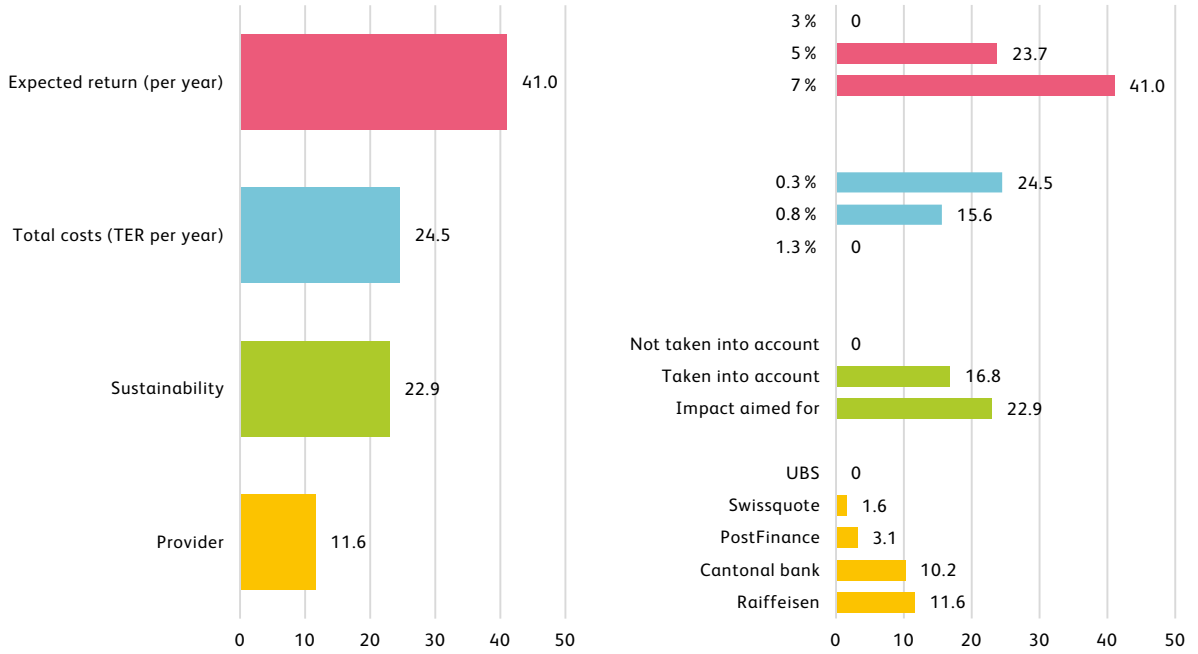


Figure 15: Aggregated relative importance of the attributes and standardised average partial utility values of the options (n=1'839)

Table 2 shows the aggregated relative importance of the attributes according to demographic and other characteristics. The answers given by the 1'839 people who took part in the conjoint survey form the basis of the evaluation. High values are in green, while low values are in red.

The first thing that is striking is that returns have the highest relative importance on average in all the groups studied.

When it comes to sustainability, women show a significantly higher aggregate relative importance than men. This is in line with the results on ESG preferences, which are higher for women than for men (see Section 3.2). Although return also matters the most to women, sustainability is already the attribute that comes next. Men, on the other hand, are much more return-oriented. Costs come in second place. For men, sustainability has a much lower aggregated relative importance than return and costs.

For wealthy individuals, the attributes return and costs are of greater relative importance than for those less wealthy. The same correlation is evident for income. High returns and low costs also receive a disproportionately high relative weighting for people with a high level of financial knowledge and a high risk appetite.

Different generations also have different preferences. With increasing age, the financial factors (return, costs) seem to become somewhat less important.

		Attribute			
		Return	Costs	Sustainability	Provider
	All (n=1'839)	40.9	24.5	22.9	11.6
Gender	Men	46.7	25.8	18.2	9.3
	Women	34.1	22.9	28.6	14.4
Age category	Generation Z	42.7	25.8	24.0	7.5
	Generation Y	44.3	26.8	19.6	9.3
	Generation X	40.7	22.2	23.8	13.3
	Baby Boomers	31.7	21.4	27.3	19.6
Language region	D-CH	41.1	24.9	22.6	11.4
	F-CH	40.1	23.1	24.0	12.8
	I-CH	42.0	23.0	22.9	12.0
Education	No university degree	37.7	23.3	23.9	15.1
	University degree	43.3	25.3	22.1	9.3
Assets	<50'000	39.7	23.8	24.0	12.5
	50'000–250'000	40.5	23.6	23.4	12.5
	>250'000	45.6	26.3	19.2	9.0
Income	<6'000	34.5	21.4	26.9	17.2
	6'000–9'000	39.2	24.0	24.0	12.7
	>9'000	46.3	26.3	19.5	8.0
Place of residence	Country	41.6	24.4	21.1	12.9
	Town / City	40.6	24.5	23.9	11.0
Main bank	UBS	44.3	26.8	20.8	8.1
	Cantonal banks	40.0	23.4	21.2	15.4
	Raiffeisen	35.9	20.9	22.9	20.3
	PostFinance	39.4	23.3	25.1	12.2
	Other	40.6	26.4	21.5	11.6
Financial knowledge	Low	30.6	20.5	28.3	20.6
	Medium	39.8	24.0	23.9	12.3
	High	48.8	27.5	17.8	5.9
Risk appetite	Low / Medium	38.5	23.6	25.0	13.0
	High	52.2	28.6	13.7	5.5
Securities	None	36.7	22.2	26.4	14.7
	No sustainable investments	48.3	27.6	16.3	7.9
	Sustainable investments	42.2	25.6	22.2	10.1

Table 2: Aggregated relative importance of attributes by demographic and other characteristics (n=1'839)

However, sustainability and providers receive a higher relative weighting. Returns also have the greatest relative importance for baby boomers (32%). However, sustainability is only slightly less important (27 points). Costs and providers are almost equally important at 21% and 20% respectively.

Significant differences can be seen in the analysis by main banking relationship. Clients of Raiffeisen attach the same importance to the provider as costs and sustainability. The relative importance of these three attributes is between 20% and 23%. However, for UBS clients, the aggregate importance of the provider is lower.

The evaluation of the subgroups shows that the relative weighting of return, costs, sustainability and provider varies depending on the group of people. Although returns have the greatest relative importance on average in all the groups studied, sustainability has a relatively high importance for older people and women in particular. The relevance of the provider also plays a comparatively important role in product selection, particularly for Raiffeisen clients.

Insight into preferences from the perspective of individual clients

The analyses in Section 4.1 give product providers an indication of which changes to an investment product could increase its average attractiveness. In this box, we look at the individual preferences of individual clients. To do this, we first calculate the relative importance of the product characteristics for each person and then average these importance values. This shows, for example, how important the provider is on average to respondents when choosing a product, regardless of whether they prefer Raiffeisen, UBS or another provider. We thereby address the problem that the relevance of the provider in the analysis above appears comparatively unimportant for methodological reasons.

In addition, we perform a separate regression analysis for each of the four product characteristics return, costs, sustainability and provider (see Table 3). In doing so, we investigate whether their individual importance is related to personal characteristics such as gender, age or wealth and, if so, how.

With an average relative importance of 29.6%, the provider has the highest weighting of the four product characteristics examined. There are particularly significant differences between generations, financial knowledge and main banking relationship. Taking the other factors examined into account, the importance of providers is 13.3 percentage points higher for Gen X and 19.4 percentage points higher for Baby Boomers than for Gen Z. In contrast, people who answer all four financial knowledge questions correctly weight the provider 16.9 percentage points lower than people with fewer than two correct answers. The main banking relationship also plays a role, in that the importance of providers for cantonal bank and Raiffeisen clients is 4.1 and 7.6 percentage points higher than for UBS clients. In summary, it is safe to say that the provider is more important for older people and clients of Raiffeisen and cantonal banks. In contrast, the provider is less important for people with a high level of financial knowledge, a high level of financial interest and a high income.

Returns and costs are given greater weight by people with a higher level of financial knowledge in particular. Among respondents with a high level of financial knowledge, the relative importance of returns is 12.3 percentage points higher and that of costs 6.3 percentage points higher than among those with a lower level of financial knowledge. A high risk appetite is also associated with a stronger weighting of these two characteristics. In contrast, returns and costs have a lower relative weighting for Gen X and Baby Boomers than for Gen Z. Together with the results on the provider, this points to different areas of focus in product selection: financially literate people pay more attention to the financial characteristics of the product, while older generations attach more weight to the provider.

When it comes to sustainability, other correlations emerge. Women give this characteristic 4.5 percentage points more weight than men. People with a tertiary qualification and those living in a city also attach more importance to sustainability than their respective comparison groups. However, a high risk appetite correlates with a 4.9 percentage point reduction in the relative importance of sustainability. People who solely hold conventional securities give sustainability 4.7 percentage points less weight than those without securities. However, there was no statistically significant difference for those surveyed who invested sustainably compared to those without securities.

		Attribute			
		Return	Costs	Sustainability	Provider
	Avg. relative importance	**27.6**	**16.9**	**25.8**	**29.6**
	Regression R-square	**24%**	**16%**	**10%**	**26%**
Gender	Women (vs. men)	-3.27 ***	0.35	4.45 ***	-1.53
Age (vs. Generation Z)	Generation Y	-2.01	-0.73	-3.43 ***	6.18 ***
	Generation X	-6.93 ***	-5.89 ***	-0.52	13.34 ***
	Baby Boomers	-13.80 ***	-7.30 ***	1.70	19.41 ***
Language region (vs. D-CH)	F-CH	-1.55	-1.41 **	1.54 *	1.42
	I-CH	3.08 **	-0.57	-0.35	-2.15
Education (vs. none)	University degree	1.36	0.18	2.33 ***	-3.87 ***
Assets (vs. <50')	50'000–250'000	-2.23 *	-1.57 *	1.18	2.62 **
	>250'000	-1.55	-0.71	0.72	1.54
Income (vs <6')	6'000–9'000	1.81	1.49 *	0.16	-3.45 **
	>9'000	5.11 ***	2.28 ***	-1.48	-5.92 ***
Place of residence (vs. country)	Town / City	-1.83 **	-1.16 *	2.75 ***	0.24
Financial knowledge (vs. low)	Medium	6.36 ***	3.84 ***	0.93	-11.13 ***
	High	12.28 ***	6.33 ***	-1.69	-16.92 ***
Risk appetite (vs. low)	Medium	1.33	0.79	-0.31	-1.81
	High	6.52 ***	3.54 ***	-4.93 ***	-5.13 **
Main bank (vs. UBS)	Cant. bank	-2.42 *	-1.97 **	0.29	4.11 ***
	Raiffeisen	-5.07 ***	-3.65 ***	1.12	7.60 ***
	PostFinance	-1.54	-0.73	2.05	0.22
	Other	-3.47 **	-0.11	2.30	1.28
Financial interest (vs. low)	Medium	3.13 ***	2.08 ***	-1.85 *	-3.36 ***
	High	6.51 ***	3.96 ***	-6.11 ***	-4.36 ***
Securities (vs. none)	No sustainable investments	3.53 ***	2.35 ***	-4.67 ***	-1.21
	Sustainable investments	-0.69	0.79	0.49	-0.59

Table 3: Regression for return, costs, sustainability and provider based on individual preferences

4.2 Investors will accept higher costs for sustainable investments than for conventional ones

The previous analysis has shown that, on average, expected return has the greatest relative influence on the choice of an investment product among the options examined. At the same time, however, preferences for investment products are very individual. Costs and sustainability are also relevant to the decision. For certain groups of people, the provider also plays an important role. But how sensitive are investors to changes in costs? Do they continue to opt for a sustainable investment if it is more expensive than a conventional product? And from what cost premium is the conventional investment product preferred?

Figure 16 shows how the choice of sustainable investment products changes as costs rise. A distinction is made between two sustainability options: consideration of sustainability-related financial risks as well as the additional pursuit of a measurable positive impact on the environment and/or society. A conventional investment product with an annual cost (TER) of 0.3% serves as the reference product in terms of costs.

The analysis shows the cost premium up to which investors prefer a sustainable investment product over a conventional reference product. The total expense ratio of the conventional product remains constant at 0.30%, while the costs of the sustainable product are gradually increased. The other product characteristics remain unchanged.

The product that takes sustainability-related financial risks into account was chosen by around 66% of respondents without any cost premium. This proportion is also referred to as the "take rate". For a sustainable investment product with an additional measurable positive impact on the environment and/or society, the take rate is slightly higher at 69%.

As expected, as the cost premium increases, the take rate of the sustainable product falls (falling curve), while that of the conventional product increases (increasing curve). The sum of the two curves is not 100%, as the respondents were also able to choose neither of the two products.

A sustainable investment product that takes sustainability-related financial risks into account is selected more often than the conventional reference product, up to a cost premium of around 0.73 percentage points. If a conventional product has a TER of 0.3%, a sustainable product can therefore cost up to 1.03% in order to be chosen equally frequently by clients.

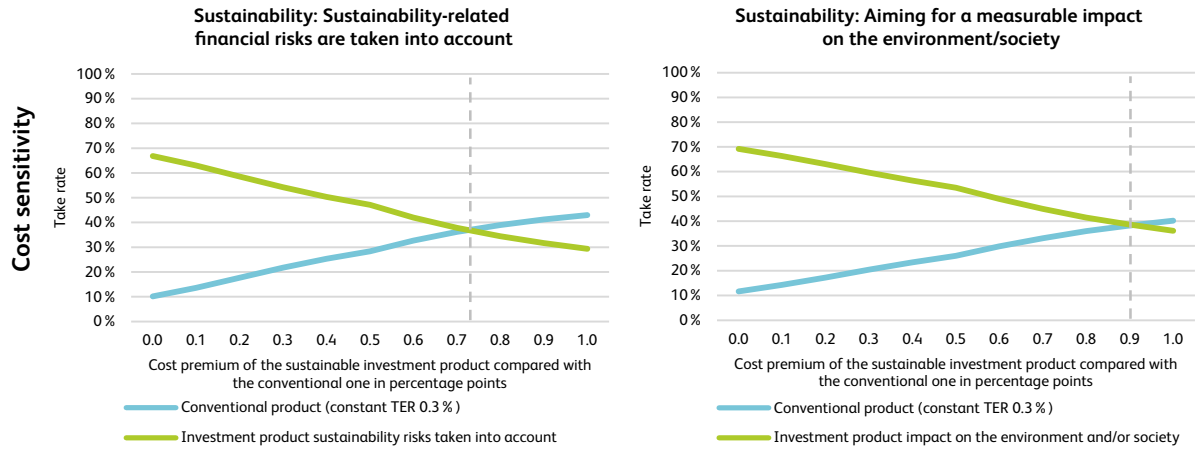


Figure 16: Sensitivity analyses for cost changes in sustainable investments

An even higher implicit willingness to pay is evident if the sustainable product additionally aims for a measurable impact on the environment and/or society. The product is chosen more often than the conventional offering up to a premium of just under 0.91 percentage points. This corresponds to a TER of around 1.21%. A measurable impact thus increases the accepted cost premium by a further 0.18 percentage points or so compared to simply taking sustainability risks into account.

The results therefore show that investors are prepared to accept higher costs for sustainable investment products within the framework of the simulated product choice. The willingness to pay is higher if the product aims to have a measurable impact on the environment or society in addition to taking sustainability risks into account. At the same time, demand for sustainable investment products declines as costs rise.

The previous analysis has shown that the cost and sustainability of an investment product influence product selection to a similar extent. Despite the high importance of financial criteria, investors are prepared to accept higher costs for sustainable investment products. The next step is to examine whether they will also accept a lower expected return for them.

4.3 Investors will accept lower returns on sustainable investments than on conventional ones

Figure 17 shows how much lower the expected return on a sustainable investment product can be than on a conventional product before the conventional offering is chosen more often. Negative values indicate a return disadvantage of the sustainable product in percentage points.

An investment product that takes sustainability-related financial risks into account is linked to a remarkable willingness to forego returns. If the expected return on the sustainable product is one percentage point lower than on the conventional offering, the sustainable product is still chosen more often at around 39% than the conventional product with a take rate of 30%. With a return disadvantage of around 1.32 percentage points compared to a conventional product, the two products are chosen approximately as often as each other.

Even greater is the willingness to forego returns on a product with a measurable positive impact on the environment and/or society. If the return is one percentage point lower, the take rate is around 46%. Not until there is a return disadvantage of around 1.8

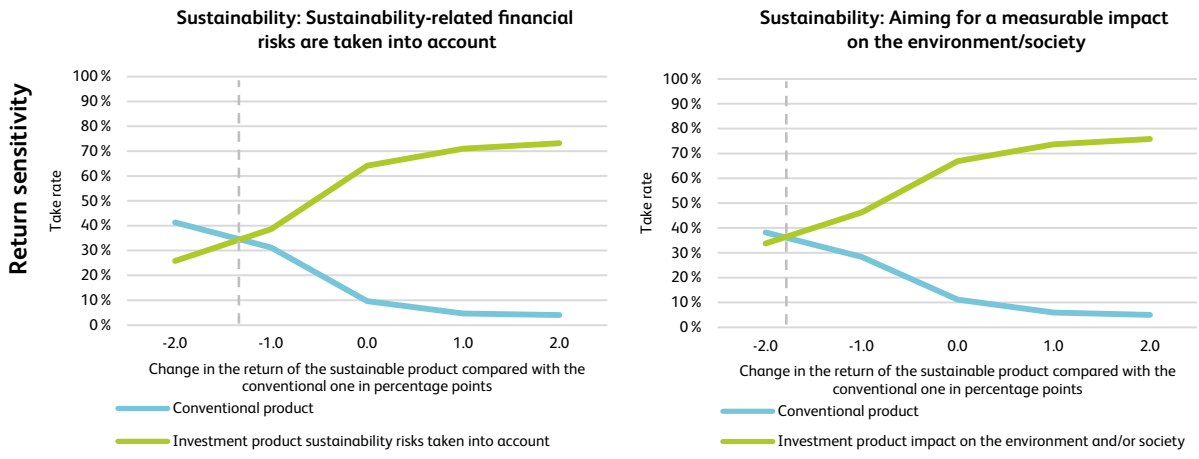


Figure 17: Sensitivity analyses for changes in returns on sustainable investments

percentage points are the two products selected approximately as often as each other. The pursuit of a measurable impact thus increases the return disadvantage that investors are willing to accept.

Interestingly, the additional effect of rising excess returns flattens out significantly. If the expected return on a product that takes sustainability risks into account is one percentage point higher than on a conventional product, 70% choose the sustainable option. If the excess return rises to two percentage points, the take rate increases only slightly to 72%. The proportion of people who continue to opt for the conventional product despite a higher return on the sustainable investment thus remains relatively stable. This may indicate that there is a group of people who reject sustainable investing regardless of the return profile or in principle prefer other characteristics that conventional products have.

Overall, the results show that the sustainability option makes a positive benefit contribution for a considerable proportion of those surveyed, which can partially compensate for higher costs or a lower expected return. Investors are prepared to accept both higher costs and a lower expected return if an investment product takes sustainability risks into account. This willingness is even higher if a measurable positive impact on the environment or society is also aimed for. However, it is not unlimited: if the cost or return disadvantages exceed certain thresholds, the conventional product is chosen more often.

4.4 Investors expect higher costs and lower returns when investing sustainably

From the authors' point of view, investors' willingness to accept higher costs or forgo returns for sustainable investments is comparatively high. However, it is in line with previous empirical studies.[21] These findings may be related to potentially widespread investor expectations about the costs and returns of sustainable investing. Do investors already assume in principle that sustainable investing costs more and offers lower returns?

Figure 18 shows whether respondents expect higher or lower costs for sustainable investments compared to conventional investments. 36% expect higher costs for sustainable investments. 35% expect roughly the same costs. 13% assume that sustainable investments are cheaper than conventional ones. Thus, there are far more respondents who expect higher costs than there are who expect lower costs.

There is a widespread expectation among investors who already invest sustainably that the costs will be equally high for both. 46% expect sustainable and conventional investments to cost roughly the same. The proportion of people with better financial knowledge who expect costs to be equally high for both is also greater.

The expectation that sustainable investments will cost more is not necessarily met by the actual fund fees. Checking sustainability criteria may require extra effort in terms of screening. However, this does not mean that sustainable funds charge higher fees. A study of ESG funds in the US shows that this correlation does not exist.[22] Interestingly, ESG funds in the US actually have lower costs than comparable conventional funds. There are currently no published studies on this topic for Switzerland.

[21] Baker, M. P., Egan, M., & Sarkar, S. K. (2024, November 21). Demand for ESG. https://doi.org/10.2139/ssrn.4284023. Barber, B. M., Morse, A., & Yasuda, A. (2021). Impact investing. Journal of Financial Economics, 139 (1), 162–185. https://doi.org/10.1016/j.jfineco.2020.07.008. Bauer, R., Ruof, T., & Smeets, P. (2021). Get Real! Individuals Prefer More Sustainable Investments (S. Van Nieuwerburgh, ed.). The Review of Financial Studies, 34 (8), 3976–4043. https://doi.org/10.1093/rfs/hhab037. Heeb, F., Kölbel, J. F., Paetzold, F., & Zeisberger, S. (2023). Do Investors Care about Impact? The Review of Financial Studies, 36 (5), 1737–1787. https://doi.org/10.1093/rfs/hhac066

[22] Black, A. J., & Kölbel, J. (2025). Pricing Differentiated Funds: The Puzzle of ESG Fund Fees. https://doi.org/10.2139/ssrn.5053459

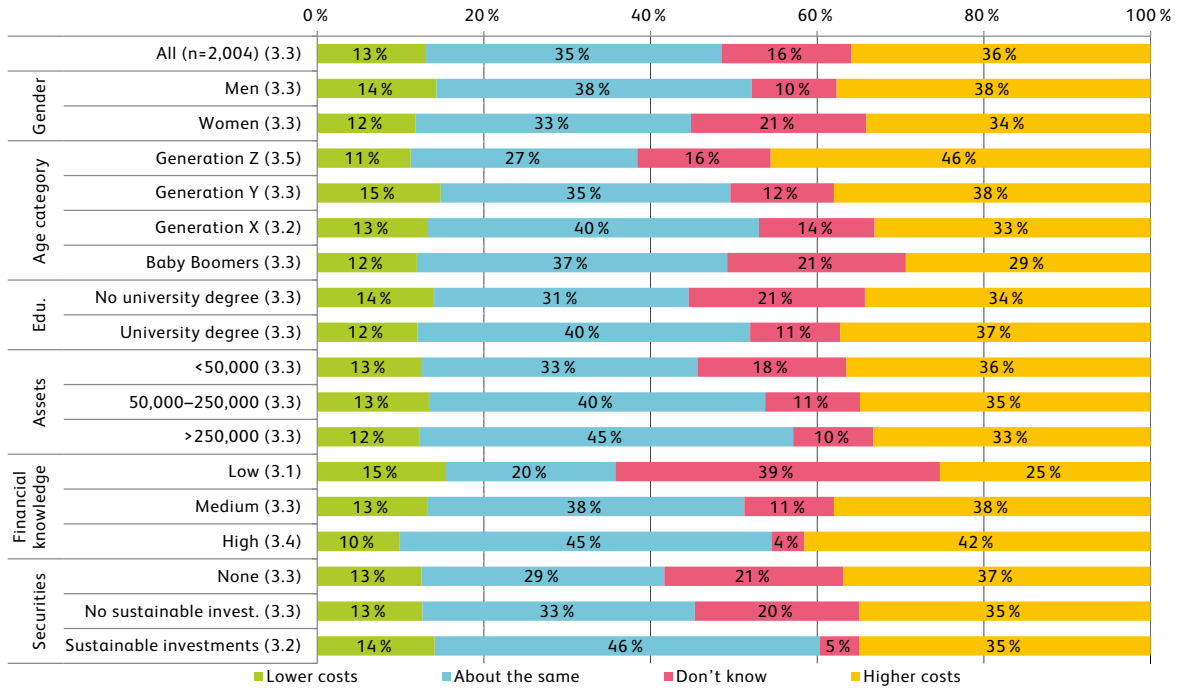


Figure 18: Expectations regarding the cost of sustainable investments

Investor expectations are also likely to play an important role when deciding whether or not to invest in a sustainable investment product when it comes to returns on sustainable investments. Figure 19 shows whether respondents expect lower or higher returns from sustainable investments than from conventional ones. 43% expect a lower return on sustainable investments. Only 17% of respondents expect sustainable investments to generate a better return. Women expect a return disadvantage less. However, wealthy people and people with greater financial knowledge expect return disadvantages more.

Based on the empirical literature, the widespread view that sustainable investments have poorer returns cannot be supported. The literature shows mixed results. On the one hand, sustainable companies may be less affected by environmental disasters, legal disputes or reputational damage. As a result, sustainable funds can be more resilient, for example in times of crisis. On the other hand, sustainability criteria can restrict the selection of investments and thus diversification.[23] A meta-analysis of 153 empirical studies found neither an excess return nor a lower return on sustainable investments compared with conventional ones.[24]

[23] Pástor, Ľ., Stambaugh, R. F., & Taylor, L. A. (2021). Sustainable investing in equilibrium. Journal of Financial Economics, 142(2), 550–571. https://doi.org/10.1016/j.jfineco.2020.12.011. Pástor, Ľ., Stambaugh, R. F., & Taylor, L. A. (2022). Dissecting green returns. Journal of Financial Economics, 146(2), 403–424. https://doi.org/10.1016/j.jfineco.2022.07.007. Henke, H.-M. (2016). The effect of social screening on bond mutual fund performance. Journal of Banking & Finance, 67, 69–84. https://doi.org/10.1016/j.jbankfin.2016.01.010. Nofsinger, J. R., & Varma, A. (2014). Socially responsible funds and market crises. Journal of Banking & Finance, 48, 180–193. https://doi.org/10.1016/j.jbankfin.2013.12.016

[24] Hornuf, L., & Yüksel, G. (2024). The performance of socially responsible investments: A meta-analysis. European Financial Management, 30, 1012–1061. https://doi.org/10.1111/eufm.12439

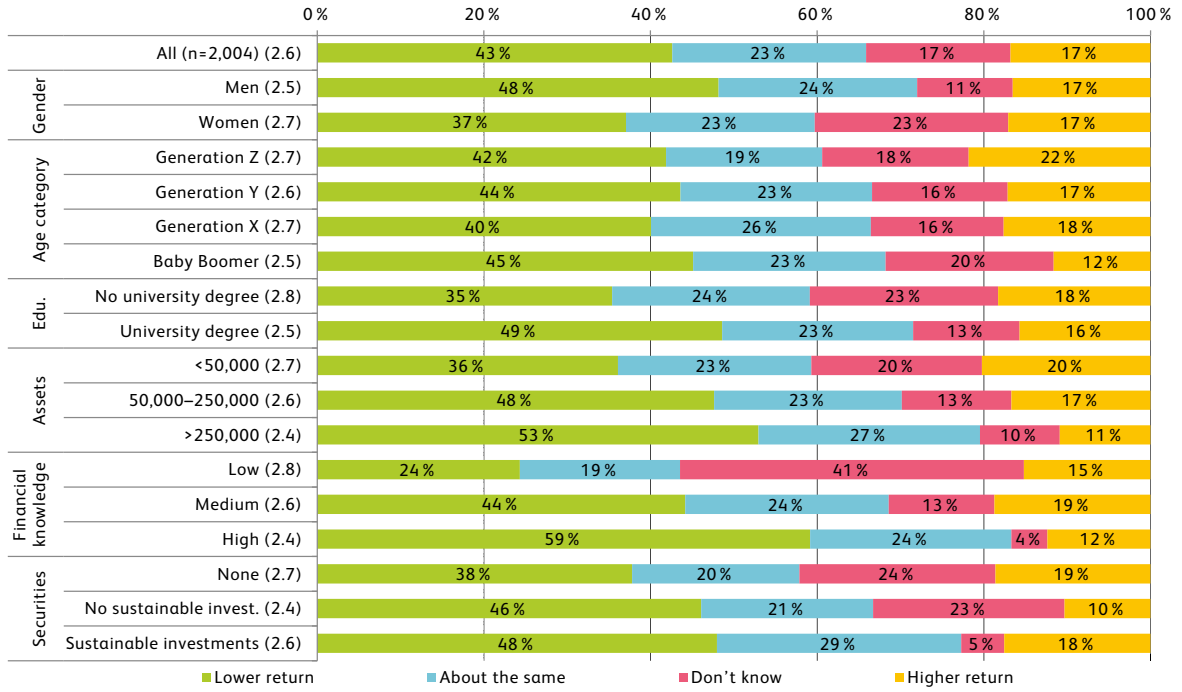


Figure 19: Expectations regarding returns on sustainable investments

5 Conclusion

Based on the above results of the study, the following nine conclusions can be drawn:

The investment market is growing in depth, not in breadth
The share of investors in Switzerland has remained stable at around 50% for years. At the same time, 53% of existing investors bought more securities than they sold in the past two years. Only 6% have reduced their holdings. Growth in the investment market in recent years has therefore primarily been driven by the expansion of existing securities portfolios and not so much by people who have invested in securities for the first time.

This is strategically relevant for banks: in the short term, the greater potential is likely to lie more in deepening existing investment relationships than in attracting entirely new investors. Furthermore, banks with a strong presence in day-to-day banking (basic business with accounts and cards) can use existing client relationships to gain securities that have previously been invested with other banks.

The gender gap remains – women invest less than men
Despite various efforts by banks and other financial service providers to get more women to invest, the gender gap has remained virtually unchanged for years. While 60% of men own securities, the proportion is lower for women at 42%, i.e. 18 percentage points lower. The efforts of financial service providers to date have therefore not been enough in their entirety to close this gap.

Attracting more women to invest requires more than just individual marketing campaigns. Long-term and consistent efforts are needed, for example in financial education, advice, product design and client outreach. Building a broader investor base is likely to take time. However, in view of the considerable market potential, it is worthwhile for banks to invest more in this area over the long term.

Growth potential is limited but substantial
Only 14% of people who do not currently invest plan to start doing so in the next two years. At first glance, this proportion seems rather small, but extrapolated it corresponds to around 500'000 people. However, this potential is not evenly distributed among the different client groups. The probability of entering the investment business is particularly high among younger generations with a financial interest, some risk appetite and a higher income. The foreseeable growth is therefore likely to come primarily from people who are already have a connection to investment topics in some way.

The challenge for banks now lies in tapping into this potential and at the same time reaching new client groups. The majority of non-investors have little interest in investing and are very scared of making losses. Easy-to-understand information, development of financial knowledge and simple entry-level offerings could help to remove existing obstacles for these segments as well.

Sustainable investing is spreading faster than the understanding of it
Sustainable investments are now widespread in the Swiss investment business. 41% of investors express an interest in sustainable investments. 65% of investors surveyed say they hold at least some sustainable investments. This value is very high, but should be interpreted with caution. It is based on self-disclosures from respondents and has not been verified on the basis of their custody accounts.

At the same time, it remains unclear to many clients what banks actually mean by sustainable investments. Only 18% of those surveyed say they have a good understanding of banks' definitions of sustainability. Among those who say they consciously invest sustainably, 31% say that they understand these definitions. The terms ESG and SDGs are also relatively unknown. Just under one in four people are familiar with the ESG concept in connection with sustainable investments. 16% of those surveyed are familiar with the SDG reference framework.

There is a therefore a striking discrepancy between the spread of sustainable investing and the understanding of the terms and definitions used. Many people say they are already investing sustainably, but are largely unable to classify the concepts and boundaries used. Banks should explain in a comprehensible way what sustainability goals a product pursues, how they are implemented and how the various approaches differ.

Self-regulation is likely to have helped increase the number of sustainable investors in Switzerland
One possible factor for the spread of sustainable investments in Switzerland is likely to be banks' self-regulation, which has required clients' ESG preferences to be surveyed in investment advice and asset management since 2024 or 2025. These ESG preferences must be implemented with corresponding investment products. In 2024, only half of people with an ESG preference held sustainable investments. Now, two years later, three-quarters of people with an ESG preference hold corresponding investments. The preference survey may have contributed to this development. However, it is not possible to determine how much of the increase it accounts for by comparing the two surveys.[25]

Clients want impact instead of technical terms
While the regulatory and internal bank definitions of sustainable investing are difficult for many to understand, client expectations are actually quite clear: four in five respondents associate the importance of sustainability in an economic context with a measurable positive impact on the environment or society. The mere consideration of sustainability risks is only partly in line with many clients' understanding of sustainability. Accordingly, it seems important that banks create a clearly understandable differentiation and thus provide investors with orientation.

However, this basic understanding must be distinguished from the specific product selection. The conjoint analysis shows the greatest increase in partial utility value between a conventional product and one that takes sustainability risks into account. The additional pursuit of a measurable positive impact further increases attractiveness, but the additional benefit increase is much smaller. The basic consideration of sustainability therefore differentiates product preferences more strongly than the additional impact orientation.

Returns remain key, needs are individual
Returns remain a key criterion in product selection. But sustainability is also important and has a similar relative importance to costs. For many respondents, even taking sustainability risks into account creates significant added value compared to a conventional product. A measurable positive impact on the environment or society further increases attractiveness.

The evaluation of individual preferences from the client's point of view shows how important the provider is. If the individual relative importance is averaged, it is evident that the provider receives a similar weighting to the return. Clients of Raiffeisen and cantonal banks in particular prefer products from their own bank.

Preferences also differ according to generation and financial knowledge. Gen X and Baby Boomers pay more attention to the provider than Gen Z. In contrast, financially literate, wealthier individuals and people with a high risk appetite place a greater weight on returns and costs and a lesser weight on the provider.

Women, people with a higher level of education and the urban population attach more importance to the topic of sustainability than the respective comparison groups.

Based on the above results, it makes sense for product providers to address their clients in a more differentiated way. Depending on the target group, the focus may be on financial benefits, sustainability orientation or the quality of the provider. It is therefore crucial to have a better understanding of these preferences and to emphasise the appropriate product characteristics more strongly in communication and advice.

[25] "Self-execution clients" are excluded from the ESG preference survey.

People do not mind paying to invest sustainably

One remarkable finding of the study is the comparatively high willingness of many people to accept financial disadvantages for sustainable investment products. In the decision-making situations studied, respondents accept higher costs or a lower expected return if a product takes sustainability risks into account. This willingness is even more pronounced if the investment additionally aims to have a measurable positive impact on the environment or society. Sustainability is therefore not seen solely as a desirable additional benefit, but also has tangible financial value for many people.

Many clients expect sustainable investments to cost more and result in lower returns

36% of those surveyed expect higher costs for sustainable investments, while 43% expect a lower return. Whether these expectations influence clients' willingness to pay cannot be directly deduced from the results available. However, part of the willingness to pay that was determined could be related to the fact that many people already expect financial disadvantages in principle in the form of higher costs and lower returns when making sustainable investments. In practice, sustainable investment products are not necessarily more expensive than conventional ones. Based on previous studies, it is also not clear whether sustainable investments systematically perform better or worse in terms of returns. The values determined in our study therefore primarily show which financial disadvantages people would in principle be prepared to accept for sustainability – not that they actually have to accept these disadvantages in practice.

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ISBN 978-3-907379-86-8

11-2026